

**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): January 18, 2012

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.

PDL BioPharma Announces 2012 Quarterly Dividends

On January 18, 2012, PDL BioPharma, Inc. (the Company) announced that its board of directors has declared that the regular, quarterly dividends to be paid to its stockholders in 2012 will be \$0.15 per share of common stock. The \$0.15 dividends will be paid on March 14, June 14, September 14 and December 14 of 2012 to all stockholders who own shares of the Company on March 7, June 7, September 7 and December 7 of 2012, the record dates for each of the dividend payments, respectively.

On January 24, 2012, the Company issued a press release announcing the 2012 dividends. The press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Cautionary Statements

This filing and the press release include “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Although we believe that the expectations reflected in the forward-looking statements are reasonable, because all dividend payments are subject to compliance with legal requirements, dividends could be withdrawn prior to payment at the discretion of the Company’s board of directors because of a number of factors, including, but not limited to, economic outlook, corporate cash flow, the company’s liquidity needs and the health and stability of credit markets. Important factors that could impair the Company’s royalty assets or business are disclosed in the “Risk Factors” contained in the Company’s 2010 Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 1, 2011, and subsequent Quarterly Reports on Form 10-Q filed with the Securities and Exchange Commission thereafter. All forward-looking statements are expressly qualified in their entirety by such factors. We do not undertake any duty to update any forward-looking statement except as required by law.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Press Release

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)

By: /s/ John P. McLaughlin
John P. McLaughlin
President and Chief Executive Officer

Dated: January 24, 2012

EXHIBIT INDEX

Exhibit No.

Description

[99.1](#)

Press Release

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PDL BioPharma Announces 2012 Regular Quarterly Dividends

-- Dividend Amount of \$0.15 per Share per Quarter --

INCLINE VILLAGE, NV, January 24, 2012 -- PDL BioPharma, Inc. (PDL) (NASDAQ: PDLI) today announced that its board of directors has declared that the regular, quarterly dividends to be paid to its stockholders in 2012 will be \$0.15 per share of common stock. The \$0.15 dividends will each be paid on March 14, June 14, September 14 and December 14 of 2012 to all stockholders who own shares of PDL on March 7, June 7, September 7 and December 7 of 2012, the record dates for each of the dividend payments, respectively.

"We are pleased to announce the continuation of our regular, quarterly dividend in 2012," said John P. McLaughlin, president and chief executive officer of PDL BioPharma.

Stockholders desiring to purchase shares with rights to the dividend must ensure that their trades are executed prior to the "ex-dividend" date and settle prior to the record date. NASDAQ will establish an ex-dividend date that is generally two business days prior to the record date. Investors should consult with their brokers or financial advisors regarding their specific situations.

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. Today, PDL is focused on intellectual property asset management, investing in new royalty bearing assets and maximizing the value of its patent portfolio and related assets. For more information, please visit www.pdl.com.

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

Forward-looking Statements

As all dividend payments are subject to compliance with legal requirements, dividend announcements constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and could be withdrawn prior to payment at the discretion of the Company's board of directors. Important factors that could impair the value of the Company's royalty assets and limit the Company's ability to pay dividends are disclosed in the risk factors contained in the Company's 2010 Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 1, 2011. All forward-looking statements are expressly qualified in their entirety by such factors. We do not undertake any duty to update any forward-looking statement except as required by law.

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