
**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):
April 13, 2007**

PDL BioPharma, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

000-19756
(Commission File No.)

94-3023969
(I.R.S. Employer
Identification No.)

34801 Campus Drive
Fremont, California 94555 (Address of principal executive offices)

Registrant's telephone number, including area code: (510) 574-1400

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 (see General Instruction A.2. below):

- 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))
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Item 8.01. Other Events.

On April 13, 2007, L. Patrick Gage, Ph.D, chairman of the board of PDL BioPharma, delivered a letter to Third Point LLC regarding various matters. A copy of this letter is attached as Exhibit 99.1 to this current report on Form 8-K and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Letter from L. Patrick Gage, Ph.D., chairman of the board of PDL BioPharma, to Third Point LLC, dated April 13, 2007.

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.

Date: April 18, 2007

PDL BioPharma, Inc.

By: /s/ Andrew Guggenhime
Andrew Guggenhime
Senior Vice President and
Chief Financial Officer

[PDL BioPharma, Inc. letterhead]

VIA FACSIMILE AND OVERNIGHT DELIVERY

April 13, 2007

Daniel S. Loeb
Chief Executive Officer
Third Point LLC
390 Park Avenue
New York, NY 10022

Phone: 212-224-7400
Fax: 212-224-7401

Dear Dan:

To follow up, and elaborate further on our conversation yesterday, as I stated, I am available, along with our CEO, Mark McDade, to meet with you in person to discuss your views and specific recommendations regarding PDL. I believe that this meeting would be most constructive and valuable if Mark and I were both present. Following this joint session, I would also be available to meet with you without Mark present to discuss your views regarding PDL management.

We could also contemplate a meeting in conjunction with one of our next board meetings at which the full Board could hear your specific views and suggestions regarding PDL. In this case, I would propose a substantive pre-meeting between you, selected outside directors of PDL, and members of management to discuss your views and recommendations. This meeting would then be followed by a session with the outside directors to discuss your views regarding management.

Dan, Mark and I and other members of the PDL Board are interested in meeting with you and hearing your thoughts and suggestions. I believe, however, that these meetings can only be productive if all participants are willing to conduct these sessions in a constructive and professional manner. To be clear, I am only willing to talk about PDL and its ongoing strategy in meetings that are conducted in a professional manner where all parties are respectful; otherwise constructive dialogue is very challenging.

The Board is unanimous in our support of Mark McDade's leadership and the management team at PDL, and we are all focused on maximizing long-term stockholder value. We believe the Company's current strategy will deliver significant stockholder value both in the near-term and the long-term. As I have said, we are open to discuss your views on our strategy and evaluate their merits.

Sincerely,

/s/ L. Patrick Gage

L. Patrick Gage
PDL BioPharma, Inc.
Chairman of the Board