

DURECT CORP  
Form SC 13G  
February 16, 2010

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**SCHEDULE 13G**

**Under the Securities Exchange Act of 1934  
(Amendment No. \_\_)\***

DURECT CORPORATION  
(Name of Issuer)  
COMMON STOCK  
(Title of Class of Securities)  
266605104  
(CUSIP Number)  
DECEMBER 31, 2009  
(Date of Event Which Requires Filing of This Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

- Rule 13d-1(b)
- Rule 13d-1(c)
- Rule 13d-1(d)

\* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 ( Act ) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No. 266605104

NAME OF REPORTING PERSONS

1. Venrock Healthcare Capital Partners, L.P.

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

2. (a)  <sup>1</sup>  
(b)  <sup>o</sup>

SEC USE ONLY

3.

CITIZENSHIP OR PLACE OF ORGANIZATION

4. Delaware

SOLE VOTING POWER

5. NUMBER OF 3,757,159

SHARED VOTING POWER

6. SHARES BENEFICIALLY OWNED BY 0

SOLE DISPOSITIVE POWER

7. EACH REPORTING PERSON 3,757,159

SHARED DISPOSITIVE POWER

8. WITH: 0

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

9. 3,757,159

**10.** CHECK IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

o

**11.** PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

4.3%<sup>2</sup>

**12.** TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

PN

<sup>1</sup> Venrock Healthcare Capital Partners, L.P., Venrock Co-Investment Holdings, LLC, VHCP Management, LLC, Anders Hove and Bryan Roberts are members of a group for purposes of this Schedule 13G.

<sup>2</sup> This percentage is calculated based upon 86,748,668 shares of the Issuer's common stock outstanding as of October 30, 2009, as set forth in the Issuer's quarterly report on Form 10-Q filed with the Securities and Exchange Commission on November 2, 2009.

CUSIP No. 266605104

NAME OF REPORTING PERSONS

1. Venrock Co-Investment Holdings, LLC

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

2. (a)  p<sup>1</sup>  
(b)  o

SEC USE ONLY

3.

CITIZENSHIP OR PLACE OF ORGANIZATION

4. Delaware

SOLE VOTING POWER

5. NUMBER OF 687,285

SHARED VOTING POWER

6. SHARES BENEFICIALLY OWNED BY 0

SOLE DISPOSITIVE POWER

7. EACH REPORTING PERSON 687,285

SHARED DISPOSITIVE POWER

8. WITH: 0

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

9. 687,285

**10.** CHECK IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

o

**11.** PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

0.8%<sup>2</sup>

**12.** TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

OO

<sup>1</sup> Venrock Healthcare Capital Partners, L.P., Venrock Co-Investment Holdings, LLC, VHCP Management, LLC, Anders Hove and Bryan Roberts are members of a group for purposes of this Schedule 13G.

<sup>2</sup> This percentage is calculated based upon 86,748,668 shares of the Issuer's common stock outstanding as of October 30, 2009, as set forth in the Issuer's quarterly report on Form 10-Q filed with the Securities and Exchange Commission on November 2, 2009.

CUSIP No. 266605104

NAME OF REPORTING PERSONS

1. VHCP Management, LLC

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

2. (a)  p<sup>1</sup>  
(b)  o

SEC USE ONLY

3.

CITIZENSHIP OR PLACE OF ORGANIZATION

4. Delaware

SOLE VOTING POWER

5.

NUMBER OF 0

SHARED VOTING POWER

6.

SHARES BENEFICIALLY OWNED BY 4,444,444<sup>2</sup>

SOLE DISPOSITIVE POWER

7.

EACH REPORTING PERSON 0

SHARED DISPOSITIVE POWER

8.

WITH: 4,444,444<sup>2</sup>

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

9. 4,444,444<sup>2</sup>

CHECK IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

10.

o

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

11.

5.1%<sup>3</sup>

TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

12.

OO

<sup>1</sup> Venrock Healthcare Capital Partners, L.P., Venrock Co-Investment Holdings, LLC, VHCP Management, LLC, Anders Hove and Bryan Roberts are members of a group for purposes of this Schedule 13G.

<sup>2</sup> Consists of 3,757,159 shares of common stock owned by Venrock Healthcare Capital Partners, L.P. and 687,285 shares of common stock owned by Venrock Co-Investment Holdings, LLC. VHCP Management, LLC is the general partner of Venrock Healthcare Capital Partners, L.P. and the manager of Venrock Co-Investment Holdings, LLC.

<sup>3</sup> This percentage is calculated based upon 86,748,668 shares of the Issuer's common stock outstanding as of October 30, 2009, as set forth in the Issuer's quarterly report on Form 10-Q filed with the Securities and Exchange Commission on November 2, 2009.

CUSIP No. 266605104

NAME OF REPORTING PERSONS

1. Hove, Anders

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

2. (a)  <sup>1</sup>  
(b)  <sub>o</sub>

SEC USE ONLY

3.

CITIZENSHIP OR PLACE OF ORGANIZATION

4. United States

SOLE VOTING POWER

5. NUMBER OF 0

SHARED VOTING POWER

6. SHARES BENEFICIALLY OWNED BY 4,444,444<sup>2</sup>

SOLE DISPOSITIVE POWER

7. EACH REPORTING PERSON 0

SHARED DISPOSITIVE POWER

8. WITH: 4,444,444<sup>2</sup>

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

9. 4,444,444<sup>2</sup>



CHECK IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

10.

o

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

11.

5.1%<sup>3</sup>

TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

12.

IN

<sup>1</sup> Venrock Healthcare Capital Partners, L.P., Venrock Co-Investment Holdings, LLC, VHCP Management, LLC, Anders Hove and Bryan Roberts are members of a group for purposes of this Schedule 13G.

<sup>2</sup> Consists of 3,757,159 shares of common stock owned by Venrock Healthcare Capital Partners, L.P. and 687,285 shares of common stock owned by Venrock Co-Investment Holdings, LLC. VHCP Management, LLC is the general partner of Venrock Healthcare Capital Partners, L.P. and the manager of Venrock Co-Investment Holdings, LLC.

<sup>3</sup> This percentage is calculated based upon 86,748,668 shares of the Issuer's common stock outstanding as of October 30, 2009, as set forth in the Issuer's quarterly report on Form 10-Q filed with the Securities and Exchange Commission on November 2, 2009.

CUSIP No. 266605104

NAME OF REPORTING PERSONS

1. Roberts, Bryan

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

2. (a)  <sup>1</sup>  
(b)  <sub>o</sub>

SEC USE ONLY

3.

CITIZENSHIP OR PLACE OF ORGANIZATION

4. United States

SOLE VOTING POWER

5. NUMBER OF 0

SHARED VOTING POWER

6. SHARES BENEFICIALLY OWNED BY 4,444,444<sup>2</sup>

SOLE DISPOSITIVE POWER

7. EACH REPORTING PERSON 0

SHARED DISPOSITIVE POWER

8. WITH: 4,444,444<sup>2</sup>

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

9. 4,444,444<sup>2</sup>

CHECK IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

10.

o

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

11.

5.1%<sup>3</sup>

TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

12.

IN

<sup>1</sup> Venrock Healthcare Capital Partners, L.P., Venrock Co-Investment Holdings, LLC, VHCP Management, LLC, Anders Hove and Bryan Roberts are members of a group for purposes of this Schedule 13G.

<sup>2</sup> Consists of 3,757,159 shares of common stock owned by Venrock Healthcare Capital Partners, L.P. and 687,285 shares of common stock owned by Venrock Co-Investment Holdings, LLC. VHCP Management, LLC is the general partner of Venrock Healthcare Capital Partners, L.P. and the manager of Venrock Co-Investment Holdings, LLC.

<sup>3</sup> This percentage is calculated based upon 86,748,668 shares of the Issuer's common stock outstanding as of October 30, 2009, as set forth in the Issuer's quarterly report on Form 10-Q filed with the Securities and Exchange Commission on November 2, 2009.

Introductory Note: This Statement on Schedule 13G is filed on behalf of Venrock Healthcare Capital Partners, L.P., a limited partnership organized under the laws of the State of Delaware ( VHCP LP ), Venrock Co-Investment Holdings, LLC, a limited liability company organized under the laws of the State of Delaware ( Venrock Co-Investment ), Venrock Management, LLC, a limited liability company organized under the laws of the State of Delaware ( VHCP Management ) and collectively with VHCP LP and Venrock Co-Investment, the Venrock Entities ), Anders Hove and Bryan Roberts in respect of Common Stock of Durect Corporation.

**Item 1.**

(a) Name of Issuer

Durect Corporation

(b) Address of Issuer's Principal Executive Offices

2 Results Way  
Cupertino, CA 95014

**Item 2.**

(a) Name of Person Filing

Venrock Healthcare Capital Partners, L.P.  
Venrock Co-Investment Holdings, LLC  
VHCP Management, LLC  
Anders Hove  
Bryan Roberts

(b) Address of Principal Business Office or, if none, Residence

New York Office:

530 Fifth Avenue  
22nd Floor  
New York, NY 10036

Palo Alto Office:

3340 Hillview Avenue  
Palo Alto, CA 94304

Cambridge Office:

55 Cambridge Parkway  
Suite 100  
Cambridge, MA 02142

(c) Citizenship

All entities were organized in Delaware. The individuals are all United States citizens.

(d) Title of Class of Securities

Common Stock

(e) CUSIP Number

266605104

**Item 3. If this statement is filed pursuant to §§240.13d-1(b), or 240.13d-2(b) or (c), check whether the person filing is a:**

Not applicable

**Item 4. Ownership**

## (a) Amount Beneficially Owned:

Venrock Healthcare Capital Partners, L.P.	3,757,159(1)
Venrock Co-Investment Holdings, LLC	687,285(2)
VHCP Management, LLC	4,444,444(3)
Anders Hove	4,444,444(3)
Bryan Roberts	4,444,444(3)

## Percent of Class:

Venrock Healthcare Capital Partners, L.P.	4.3%
Venrock Co-Investment Holdings, LLC	0.8%
VHCP Management, LLC	5.1%
Anders Hove	5.1%
Bryan Roberts	5.1%

## Number of shares as to which the person has:

## (i) Sole power to vote or to direct the vote

Venrock Healthcare Capital Partners, L.P.	3,757,159(1)
Venrock Co-Investment Holdings, LLC	687,285(2)
VHCP Management, LLC	0
Anders Hove	0
Bryan Roberts	0

## (ii) Shared power to vote or to direct the vote

Venrock Healthcare Capital Partners, L.P.	0
Venrock Co-Investment Holdings, LLC	0
VHCP Management, LLC	4,444,444(3)
Anders Hove	4,444,444(3)
Bryan Roberts	4,444,444(3)

(iii) Sole power to dispose or to direct the disposition of

Venrock Healthcare Capital Partners, L.P.	3,757,159(1)
Venrock Co-Investment Holdings, LLC	687,285(2)
VHCP Management, LLC	0
Anders Hove	0
Bryan Roberts	0

(iv) Shared power to dispose or to direct the disposition of

Venrock Healthcare Capital Partners, L.P.	0
Venrock Co-Investment Holdings, LLC	0
VHCP Management, LLC	4,444,444(3)
Anders Hove	4,444,444(3)
Bryan Roberts	4,444,444(3)

(1) These shares are owned directly by Venrock Healthcare Capital Partners, L.P. VHCP Management, LLC is the general partner of Venrock Healthcare Capital Partners, L.P.

(2) These shares are owned directly by Venrock Co-Investment Holdings, LLC. VHCP Management, LLC is the manager of Venrock Co-Investment Holdings, LLC.

(3) These shares are owned directly as follows:  
3,757,159 shares by Venrock Healthcare

Capital Partners,  
L.P.; and  
687,285 by  
Venrock  
Co-Investment  
Holdings, LLC.  
VHCP  
Management,  
LLC is the  
general partner  
of Venrock  
Healthcare  
Capital Partners,  
L.P. and the  
manager of  
Venrock  
Co-Investment  
Holdings, LLC.  
Messrs. Hove  
and Roberts are  
the managing  
members of  
VHCP  
Management,  
LLC.

**Item 5. Ownership of Five Percent or Less of a Class**

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following o.

**Item 6. Ownership of More than Five Percent on Behalf of Another Person**

Not Applicable

**Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company or Control Person.**

Not Applicable

**Item 8. Identification and Classification of Members of the Group**

The identities of each of the Venrock Entities and Messrs. Hove and Roberts are stated in Item 2(a).

**Item 9. Notice of Dissolution of a Group**

Not Applicable

**Item 10. Certification**

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

**SIGNATURE**

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: February 16, 2010

**Venrock Healthcare Capital Partners, L.P.**

By: VHCP Management, LLC,  
its General Partner

By: /s/ David L. Stepp  
Name: David L. Stepp  
Title: Authorized Signatory

**Venrock Co-Investment Holdings, LLC**

By: VHCP Management, LLC,  
its Manager

By: /s/ David L. Stepp  
Name: David L. Stepp  
Title: Authorized Signatory

**VHCP Management, LLC**

By: /s/ David L. Stepp  
Name: David L. Stepp  
Title: Authorized Signatory

/s/ David L. Stepp, as attorney-in-fact  
**Anders Hove**

/s/ David L. Stepp, as attorney-in-fact  
**Bryan Roberts**



**EXHIBITS**

A: Joint Filing Agreement

B: Power of Attorney for Anders Hove

C: Power of Attorney for Bryan Roberts

Page 11 of 12