

DUSA PHARMACEUTICALS INC  
Form SC 13D/A  
May 13, 2010

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

SCHEDULE 13D  
(Amendment No. 3)1

Under the Securities Exchange Act of 1934

DUSA PHARMACEUTICALS, INC.

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(Name of Issuer)

Common Stock

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(Title of Class of Securities)

266898105

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(CUSIP Number)

SRB Management, L.P.  
Attn: Steven R. Becker  
300 Crescent Court, Suite 1111  
Dallas, Texas 75201  
(214) 756-6016

With a copy to:  
Richard J. Birns, Esq.  
Boies, Schiller & Flexner LLP  
575 Lexington Avenue, 7th Floor  
New York, NY 10022  
(212) 446-2300

(Name, Address and Telephone Number of Person  
Authorized to Receive Notices and Communications)

May 13, 2010

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(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box:

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 240.13d-7 for other parties to whom copies are to be sent.

\* 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 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).

1 This filing constitutes Amendment No. 3 for Steven R. Becker, and Amendment No. 2 for all other entities making this filing. The original filing by Steven R. Becker, dated December 9, 2008, Amendment No. 1, dated February 26, 2010, and Amendment No. 2, dated April 8, 2010, are incorporated herein by reference, except as superseded by this filing.

SCHEDULE 13D

CUSIP No. 266898105

1	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON SRB Management, L.P.
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input type="checkbox"/> (b) <input type="checkbox"/>
3	SEC USE ONLY
4	SOURCE OF FUNDS (See Instructions) OO
5	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) <input type="checkbox"/>
6	CITIZENSHIP OR PLACE OF ORGANIZATION Texas
7	SOLE VOTING POWER 0
8	SHARED VOTING POWER 1,773,151
9	SOLE DISPOSITIVE POWER 0
10	SHARED DISPOSITIVE POWER 1,773,151
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 1,773,151
12	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS) <input type="checkbox"/>
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 7.3%
14	TYPE OF REPORTING PERSON (SEE INSTRUCTIONS) IA, PN

CUSIP No. 266898105

- 1 NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON  
SRB Greenway Opportunity Fund, (QP), L.P.
- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)
- 3 SEC USE ONLY
- 4 SOURCE OF FUNDS (See Instructions)  
WC
- 5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO  
ITEMS 2(d) or 2(e)
- 6 CITIZENSHIP OR PLACE OF ORGANIZATION  
Texas

	7	SOLE VOTING POWER	1,585,636
NUMBER OF SHARES			
BENEFICIALLY	8	SHARED VOTING POWER	0
OWNED BY			
EACH	9	SOLE DISPOSITIVE POWER	1,585, 636
REPORTING			
PERSON WITH	10	SHARED DISPOSITIVE POWER	0

- 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
1,585,636
- 12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES  
(SEE INSTRUCTIONS)
- 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
6.6%
- 14 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)  
PN

CUSIP No. 266898105

1	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON. SRB Greenway Opportunity Fund, L.P.
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input type="checkbox"/> (b) <input type="checkbox"/>
3	SEC USE ONLY
4	SOURCE OF FUNDS (See Instructions) WC
5	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) <input type="checkbox"/>
6	CITIZENSHIP OR PLACE OF ORGANIZATION Texas
7	SOLE VOTING POWER 187,515
8	SHARED VOTING POWER 0
9	SOLE DISPOSITIVE POWER 187,515
10	SHARED DISPOSITIVE POWER 0
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 187,515
12	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS) <input type="checkbox"/>
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 0.8%
14	TYPE OF REPORTING PERSON (SEE INSTRUCTIONS) PN

CUSIP No. 266898105

1	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON BC Advisors, LLC
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) p (b) "
3	SEC USE ONLY
4	SOURCE OF FUNDS (See Instructions) OO
5	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) o
6	CITIZENSHIP OR PLACE OF ORGANIZATION Texas
7	SOLE VOTING POWER 0
8	SHARED VOTING POWER 1,773,151
9	SOLE DISPOSITIVE POWER 0
10	SHARED DISPOSITIVE POWER 1,773,151
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 1,773,151
12	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS) o
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 7.3%
14	TYPE OF REPORTING PERSON (SEE INSTRUCTIONS) IA, OO

CUSIP No. 266898105

1	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON Steven R. Becker
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input type="checkbox"/> (b) <input type="checkbox"/>
3	SEC USE ONLY
4	SOURCE OF FUNDS (See Instructions) OO
5	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) <input type="checkbox"/>
6	CITIZENSHIP OR PLACE OF ORGANIZATION United States
7	SOLE VOTING POWER 0
8	SHARED VOTING POWER 1,773,151
9	SOLE DISPOSITIVE POWER 0
10	SHARED DISPOSITIVE POWER 1,773,151
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 1,773,151
12	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS) <input type="checkbox"/>
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 7.3%
14	TYPE OF REPORTING PERSON (SEE INSTRUCTIONS) IN

CUSIP No. 266898105

1	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON Matthew A. Drapkin
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input type="checkbox"/> (b) <input type="checkbox"/>
3	SEC USE ONLY
4	SOURCE OF FUNDS (See Instructions) OO
5	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) <input type="checkbox"/>
6	CITIZENSHIP OR PLACE OF ORGANIZATION United States
7	SOLE VOTING POWER 0
8	SHARED VOTING POWER 1,773,151
9	SOLE DISPOSITIVE POWER 0
10	SHARED DISPOSITIVE POWER 1,773,151
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 1,773,151
12	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS) <input type="checkbox"/>
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 7.3%
14	TYPE OF REPORTING PERSON (SEE INSTRUCTIONS) IN



This Amendment No. 3 to Schedule 13D amends and supplements the Schedule 13D filed with the Securities and Exchange Commission (the "SEC") on December 9, 2008, Amendment No. 1 thereto, filed with the SEC February 26, 2010, and Amendment No. 2 thereto, filed with the SEC April 8, 2010, by the Reporting Persons with respect to the common stock (the "Common Stock") of DUSA Pharmaceuticals, Inc., a New Jersey corporation (the "Issuer").

Item 4. Purpose of Transaction

Item 4 is amended and supplemented to add the following information for updating as of the date hereof:

On May 13, 2010, the Issuer entered into an agreement (the "Agreement") with the Reporting Persons that will avoid a proxy contest for the election of directors at the Issuer's 2010 annual meeting of stockholders (the "2010 Annual Meeting").

The following is a brief description of the terms of the Agreement, which description is qualified in its entirety by reference to the full text of the Agreement, which is attached as Exhibit 2 hereto and incorporated by reference herein.

Under the terms of the Agreement, (a) Greenway Opportunity QP and Greenway Opportunity, L.P. have agreed to withdraw the letter delivered by the Greenway Funds to the Vice President of Finance and Chief Financial Officer of the Issuer and to the Secretary of the Issuer dated February 26, 2010, (b) the Issuer has agreed (i) that its slate of nominees for election to the Board shall consist of Alfred Altomari ("Altomari"), Alexander W. Casdin ("Casdin"), Jay M. Haft, Magnus Moliteus, Robert F. Doman, David M. Bartash, Paul Hondros and David M. Wurzer ("Wurzer"), (ii) to include Altomari, Casdin and Wurzer in its slate of nominees for election to the Board at the Issuer's 2011 annual meeting of stockholders (the "2011 Annual Meeting"), (iii) to appoint Wurzer to both the Audit Committee and the Compensation Committee of the Board, (iv) to appoint Altomari to both the Compensation Committee and the Nominating and Corporate Governance Committee of the Board and (v) to appoint Casdin to both the Compensation Committee and the Nominating and Corporate Governance Committee of the Board and (c) the Reporting Persons have agreed to vote or cause to be voted the shares of Common Stock beneficially owned by the Reporting Persons, as of the record date for the 2010 Annual Meeting or the 2011 Annual Meeting, in favor of the Issuer's nominees for director at the 2010 Annual Meeting and the 2011 Annual Meeting, respectively, and to abide by certain standstill provisions until the second anniversary of the Agreement (or such earlier date upon the occurrence of certain conditions, as described in the Agreement).

Item 5. Interest in Securities of the Issuer

Subparagraphs (a) through (d) of Item 5 are hereby amended and restated as follows:

(a), (b) As of the date hereof, the Reporting Persons own an aggregate of 1,439,985 shares of Common Stock and warrants exercisable for 333,166 additional shares of Common Stock. Based upon a total of 24,173,096 outstanding shares of Common Stock, as reported in the Issuer's quarterly report on Form 10-Q for the period ending March 31, 2010, the Reporting Persons' shares and warrants represent approximately 7.3% of the outstanding shares of Common Stock.

Greenway Opportunity QP owns 1,281,455 shares of Common Stock and warrants exercisable for an additional 304,181 shares of Common Stock (the “Greenway Opportunity QP Shares”), which together represent approximately 6.6% of the outstanding shares of Common Stock.

Greenway Opportunity, L.P. owns 158,530 shares of Common Stock and warrants exercisable for an additional 28,985 shares of Common Stock (the “Greenway Opportunity, L.P. Shares”), which together represent approximately 0.8% of the outstanding shares of Common Stock.

The Greenway Opportunity QP Shares and Greenway Opportunity, L.P. Shares are collectively referred to herein as the “Greenway Funds Shares”.

Greenway Opportunity QP has the power to vote or to direct the vote of (and the power to dispose or direct the disposition of) the Greenway Opportunity QP Shares. Greenway Opportunity QP disclaims beneficial ownership of the Greenway Opportunity, L.P. Shares.

Greenway Opportunity, L.P. has the power to vote or to direct the vote of (and the power to dispose or direct the disposition of) the Greenway Opportunity, L.P. Shares. Greenway Opportunity, L.P. disclaims beneficial ownership of the Greenway Opportunity QP Shares.

As general partner of the Greenway Funds, SRB Management may be deemed to have the shared power to vote or direct the vote of (and the shared power to dispose or direct the disposition of) the Greenway Funds Shares. SRB Management does not own any shares of Common Stock directly and disclaims beneficial ownership of the Greenway Funds Shares.

As general partner of SRB Management, BCA may be deemed to have the shared power to vote or direct the vote of (and the shared power to dispose or direct the disposition of) any shares of Common Stock beneficially owned by SRB Management. BCA does not own any shares of Common Stock directly and disclaims beneficial ownership of any shares of Common Stock beneficially owned by SRB Management.

As co-managing members of BCA, each of Mr. Becker and Mr. Drapkin may be deemed to have the shared power to vote or direct the vote of (and the shared power to dispose or direct the disposition of) any shares of Common Stock beneficially owned by BCA. Neither Mr. Becker nor Mr. Drapkin owns any shares of Common Stock directly, and each disclaims beneficial ownership of any shares of Common Stock beneficially owned by BCA. Furthermore, Mr. Becker disclaims beneficial ownership of any shares of Common Stock beneficially owned by Mr. Drapkin, and Mr. Drapkin disclaims beneficial ownership of any shares of Common Stock beneficially owned by Mr. Becker.

As of the date hereof, no Reporting Person owns any shares of Common Stock other than those set forth in this Item 5.

(c) The trading dates, number of shares of Common Stock purchased or sold, and the price per share of Common Stock for all transactions by the Reporting Persons in shares of Common Stock since the last amendment of this Schedule 13D, all of which were brokered transactions, are set forth below:

Name of Reporting Person	Date	Number of Shares Purchased/(Sold)	Average Price per Share
Greenway Opportunity QP	4/22/2010	(14,107)	2.6525
Greenway Opportunity QP	4/22/2010	(19,803)	2.7111
Greenway Opportunity QP	4/22/2010	(19,803)	2.7111
Greenway Opportunity QP	4/22/2010	(19,803)	2.7000
Greenway Opportunity, L.P.	4/22/2010	(1,743)	2.6525
Greenway Opportunity, L.P.	4/22/2010	(2,447)	2.7111
Greenway Opportunity, L.P.	4/22/2010	(2,447)	2.7111

Greenway Opportunity, L.P.	4/30/2010	(275)	2.7000
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(d) No person other than the Reporting Persons has the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, the shares of Common Stock set forth above.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer

Item 6 is amended and supplemented to add the following information for updating as of the date hereof:

On May 13, 2010, the Reporting Persons entered into the Joint Filing Agreement pursuant to which, among other things, the Group agreed to the joint filing on behalf of each of them of statements (including any amendments) on Schedule 13D with respect to the securities of the Issuer.

On May 13, 2010, the Issuer and the Reporting Persons entered into the Agreement, the terms of which are described in Item 4 of this Schedule 13D.

Item 7. Material to Be Filed as Exhibits

Exhibit 1 Joint Filing Agreement, dated May 13, 2010, by and among SRB Management, L.P.; SRB Greenway Opportunity Fund, (QP), L.P.; SRB Greenway Opportunity Fund, L.P.; BC Advisors, LLC; Steven R. Becker; and Matthew A. Drapkin.

Exhibit 2 Agreement, dated May 13, 2010, by and among DUSA Pharmaceuticals, Inc.; SRB Management, L.P.; SRB Greenway Opportunity Fund, (QP), L.P.; SRB Greenway Opportunity Fund, L.P.; BC Advisors, LLC; Steven R. Becker; and Matthew A. Drapkin.

SIGNATURES

After reasonable inquiry and to the best of each of the undersigned's knowledge and belief, each of the undersigned, severally and not jointly, certifies that the information set forth in this statement is true, complete and correct.

Dated: May 13, 2010

SRB MANAGEMENT, L.P.

By: BC Advisors, LLC, its general partner

By: /s/ Richard J. Birns  
Name: Richard J. Birns  
Title: Attorney-in-Fact

SRB GREENWAY OPPORTUNITY FUND, (QP), L.P.

By: SRB Management, L.P., its general partner

By: BC Advisors, LLC, its general partner

By: /s/ Richard J. Birns  
Name: Richard J. Birns  
Title: Attorney-in-Fact

SRB GREENWAY OPPORTUNITY FUND, L.P.

By: SRB Management, L.P., its general partner

By: BC Advisors, LLC, its general partner

By: /s/ Richard J. Birns  
Name: Richard J. Birns  
Title: Attorney-in-Fact

BC ADVISORS, LLC

By: /s/ Richard J. Birns  
Name: Richard J. Birns  
Title: Attorney-in-Fact

STEVEN R. BECKER

By: /s/ Richard J. Birns  
Name: Richard J. Birns  
Title: Attorney-in-Fact

MATTHEW A. DRAPKIN

By: /s/ Richard J. Birns  
Name: Richard J. Birns  
Title: Attorney-in-Fact