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 Act of 1934

Date of Report (Date of earliest event reported): March 21, 2005

Commission File Number 0-50626

XCYTE THERAPIES, INC.

(Exact name of registrant as specified in its charter)

Delaware	**91-1707622**
(State or other jurisdiction of incorporation or organization)	***(I.R.S. Employer Identification Number)***

1124 Columbia Street, Suite 130
Seattle, Washington 98104
(Address of principal executive offices and zip code)

(206) 262-6200
(Registrant's telephone number, including area code)

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 2.05 Costs Associated with Exit or Disposal Activities

As a result of the Registrant's plan to limit clinical development primarily to the planned Phase II/III trial in CLL and planned Phase I/II trial in HIV, the Registrant reduced its workforce by approximately 24%, to 81 employees on March 22, 2005. The Company will record a charge in the first quarter of 2005 of approximately $300,000, consisting of severance, benefits and outplacement services. On March 23, 2005, the Registrant issued a press release announcing the updates to its clinical development plans and the reduction in its workforce, a copy of which is attached hereto as Exhibit 99.1 and incorporated into this Form 8-K by reference.

Item 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers

(d) Effective March 21, 2005, the Registrant's Board of Directors elected Christopher S. Henney to its Board of Directors. Dr. Henney will also serve as the Chairman of the Registrant's Board of Directors. Dr. Henney is not currently expected to be named to any committees of the Registrant's Board of Directors. Pursuant to the Registrant's 2003 Directors' Stock Option Plan, as amended (the "Directors' Plan"), Dr. Henney will be granted an option to purchase 10,000 shares of the Registrant's common stock, vesting over a period of two years, which option is subject to stockholder approval and is not exercisable until such approval. In addition, as consideration for Dr. Henney's service as the Chairman of the Board, the Registrant's Board of Directors has approved an annual fee of $60,000 and an additional option grant to Dr. Henney to purchase 200,000 shares of the Registrant's common stock, under the Registrant's 2003 Stock Plan, vesting over a period of three years, which option is subject to stockholder approval and is not exercisable until such approval. Dr. Henney will also be entitled to receive cash compensation in accordance with the Registrant's director compensation policy, which provides that non-employee directors will be entitled to an annual retainer of $20,000, and will receive $1,000 for each board meeting attended in person, $500 for each board meeting participated in telephonically, and $500 for each committee meeting participated. On March 22, 2005, the Registrant issued a press release announcing Dr. Henney's election by the Board, a copy of which is attached hereto as Exhibit 99.2 and incorporated into this Form 8-K by reference.

Item 9.01 Financial Statements and Exhibits

(c) The following exhibits are attached herewith:

Exhibit Number	Description of Document
99.1	Press Release of Xcyte Therapies, Inc. dated March 23, 2005.
99.2	Press Release of Xcyte Therapies, Inc. dated March 22, 2005.

SIGNATURES

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.

XCYTE THERAPIES, INC.

By: /s/ Joanna S. Black

Joanna S. Black
Duly Authorized Officer of Registrant
General Counsel, Vice President and Secretary

Date: March 24, 2005

INDEX TO EXHIBITS

Exhibit Number	Description of Document
99.1	Press Release of Xcyte Therapies, Inc. dated March 23, 2005.
99.2	Press Release of Xcyte Therapies, Inc. dated March 22, 2005.

EXHIBIT 99.1

FOR IMMEDIATE RELEASE

Contact: Robert Kirkman, MD
Chief Business Officer & VP
Xcyte Therapies, Inc.
(206) 262-6219

XCYTE THERAPIES, INC. UPDATES CLINICAL DEVELOPMENT PLANS

Seattle, WA-March 23, 2005 - - Xcyte Therapies, Inc. (Xcyte, the "Company") (Nasdaq: XCYT) announced today that the Company has recently completed a comprehensive review of its clinical development program. As a result of this review, the Company has decided to focus its resources and activities in two clinical areas.

"We are excited about our results in several diseases," said Ron Berenson, M.D., President and Chief Executive Officer of Xcyte Therapies. "However, we recognize that we need to focus our resources on our best opportunities. Therefore, we intend to concentrate our efforts on our planned Phase II/III trial in chronic lymphocytic leukemia (CLL). We also intend to initiate a Phase I/II trial in patients with HIV late this year. We will complete our ongoing trials in patients with multiple myeloma and non-Hodgkin's lymphoma, but will not initiate additional trials in these indications at this time. Our goal is to maintain our operating expenses for 2005 in approximately the same range as for 2004, while retaining the core competencies needed to move into a later stage trial."

In the Company's Phase I/II CLL trial, 12 of 17 (71%) who received a single infusion of Xcellerated T Cells demonstrated a 50% or greater decrease in the size of their enlarged lymph nodes. Eleven (85%) of the 13 patients with an enlarged spleen demonstrated a 50% or greater decrease in the size of their spleen. Based on these results, Xcyte is planning to initiate a Phase II/III trial, named the X-CLL Trial, in patients who have previously been treated with Campath. Following an End of Phase II meeting with the FDA in September 2004, Xcyte submitted a final protocol for this trial to the FDA in December 2004. In February 2005, the FDA requested that the Company withdraw this protocol to facilitate further discussion of the design of the trial. The protocol was resubmitted as a draft protocol in mid-February, and the Company has continued an extensive discussion with the FDA since that time. Also in mid-February, the Company met with the FDA to discuss the chemistry, manufacturing and controls submission that has been made related to this trial and our planned transfer of our manufacturing operations to our new facility in Bothell, Washington.

"We are working with the FDA to resolve the remaining issues in the design of this Phase II/III trial as rapidly as possible," continued Dr. Berenson. "It remains our highest priority to get this trial underway as quickly as possible."

As a result of the plan to focus clinical development on the Phase II/III trial in CLL and a Phase I/II trial in HIV, Xcyte yesterday reduced its workforce by approximately 24% to approximately 81 employees. The Company believes that remaining staff will be sufficient to initiate the two planned clinical trials and to transfer manufacturing operations for the Phase II/III trial to our new facility. The total cost to the Company of the termination benefits are expected to be approximately $300,000.

Note: Certain of the statements made in this press release are forward-looking, such as those, among others, relating to our expected operating expenses for 2005, our ability to reach agreement with the FDA on issues related to the design of the planned Phase II/III trial of Xcellerated T Cells in patients with chronic lymphocytic leukemia and our ability to initiate a Phase I/II trial in HIV by the end of 2005. Actual results or developments may differ materially from those projected or implied in these forward-looking statements. Factors that may cause such a difference include risks related to adverse clinical results as our product candidates move into and advance in clinical trials, risks that the FDA may not agree with our proposals for design of the planned Phase II/III trial of Xcellerated T Cells in patients with chronic lymphocytic leukemia or our clinical or manufacturing plans and failure by Xcyte Therapies to secure or maintain relationships with collaborators. Results obtained in early stage clinical trials may not be predictive of results obtained in larger trials intended to demonstrate the safety and efficacy of Xcellerated T Cells. More information about the risks and uncertainties faced by Xcyte Therapies is contained in our filings with the Securities and Exchange Commission. Xcyte Therapies disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Xcyte Therapies, Inc. is a biotechnology company developing a new class of therapeutic products designed to enhance the body's natural immune responses to treat cancer, infectious diseases and other medical conditions

associated with weakened immune systems. Xcyte derives its therapeutic products from a patient's own T cells, which are cells of the immune system that orchestrate immune responses and can detect and eliminate cancer cells and infected cells in the body. Xcyte uses its patented and proprietary Xcellerate™ Technology to generate activated T cells, called Xcellerated T Cells™, from blood that is collected from the patient. Activated T cells are T cells that have been stimulated to carry out immune functions. The Xcellerate™ Technology is designed to rapidly activate and expand the number of the patient's T cells outside of the body. Xcyte is currently conducting clinical trials of Xcellerated T Cells™ in patients with chronic lymphocytic leukemia, non-Hodgkin's lymphoma, and multiple myeloma.

EXHIBIT 99.2

FOR IMMEDIATE RELEASE

Contact: Robert Kirkman, MD
Chief Business Officer & VP
Xcyte Therapies, Inc.
(206) 262-6219

XCYTE THERAPIES, INC. APPOINTS CHRISTOPHER HENNEY AS CHAIRMAN OF THE BOARD OF DIRECTORS

Seattle, WA-March 22, 2005 - Xcyte Therapies, Inc. (Xcyte, the "Company") (Nasdaq: XCYT) announced today that Christopher Henney, Ph.D., has been appointed as the Chairman of the Board of Directors, effective March 21, 2005.

"We are delighted to have Chris Henney join us as Chairman," said Ron Berenson, M.D., President and Chief Executive Officer, Xcyte Therapies. "Chris has a proven track record of helping to build several successful biotechnology companies. He brings over twenty years of scientific, clinical and business experience in biotechnology in general and cell-based immunotherapy in particular. We are confident that this experience will prove invaluable to Xcyte."

Dr. Henney was Chairman, Chief Executive Officer and a Director of Dendreon Corporation, at various times from 1995 through 2004. Henney co-founded ICOS Corporation, where he served as Executive Vice President, Scientific Director and Director from 1989 to 1995. Previously, Henney co-founded Immunex Corporation, where he held various positions, including Director, Vice Chairman and Scientific Director. He is a widely-published immunologist, who received a D.Sc. for his contributions to Immunology, a Ph.D. in Experimental Pathology and a B.Sc. with honors, from the University of Birmingham, England. Dr. Henney currently serves on the board of directors of two other public companies, Biomira Inc. of Edmonton, Canada, and Bionomics Ltd. of Adelaide, Australia.

"This is a very exciting time to be joining Xcyte," said Dr. Henney. "The Company is poised to become a leading company in the emerging field of cell-based immunotherapy. Led by one of the pioneers in cell therapy, Ron Berenson, Xcyte has a strong team with extensive experience in the development, manufacturing and commercialization of cell and immunotherapy products. The Company is preparing to begin its late-stage trial of Xcellerated T Cells in patients with chronic lymphocytic leukemia. Xcyte's preclinical work in HIV is intriguing, and I believe this represents a great opportunity for the Company. I am very much looking forward to helping management realize the value in Xcyte's accomplishments and assets."

Xcyte Therapies, Inc. is a biotechnology company developing a new class of therapeutic products designed to enhance the body's natural immune responses to treat cancer, infectious diseases and other medical conditions associated with weakened immune systems. Xcyte derives its therapeutic products from a patient's own T cells, which are cells of the immune system that orchestrate immune responses and can detect and eliminate cancer cells and infected cells in the body. Xcyte uses its patented and proprietary Xcellerate™ Technology to generate activated T cells, called Xcellerated T Cells™, from blood that is collected from the patient. Activated T cells are T cells that have been stimulated to carry out immune functions. The Xcellerate™ Technology is designed to rapidly activate and expand the number of the patient's T cells outside of the body. Xcyte is currently conducting clinical trials of Xcellerated T Cells™ in patients with chronic lymphocytic leukemia, non-Hodgkin's lymphoma, and multiple myeloma.