SEC Form 4

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934
or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person*	2. Issuer Name **and** Ticker or Trading Symbol	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)
MCDADE MARK	**PDL BIOPHARMA, INC.** [PDLI]	X Director 10% Owner
(Last) (First) (Middle)	3. Date of Earliest Transaction (Month/Day/Year) 01/10/2007	X Officer (give title below) Other (specify below)
C/O PDL BIOPHARMA, INC 34801 CAMPUS DRIVE		CEO
(Street)	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line)
FREMONT CA 94555		X Form filed by One Reporting Person
(City) (State) (Zip)		Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	01/10/2007		M		10,000	A	$8.3	63,137	D	
Common Stock	01/10/2007		S(1)		1,400	D	$20.33	61,737	D	
Common Stock	01/10/2007		S(1)		1,943	D	$20.35	59,794	D	
Commom Stock	01/10/2007		S(1)		57	D	$20.37	59,737	D	
Common Stock	01/10/2007		S(1)		600	D	$20.38	59,137	D	
Common Stock	01/10/2007		S(1)		96	D	$20.41	59,041	D	
Common Stock	01/10/2007		S(1)		2,875	D	$20.43	56,166	D	
Common Stock	01/10/2007		S(1)		1,529	D	$20.44	54,637	D	
Common Stock	01/10/2007		S(1)		1,500	D	$20.5	53,137	D	

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Employee Stock Option (right to buy)	$8.3	01/10/2007		M			10,000	(2)	10/24/2012	Common Stock	10,000	$0	540,000	D	

Explanation of Responses:

1. Sale was made pursuant to a 10b5-1 plan established by the reporting person.

2. This option had fully vested prior to the transaction date. Only vested options are exercisable.

Remarks:

/s/ Francis Sarena by Francis Sarena, Attorney- in- Fact for Mark McDade   01/12/2007

** Signature of Reporting Person   Date