

PDL BIOPHARMA, INC.  
Form SC 13G/A  
January 28, 2010

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 13G

Under the Securities Exchange Act of 1934  
(Amendment No. 2)\*

PDL BioPharma, Inc.  
(Name of Issuer)

Common Stock  
(Title of Class of Securities)

69329Y104  
(CUSIP Number)

December 31, 2009  
(Date of Event which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

- |                                     |  |   |               |
|-------------------------------------|--|---|---------------|
| <input checked="" type="checkbox"/> |  | ] | Rule 13d-1(b) |
| <input type="checkbox"/>            |  | ] | Rule 13d-1(c) |
| <input type="checkbox"/>            |  | ] | Rule 13d-1(d) |

\* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

SCHEDULE 13G  
CUSIP No. 69329Y104

1. Names of Reporting Persons.  
Iridian Asset Management LLC  
I.R.S. Identification Nos. of above persons (entities only).
2. Check the Appropriate Box if a Member of a Group (See Instructions)  
(a)  (b)
3. SEC USE ONLY
4. Citizenship or Place of Organization  
Delaware
- |   |    |  |
|---|----|--|
| Number of<br>Shares<br>Beneficially<br>Owned by<br>Each Reporting<br>Person With: | 5. | Sole Voting Power<br>0                 |
|   | 6. | Shared Voting Power<br>10,749,779      |
|   | 7. | Sole Dispositive Power<br>0            |
|   | 8. | Shared Dispositive Power<br>10,749,779 |
9. Aggregate Amount Beneficially Owned by Each Reporting Person  
10,749,779
10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)
11. Percent of Class Represented by Amount in Row (9)  
9.0%
12. Type of Reporting Person  
IA

1. Names of Reporting Persons.  
David L. Cohen  
I.R.S. Identification Nos. of above persons (entities only).
  2. Check the Appropriate Box if a Member of a Group (See Instructions)  
(a)  (b)
  3. SEC USE ONLY
  4. Citizenship or Place of Organization  
United States
  5. Sole Voting Power  
0
  6. Shared Voting Power  
10,749,779
  7. Sole Dispositive Power  
0
  8. Shared Dispositive Power  
10,749,779
  9. Aggregate Amount Beneficially Owned by Each Reporting Person  
10,749,779
  10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)
  11. Percent of Class Represented by Amount in Row (9)  
9.0%
  12. Type of Reporting Person  
IN
- Number of Shares Beneficially Owned by Each Reporting Person With:

1. Names of Reporting Persons.

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Harold J. Levy

I.R.S. Identification Nos. of above persons (entities only).

2. Check the Appropriate Box if a Member of a Group (See Instructions)  
(a)  (b)

3. SEC USE ONLY

4. Citizenship or Place of Organization  
United States

5. Sole Voting Power  
0

Number of  
Shares  
Beneficially  
Owned by  
Each Reporting  
Person With:

6. Shared Voting Power  
10,749,779

7. Sole Dispositive Power  
0

8. Shared Dispositive Power  
10,749,779

9. Aggregate Amount Beneficially Owned by Each Reporting Person  
10,749,779

10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See  
Instructions)

11. Percent of Class Represented by Amount in Row (9)  
9.0%

12. Type of Reporting Person  
IN

4

This Amendment amends in its entirety the Schedule 13G previously filed for the month ended December 31, 2008.

Item 1.

- (a) Name of Issuer

PDL BioPharma, Inc.

- (b) Address of Issuer's Principal Executive Offices

932 Southwood Boulevard, Incline Village, Nevada 89451

Item 2.

- (a) Name of Person Filing  
This Statement is being filed by and on behalf of Iridian Asset Management LLC ("Iridian"), David L. Cohen ("Cohen") and Harold J. Levy ("Levy") (collectively, the "Reporting Persons").  
Effective June 30, 2009, Cohen and Levy indirectly acquired ownership and control of 100% of the equity interest of Iridian from BIAM (US) Inc., an indirect wholly owned subsidiary of The Governor and Company of the Bank of Ireland. Thus, on that date, Cohen and Levy may be deemed to have acquired beneficially ownership of all shares of Common Stock beneficially owned by Iridian.  
Iridian is majority owned by Arovid Associates LLC, a Delaware limited liability company owned and controlled by the following: 12.5% by Cohen, 12.5% by Levy, 37.5% by LLMD LLC, a Delaware limited liability company, and 37.5% by ALHERO LLC, a Delaware limited liability company. LLMD LLC is owned 1% by Cohen, and 99% by a family trust controlled by Cohen. ALHERO LLC is owned 1% by Levy and 99% by a family trust controlled by Levy.
- (b) Address of Principal Business Office or, if none, Residence  
  
The principal business address of the Reporting Persons is 276 Post Road West, Westport, CT 06880-4704.
- (c) Citizenship or Place of Organization  
  
Iridian is a Delaware limited liability company. Cohen and Levy are US citizens.
- (d) Title of Class of Securities  
  
Common Stock
- (e) CUSIP Number  
  
69329Y104

Item 3.

- If this statement is filed pursuant to §§240.13d-1(b) or 240.13d-2(b) or (c), check whether the person filing is a:
- (a)  Broker or dealer registered under section 15 of the Act (15 U.S.C. 78o).
- (b)  Bank as defined in section 3(a)(6) of the Act (15 U.S.C. 78c).
- (c)  Insurance company as defined in section 3(a)(19) of the Act (15 U.S.C. 78c).
- (d)  Investment company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C 80a-8).
- (e)  An investment adviser in accordance with §240.13d-1(b)(1)(ii)(E);
- (f)  An employee benefit plan or endowment fund in accordance with §240.13d-1(b)(1)(ii)(F);
- (g)

- |     |                                     |   |
|-----|-------------------------------------|---|
|     |                                     | A parent holding company or control person in accordance with § 240.13d-1(b)(1)(ii)(G);   |
| (h) | <input type="checkbox"/>            | A savings associations as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813);  |
| (i) | <input type="checkbox"/>            | A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3); |
| (j) | <input checked="" type="checkbox"/> | Group, in accordance with §240.13d-1(b)(1)(ii)(J).  |

Item 4.

Ownership.

- (a) and (b) Amount beneficially owned and Percent of Class:

As of the date of this Statement, the Reporting Persons beneficially owned in the aggregate 10,749,779 shares of Common Stock which equates to approximately 9.0% of the outstanding shares (the percentage of shares of Common Stock owned being based upon 119,671,083 shares of Common Stock outstanding at November 5, 2009 as set forth in the Issuer's Quarterly Report on Form 10-Q for the quarter ended September 30, 2009).

Iridian has direct beneficial ownership of the shares of Common Stock in the accounts for which it serves as the investment adviser under its investment management agreements.

Messrs. Cohen and Levy may be deemed to possess beneficial ownership of the shares of Common Stock beneficially owned by Iridian by virtue of their indirect controlling ownership of Iridian, and having the power to vote and direct the disposition of shares of Common Stock as joint Chief Investment Officers of Iridian. Messrs. Cohen and Levy disclaim beneficial ownership of such shares.

As used herein, "beneficial ownership" has the meaning set forth in Rule 13d-3 under the Securities Exchange Act of 1934, as amended.

- (c) Power to vote or dispose.

Iridian has the direct power to vote or direct the vote, and the direct power to dispose or direct the disposition, of 10,749,779 shares of Common Stock. Cohen and Levy may be deemed to share with Iridian the power to vote or direct the vote and to dispose or direct the disposition of such shares.

Item 5.

Ownership of Five Percent or Less of a Class

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following .

Not Applicable.

Item 6.

Ownership of More than Five Percent on Behalf of Another Person

Not Applicable

Item 7.

Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company

Not Applicable.

Item 8. Identification and Classification of Members of the Group  
Iridian is an investment adviser registered under Section 203 of the Investment Advisers Act of 1940, and its principal business is managing a number of accounts containing securities over which Iridian has voting and dispositive power.

Each of Messrs. Cohen and Levy has a controlling interest in Iridian, and serves as Co-Chief Executive Officer and Co-Chief Investment Officer of Iridian.

Item 9. Notice of Dissolution of Group

Not Applicable

Item 10. Certification  
By signing below the undersigned certifies that, to the best of its or his knowledge and belief, the securities referred to above were acquired and are held in the ordinary course of business and were not acquired and are not held for the purpose of and do not have the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having such purpose or effect.

SIGNATURE

After reasonable inquiry and to the best of its or his knowledge and belief, we certify that the information set forth in this statement is true, complete and correct.

Date: January 28, 2010

IRIDIAN ASSET MANAGEMENT LLC

By: /s/ Jeffrey M. Elliott  
\_\_\_\_\_  
Jeffrey M. Elliott  
Title: Executive Vice President

David L. Cohen

By: /s/ Jeffrey M. Elliott  
\_\_\_\_\_  
Jeffrey M. Elliott  
Title: Agent

Harold J. Levy

By: /s/ Jeffrey M. Elliott  
\_\_\_\_\_

Jeffrey M. Elliott

Title:

Agent