

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

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* <u>Sarena Francis Willard</u>	2. Date of Event Requiring Statement (Month/Day/Year) 01/10/2008	3. Issuer Name and Ticker or Trading Symbol <u>PDL BIOPHARMA, INC. [PDLI]</u>	
		4. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) <u>Exec Dir/Chief Legal Officer</u>	5. If Amendment, Date of Original Filed (Month/Day/Year)
(Last) (First) (Middle) <u>C/O PDL BIOPHARMA, INC.</u> <u>1400 SEAPORT BLVD</u>			6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person
(Street) <u>REDWOOD CITY CA 94063</u>			
(City) (State) (Zip)			

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
<u>Comon Stock</u>	<u>4,292⁽¹⁾</u>	<u>D</u>	

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

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date				
<u>Stock Option (Right to Buy)</u>	<u>(2)</u>	<u>04/17/2013</u>	<u>Common Stock</u> 12,500	<u>29.65</u>	<u>D</u>	
<u>Stock Option (Right to Buy)</u>	<u>(3)</u>	<u>08/15/2014</u>	<u>Common Stock</u> 8,660	<u>22.1</u>	<u>D</u>	
<u>Stock Option (Right to Buy)</u>	<u>(4)</u>	<u>11/19/2014</u>	<u>Common Stock</u> 2,500	<u>17.6</u>	<u>D</u>	

Explanation of Responses:

- Includes 3,000 restricted shares that are subject to a risk of forfeiture that lapses with respect to 50% of the shares annually over two years after the grant date of September 14, 2007.
- This Option was vested with respect to 5,208 shares on January 10, 2008 and vests monthly with respect to 260 shares.
- This Option was vested with respect to 721 shares on January 10, 2008 and vests monthly with respect to 181 shares.
- This option will vest with respect to 625 shares on November 14, 2008, and approximately 52 shares monthly thereafter.

Remarks:

/s/ Francis Sarena01/18/2008

** Signature of Reporting Person

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 5 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.