

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported):  
January 20, 2004

PHASE III MEDICAL, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

0-10909

22-2343568

Commission File Number

IRS Employer  
Identification No.

330 SOUTH SERVICE ROAD, SUITE 120, Melville, New York 11747  
(Address of principal executive offices) (Zip Code)

631-574-4955

Registrant's Telephone Number

(Former name or former address, if changed since last report.)

ITEM 5. OTHER EVENTS AND REGULATION FD DISCLOSURE

Phase III Medical, Inc. (the "Company") issued the press release annexed hereto announcing the appointment of Dr. Joseph Zuckerman as a member of the Board of Directors.

To secure Dr. Zuckerman's service as a director, the Company, pursuant to its 2003 Equity Participation Plan, granted Dr. Zuckerman the right and option, exercisable for 10 years, to purchase up to 300,000 shares of the Company's common stock at an exercise price of \$0.15 per share. In addition, in the event that the closing price of the Company's common stock equals or exceeds \$1.00 per share for any five (5) consecutive trading days during his term as a director, the Company has agreed to grant to Dr. Zuckerman an option for the purchase of an additional 100,000 shares of the Company's common stock for an exercise price of \$1.00 per share. Dr. Zuckerman has agreed that he will not resell publicly any shares of the Company's common stock obtained upon exercise of either of these options prior to the first anniversary of the date of his election to the board.

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This Report contains forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements represent management's judgment regarding future events. Although management believes that the expectations reflected in such statements are reasonable, they give no assurance that such expectations will prove to be correct and you should be aware that actual results could differ materially from those contained in the forward-looking statements due to a number of factors. These factors include the risk that the Company will be

unable to raise capital, to enter successfully or exploit opportunities in the biotech or medical business, to have appropriate personnel, or the risks inherent in any new business venture or those detailed in the Company's other reports filed with the Securities and Exchange Commission. The Company undertakes no obligation to update or revise the information contained in this Report whether as a result of new information, future events or circumstances or otherwise.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

Exhibit 99.1      Press Release

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PHASE III MEDICAL, INC.

By: /s/ Mark Weinreb

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Mark Weinreb  
President

Dated: January 27, 2004

Phase III Medical Appoints Dr. Joseph Zuckerman, Chairman of NYU Department of Orthopaedic Surgery, to Its Board of Directors

MELVILLE, N.Y.--(BUSINESS WIRE)--Jan. 27, 2004--Phase III Medical, Inc. (OTCBB: PHSM) today announced that Joseph Zuckerman, M.D., has been appointed to the Company's Board of Directors. Since 1997, Dr. Zuckerman, age 52, has been Chairman of the NYU-Hospital for Joint Diseases Department of Orthopaedic Surgery and the Walter A. L. Thompson Professor of Orthopaedic Surgery at the New York University School of Medicine.

Dr. Zuckerman is responsible for one of the largest departments of orthopaedic surgery in the country, providing orthopaedic care at five different hospitals including Tisch Hospital, the Hospital for Joint Diseases, Bellevue Hospital Center, the Manhattan Veteran's Administration Medical Center and Jamaica Hospital. He is also the Director of the Orthopaedic Surgery Residency Program, which trains over sixty residents in a five year program.

Dr. Zuckerman holds leadership positions in national organizations and is President of the American Shoulder and Elbow Surgeons and Chair of the Council on Education for the American Academy of Orthopaedic Surgeons. He recently developed and successfully implemented a sponsorship program between the hospital and the New York Mets. His clinical practice is focused on shoulder surgery and hip and knee replacement and is the author or editor of ten textbooks, sixty chapters and over two hundred articles in the orthopaedic and scientific literature.

Phase III Medical is a company involved in the pharmaceutical, biotechnology and life science industry. The Company provides capital and guidance to companies, within the medical sector, to acquire revenues, royalties and other contractual rights known as "royalty interests," that entitle it to receive a portion of revenue from the sale of pharmaceuticals, medical devices and biotechnology products.

This Release contains forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, such as the Company's ability to enter the medical sector or acquire any companies or technologies. Forward-looking statements represent management's judgment regarding future events. Although management believes that the expectations reflected in such statements are reasonable, it gives no assurance that such expectations will prove to be correct and you should be aware that actual results could differ materially from those contained in the forward-looking statements due to a number of factors. These factors include the risks detailed in the Company's Annual Report on Form 10-K for the year ended December 31, 2002 and other reports filed with the Securities and Exchange Commission.

CONTACT: Phase III Medical, Inc.  
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