

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 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): October 2, 2006

OraSure Technologies, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-16537
(Commission
File Number)

36-4370966
(I.R.S. Employer
Identification No.)

220 East First Street
Bethlehem, Pennsylvania
(Address of Principal Executive Offices)

18015-1360
(Zip Code)

Registrant's telephone number, including area code: 610-882-1820

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 7.01 — Regulation FD Disclosure.

On October 2, 2006, OraSure Technologies, Inc. (“OraSure”) sent a letter to Prestige Brands Holdings, Inc. and Medtech Products, Inc. (collectively, “Prestige”) in response to a Notice of Non-Renewal previously received by OraSure with respect to the Distribution Agreement, dated as of April 24, 2003, as amended (the “Agreement”), between the parties. Pursuant to the Agreement, Prestige distributes OraSure’s cryosurgical wart removal product on an exclusive basis in the U.S. and Canadian over-the-counter markets under the Compound W Freeze Off® trade name.

In the Notice of Non-Renewal, Prestige stated that it did not intend to renew the Agreement beyond the December 31, 2007 expiration of its initial term, and that Prestige intends to purchase all of its requirements of the Freeze Off® product under the Agreement through such date. In its October 2, 2006 response, OraSure advised Prestige that (i) it disagrees that Prestige has a right to elect not to renew the Agreement because such a right is not afforded to either party in the Agreement; (ii) the Agreement will automatically renew for successive one-year periods if Prestige meets its annual minimum purchase requirements under the Agreement, which it has done through 2006 and has indicated it will do in 2007; and (iii) in light of Prestige’s material breach of the covenant not to compete in the Agreement as a result of its recent acquisition of the competing Wartner® cryosurgical product, OraSure is not willing to continue discussions regarding a renegotiated distribution agreement for the Freeze Off® product without an acceptable resolution first being reached with respect to Prestige’s breach. A copy of OraSure’s October 2, 2006 letter to Prestige is attached as Exhibit 99 to this Report and is incorporated herein by reference.

Item 9.01 — Financial Statements and Exhibits.**(d) Exhibits**

<u>Exhibit Number</u>	<u>Description</u>
99	Letter, dated October 2, 2006, from OraSure Technologies, Inc. to Prestige Brands Holdings, Inc. and Medtech Products, Inc., in response to Notice of Non-Renewal.

Signatures

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

ORASURE TECHNOLOGIES, INC.

Date: October 2, 2006

By: /s/ Jack E. Jerrett

Jack E. Jerrett
Senior Vice President, General Counsel
and Secretary

Index to Exhibits

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99	Letter, dated October 2, 2006, from OraSure Technologies, Inc. to Prestige Brands Holdings, Inc. and Medtech Products, Inc., in response to Notice of Non-Renewal.

October 2, 2006

Via Federal Express
and Facsimile (914-524-6811)

Peter C. Mann
Interim President & CEO
Prestige Brands Holdings, Inc.
90 North Broadway
Irvington, NY 10533

Charles N. Jolly, Esq.
Secretary & General Counsel
Prestige Brands Holdings, Inc.
90 North Broadway
Irvington, NY 10533

Re: Distribution Agreement, dated as of April 24, 2003, as amended (the "Agreement"), between OraSure Technologies, Inc. ("OraSure") and Medtech Products, Inc. and Prestige Brands Holdings, Inc. (as Guarantor) (collectively, "Prestige")

Gentlemen:

We received the September 25, 2006 letter from Chuck Jolly notifying OraSure of Prestige's attempt to assert a right not to renew the above-referenced Agreement beyond December 31, 2007.

We disagree that Prestige has a unilateral right to elect not to renew the Agreement, as suggested by Chuck's letter. Section 11.1 states that the Agreement "shall automatically be renewed for successive periods of one (1) year each . . . so long as Distributor has met its minimum purchase commitment under Section 6.2 for each Contract Year." There is no other provision in Section 11 of the Agreement or elsewhere which gives Prestige, or OraSure for that matter, the right to unilaterally decide not to renew the Agreement.

Since Prestige has met its minimum purchase commitments for 2006 and all other completed Contract Years under the Agreement, and intends to do so for 2007, the Agreement will extend

for at least one year beyond 2007, or until December 31, 2008. Accordingly, we believe your attempted notice of non-renewal, as set forth in the September 25, 2006 letter, is without any legal or other effect.

Your letter also indicates Prestige's apparent continued interest in renegotiating the terms of the Agreement. We currently have a valid and enforceable Agreement that governs the terms of our relationship for the next two years or more. There is, accordingly, nothing at this point to "renegotiate." Therefore, while OraSure remains open to further discussions regarding the future business arrangements between our companies, we believe such discussions would not be productive at this stage without first reaching an acceptable resolution to Prestige's clear and material breach of the Agreement resulting from its acquisition of the Wartner® product.

If you have any questions with respect to the foregoing, please contact the undersigned.

Sincerely,

/s/ Jack E. Jerrett

Jack E. Jerrett, Esq.
Senior Vice President
and General Counsel

JEJ:kfo

cc: Douglas A. Michels
Ronald H. Spair
Joseph E. Zack