

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549**

**FORM S-8**

REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933

**PDL BioPharma, Inc.**

(Exact Name of Registrant as Specified in Its Charter)

**Delaware**  
(State or Other Jurisdiction of  
Incorporation or Organization)

**94-3023969**  
(IRS Employer  
Identification No.)

**34801 Campus Drive  
Fremont, California 94555**  
(Address of Principal Executive Offices) (Zip Code)

**2005 Equity Incentive Plan  
1993 Employee Stock Purchase Plan**  
(Full Title of the Plan)

**Mark McDade**  
**Chief Executive Officer**  
**PDL BioPharma, Inc.**  
**34801 Campus Drive**  
**Fremont, California 94555**  
(Name and Address of Agent For Service)

**CALCULATION OF REGISTRATION FEE**

<u>Title Of Each Class of Securities To Be Registered</u>	<u>Amount To Be Registered<sup>(3)</sup></u>	<u>Proposed Maximum Offering Price Per Share<sup>(4)</sup></u>	<u>Proposed Maximum Aggregate Offering Price</u>	<u>Amount Of Registration Fee<sup>(4)</sup></u>
Common Stock, par value \$0.01 per share				
To be issued upon exercise of options and for other awards of common stock granted under the				
<b>2005 Equity Incentive Plan<sup>(1)</sup></b>	2,900,000	\$ 22.57	\$ 65,453,000	\$ 2,009.41
To be issued under the				
<b>1993 Employee Stock Purchase Plan<sup>(2)</sup></b>	500,000	\$ 22.57	\$ 11,285,000	\$ 346.45
<b>TOTALS:</b>				<b>\$ 2,355.86</b>

- (1) Represents additional shares reserved for issuance upon exercise of options and under other common stock-based awards granted under the registrant's 2005 Equity Incentive Plan. Shares issuable under this plan were previously registered by the registrant on registration statements on Form S-8 filed with the Securities and Exchange Commission (the "SEC").
- (2) Represents additional shares of common stock reserved for issuance under the registrant's 1993 Employee Stock Purchase Plan. Shares issuable under this plan were previously registered by the registrant on registration statements on Form S-8 filed SEC.
- (3) In addition, pursuant to Rule 416 under the Securities Act of 1933, as amended (the "Securities Act"), this registration statement also covers an indeterminate number of additional shares of common stock that may be offered or issued by reason of stock splits, stock dividends or similar transactions.
- (4) Estimated solely for purposes of calculating the amount of the registration fee. Pursuant to Rule 457(c) of the Securities Act, the maximum offering price per share is calculated as the average of the high and low prices of the registrant's common stock on August 9, 2007, as reported on the Nasdaq Global SelectMarket. The maximum fee is calculated pursuant to Section 6(b) of the Securities Act.

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**PART I**

**INFORMATION REQUIRED IN THE SECTION 10(A) PROSPECTUS**

The documents containing the information specified in this Part I will be sent or given to participants in the 2005 Equity Incentive Plan and 1993 Employee Stock Purchase Plan as specified by Rule 428(b)(1) promulgated under the Securities Act. In accordance with the instructions to Part I of Form S-8, such documents will not be filed with the SEC either as part of this registration statement or as prospectuses or prospectus supplements pursuant to Rule 424 promulgated under the Securities Act. These documents and the documents incorporated by reference in the registration statement pursuant to Item 3 of Part II of this form, taken together, constitute a prospectus that meets the requirement of Section 10(a) of the Securities Act and are available without charge, upon oral or written request, to: PDL BioPharma, Inc., 34801 Campus Drive, Fremont, California, 94555, Attention: General Counsel, or by telephone to: (510) 574-1400, Attention: General Counsel.

**PART II**  
**INFORMATION REQUIRED IN THE REGISTRATION STATEMENT**

**Item 3. Incorporation of Documents by Reference**

PDL BioPharma, Inc. (the "Company") hereby incorporates by reference in this registration statement the following documents:

(a) The Company's latest annual report on Form 10-K filed pursuant to Sections 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), containing audited financial statements for the Company's latest fiscal year ended December 31, 2006, as filed with the Securities and Exchange Commission on March 1, 2007 and April 30, 2007;

(b) All other reports filed pursuant to Section 13(a) or 15(d) of the Exchange Act since the end of the fiscal year covered by the registrant document referred to in (a) above;

(c) The description of the Company's Common Stock contained in the Company's Registration Statement on Form 8-A filed under the Exchange Act, as filed with the Securities and Exchange Commission on December 23, 1991, as amended on Form 8-A/A filed with the SEC on January 22, 1992, and any other amendment or report filed for the purpose of updating such description; and

(d) The description of the Company's Preferred Stock Purchase Rights contained in the Company's Registration Statement on Form 8-A filed under the Exchange Act, as filed with the Securities and Exchange Commission on September 6, 2006, including any amendment or report filed for the purpose of updating such description.

In addition, all documents subsequently filed by the Company pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act, prior to the filing of a post-effective amendment to this registration statement which indicates that all securities offered hereby have been sold or which deregisters all securities remaining unsold, shall be deemed to be incorporated by reference in this registration statement and to be a part hereof from the date of filing of such documents. Any statement contained in this registration statement or in a document incorporated by reference shall be deemed modified or superseded to the extent that a statement contained in any subsequently filed document which also is or is deemed to be incorporated by reference herein or therein modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed to constitute a part hereof, except as so modified or superseded.

#### Item 4. Description of Securities

The class of securities to be offered is registered under Section 12 of the Exchange Act.

#### Item 5. Interests of Named Experts and Counsel

Inapplicable.

#### Item 6. Indemnification of Directors and Officers

Section 102(b) of the Delaware General Corporation Law authorizes a corporation to provide in its Certificate of Incorporation that a director of the corporation shall not be personally liable to a corporation or its stockholders for monetary damages for breach or alleged breach of the director's "duty of care." While this statute does not change the directors' duty of care, it enables corporations to limit available relief to equitable remedies such as injunction or rescission. The statute has no effect on a director's duty of loyalty or liability for acts or omissions not in good faith or involving intentional misconduct or knowing violations of law, illegal payment of dividends or stock redemptions or repurchases, or for any transaction from which the director derives an improper personal benefit. As permitted by the statute, the Company has adopted provisions in its Restated Certificate of Incorporation which eliminate to the fullest extent permissible under Delaware law the personal liability of its directors to the Company and its stockholders for monetary damages for breach or alleged breach of their duty of care.

Section 145 of the General Corporation Law of the State of Delaware provides for the indemnification of officers, directors, employees and agents of a corporation. The Amended and Restated Bylaws of the Company provide for indemnification of its directors, officers, employees and agents to the full extent permitted by Delaware law, including those circumstances in which indemnification would otherwise be discretionary under Delaware law. The Company's Amended and Restated Bylaws also empower it to enter into indemnification agreements with its directors and officers and to purchase insurance on behalf of any person whom it is required or permitted to indemnify. The Company has entered into agreements with its directors and certain of its executive officers that require the Company to indemnify such persons to the fullest extent permitted under Delaware law against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred (including expenses of a derivative action) in connection with any proceeding, whether actual or threatened, to which any such person may be made a party by reason of the fact that such person is or was a director or an executive officer of the Company or any of its affiliated enterprises. The indemnification agreements also set forth certain procedures that will apply in the event of a claim for indemnification thereunder.

Section 145 of the General Corporation Law of the State of Delaware provides for indemnification in terms sufficiently broad to indemnify such individuals, under certain circumstances, for liabilities (including reimbursement of expenses incurred) arising under the Securities Act.

We have a policy of directors' and officers' liability insurance that insures our directors and officers against the cost of defense, settlement or payment of a judgment under certain circumstances.

Item 7. Exemption From Registration Claimed

Inapplicable.

Item 8. Exhibits

See Exhibit Index.

Item 9. Undertakings

The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed by the registrant pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

SIGNATURE

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Fremont, State of California, on August 9, 2007.

**PDL BioPharma, Inc.**

By: /s/ Mark McDade

Mark McDade

Chief Executive Officer

POWER OF ATTORNEY

The officers and directors of PDL BioPharma, Inc. whose signatures appear below, hereby constitute and appoint Mark McDade and Andrew Guggenlime, and each of them, their true and lawful attorneys and agents, with full power of substitution, each with power to act alone, to sign and execute on behalf of the undersigned any amendment or amendments to this registration statement on Form S-8, and each of the undersigned does hereby ratify and confirm all that each of said attorney and agent, or their or his substitutes, shall do or cause to be done by virtue hereof. Pursuant to the requirements of the Securities Act, this registration statement has been signed by the following persons in the capacities indicated on August 9, 2007.

<u>Signature</u>	<u>Title</u>
<u>/s/ Mark McDade</u> Mark McDade	Chief Executive Officer and Director (Principal Executive Officer)
<u>/s/ Andrew L. Guggenlime</u> Andrew L. Guggenlime	Senior Vice President and Chief Financial Officer (Principal Financial Officer)
<u>/s/ Herbert Cross</u> Herbert Cross	Corporate Controller (Principal Accounting Officer)
<u>/s/ Samuel A. Broder</u> Samuel A. Broder	Director
<u>/s/ Karen A. Dawes</u> Karen A. Dawes	Director
<u>L. Patrick Gage</u>	Director and Chairman of the Board
<u>/s/ Bradford S. Goodwin</u> Bradford S. Goodwin	Director
<u>Joseph Klein III</u>	Director
<u>Laurence Jay Korn</u>	Director
<u>/s/ Richard Murray</u> Richard Murray	Executive Vice President, Chief Scientific Officer and Director
<u>/s/ Jon S. Saxe</u> Jon S. Saxe	Director

## EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Exhibit Title</u>
4.1	Restated Certificate of Incorporation effective March 23, 1993 (incorporated by reference to Exhibit 3.1 to Annual Report on Form 10-K filed March 31, 1993)
4.2	Certificate of Amendment of Certificate of Incorporation effective August 21, 2001 (incorporated by reference to Exhibit 3.3 to Annual Report on Form 10-K filed March 14, 2002)
4.3	Certificate of Amendment of Certificate of Incorporation effective January 9, 2006 (incorporated by reference to Exhibit 99.1 to Current Report on Form 8-K filed January 10, 2006)
4.4	Certificate of Designation, Preferences and Rights of the Terms effective August 25, 2006 (incorporated by reference to Exhibit 3.4 to Registration Statement on Form 8-A filed September 6, 2006)
4.5	Amended and Restated Bylaws effective April 27, 2007 (incorporated by reference to Exhibit 3.1 to Current Report on Form 8-K filed May 2, 2007)
4.6	Rights Agreement, dated August 25, 2006, between the Company and Mellon Investor Services LLC (incorporated by reference to Exhibit 4.1 to Current Report on Form 8-K filed August 29, 2006)
5	Opinion of Legality
23.1	Consent of Counsel (included in Exhibit 5)
23.2	Consent of Ernst & Young LLP
24	Power of Attorney (included in signature pages to this registration statement)



[LETTERHEAD OF DLA PIPER US LLP]

2000 University Avenue, East Palo Alto, CA 94303-2248  
Phone: 650-833-2000

Fax: 650-833-2001

www.dlapiper.com

August 9, 2007

PDL BioPharma, Inc.  
34801 Campus Drive  
Fremont, CA 94555

Ladies and Gentlemen:

We have acted as legal counsel for PDL BioPharma, Inc., a Delaware corporation (the "Company"), in connection with a Registration Statement on Form S-8 (the "Registration Statement") under the Securities Act of 1933, as amended (the "Securities Act"), for the registration of up to 2,900,000 shares of the Company's Common Stock, \$0.01 par value per share (the "2005 Plan Shares"), which may be issued pursuant to awards granted under the PDL BioPharma, Inc. 2005 Equity Incentive Plan (the "2005 Plan") and up to 500,000 shares of the Company's Common Stock, \$0.01 par value per share (collectively with the 2005 Plan Shares, the "Shares"), which may be issued pursuant to awards granted under the PDL BioPharma, Inc. 1993 Employee Stock Purchase Plan (together with the 2005 Plan, the "Plans").

We have examined all instruments, documents and records which we deemed relevant and necessary for the basis of our opinion hereinafter expressed. In such examination, we have assumed the genuineness of all signatures and the authenticity of all documents submitted to us as originals and the conformity to the originals of all documents submitted to us as copies. We are admitted to practice only in the State of California and we express no opinion concerning any law other than the laws of the State of California, the corporation laws of the State of Delaware and the federal laws of the United States. As to matters of Delaware corporation law, we have based our opinion solely upon our examination of such laws and the rules and regulations of the authorities administering such laws, all as reported in standard, unofficial compilations. We have not obtained opinions of counsel licensed to practice in jurisdictions other than the State of California.

Based on such examination, we are of the opinion that the Shares which may be issued under the Plans are duly authorized and, when issued against receipt of the consideration therefor in accordance with the provisions of the respective Plans, will be validly issued, fully paid and nonassessable.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement referred to above and the use of our name wherever it appears in said Registration Statement. In giving this consent, we do not admit that we are within the category of persons whose consent is required under Section 7 of the Securities Act, the rules and regulations of the Securities and Exchange Commission promulgated thereunder or Item 509 of Regulation S-K.

This opinion letter is given to you solely for use in connection with the issuance of the Shares in accordance with the Registration Statement and is not to be relied on for any other purpose. Our opinion is expressly limited to the matters set forth above, and we render no opinion, whether by implication or otherwise, as to any other matters relating to the Company, the Shares or the Registration Statement.

Very truly yours,

/s/ DLA PIPER US LLP

DLA PIPER US LLP

**Consent of Independent Registered Public Accounting Firm**

We consent to the incorporation by reference in the Registration Statement (Form S-8) pertaining to the 2005 Equity Incentive Plan and 1993 Employee Stock Purchase Plan of PDL BioPharma, Inc. of our reports dated February 23, 2007, with respect to the consolidated financial statements of PDL BioPharma, Inc. incorporated by reference in its Annual Report (Form 10-K) for the year ended December 31, 2006, and PDL BioPharma, Inc. management's assessment of the effectiveness of internal control over financial reporting, the effectiveness of internal control over financial reporting of PDL BioPharma, Inc., and the related financial statement schedule included therein, filed with the Securities and Exchange Commission.

/s/ ERNST & YOUNG LLP

Palo Alto, California  
August 3, 2007