

**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): June 30, 2011

PDL BioPharma, Inc.

(Exact name of Company as specified in its charter)

000-19756
(Commission File Number)

Delaware
(State or Other Jurisdiction of Incorporation)

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

**932 Southwood Boulevard
Incline Village, Nevada 89451**
(Address of principal executive offices, with zip code)

(775) 832-8500
(Company'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 Company 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))
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Item 8.01 Other Events.

On July 5, 2011, PDL BioPharma, Inc. (the “Company”) issued a press release announcing that on June 30, 2011, the Company retired \$133.5 million of its 2.00% Convertible Senior Notes due February 2012 (the “2012 Notes”). The 2012 Notes were redeemed for \$133.9 million plus interest of \$1.0 million. Following the redemption, no 2012 Notes remain outstanding. The press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Press Release, dated July 5, 2011

SIGNATURES

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

PDL BIOPHARMA, INC.
(Company)

Dated: July 5, 2011

By: /s/ Christine R. Larson
Christine R. Larson
Vice President and Chief Financial Officer

EXHIBIT INDEX

Exhibit No.

Description

[99.1](#)

Press Release, dated July 5, 2011

**Contacts:**

Cris Larson
PDL BioPharma, Inc.
775-832-8505
cris.larson@pdl.com

Jennifer Williams
Cook Williams Communications, Inc.
360-668-3701
jennifer@cwcomm.org

PDL BioPharma Announces Retirement of \$133.5 Million of 2.00% Convertible Senior Notes Due February 2012

INCLINE VILLAGE, NV, July 5, 2011 – PDL BioPharma, Inc. (PDL) (NASDAQ: PDLI) announced today that it has completed the retirement of the remaining \$133.5 million in aggregate principal of the Company's 2.00% Convertible Senior Notes, due February 15, 2012 (the Notes), for \$133.9 million plus interest of \$1.0 million. With the completion of this redemption, no Notes remain outstanding.

About PDL BioPharma

PDL pioneered the humanization of monoclonal antibodies and, by doing so, enabled the discovery of a new generation of targeted treatments for cancer and immunologic diseases. PDL is focused on maximizing the value of its antibody humanization patents and related assets. The Company receives royalties on sales of a number of humanized antibody products marketed by leading pharmaceutical and biotechnology companies today based on patents which expire in late 2014. For more information, please visit www.pdl.com.

NOTE: PDL BioPharma and the PDL BioPharma logo are considered trademarks of PDL BioPharma, Inc.

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