

KNOTT DAVID M  
Form 4  
March 10, 2010

**FORM 4**

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
KNOTT DAVID M

2. Issuer Name and Ticker or Trading Symbol  
LIGAND PHARMACEUTICALS INC [LGND]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
485 UNDERHILL BLVD, STE 205  
(Street)

3. Date of Earliest Transaction (Month/Day/Year)  
03/08/2010

Director  10% Owner  
 Officer (give title below)  Other (specify below)

SYOSSET, NY 11791-3419

(City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				(A) or (D)	Price		
Common Stock	03/09/2010		S	14,000	D \$ 1.7133	3,431,483	I By Knott Partners, L.P. (1) (4)
Common Stock	03/08/2010		S	42,810	D \$ 1.722	1,157,631	I By Shoshone Partners, L.P. (1) (4)
Common Stock	03/08/2010		S	320,900	D \$ 1.722	383,300	I By Mulsanne Partners, L.P. (1) (4)

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Common Stock	03/09/2010	S	12,000	D	\$ 1.7133	1,145,631	I	By Shoshone Partners, L.P. <u>(1)</u> <u>(4)</u>
Common Stock	03/09/2010	S	40,800	D	\$ 1.7133	342,500	I	By Mulsanne Partners, L.P. <u>(1)</u> <u>(4)</u>
Common Stock						2,500,928	I	By Knott Partners Offshore Master Fund, L.P. <u>(1)</u> <u>(4)</u>
Common Stock						192,590	I	By Managed Accounts A <u>(2)</u> <u>(4)</u>
Common Stock	03/08/2010	S	51,535	D	\$ 1.722	72,796	I	By Managed Accounts B <u>(2)</u> <u>(4)</u>
Common Stock	03/09/2010	S	8,200	D	\$ 1.7133	64,596	I	By Managed Accounts B <u>(2)</u> <u>(4)</u>
Common Stock						4,000	I	By Managed Accounts C <u>(2)</u> <u>(4)</u>
Common Stock						69,500	I	By Managed Accounts D <u>(2)</u> <u>(4)</u>
Common Stock <u>(3)</u>						10,000	D	

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

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr
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Code V (A) (D)

Date Exercisable	Expiration Date	Title	Amount or Number of Shares
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## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KNOTT DAVID M 485 UNDERHILL BLVD STE 205 SYOSSET, NY 11791-3419	X			

## Signatures

/s/ David M.  
Knott  
03/10/2010  
Date

\*\*Signature of Reporting Person

## Explanation of Responses:

\* If the form is filed by more than one reporting person, see Instruction 4(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).

- The Reporting Person is the managing member of Knott Partners Management, LLC, which is (i) the sole general partner of Shoshone Partners, L.P., Knott Partners Offshore Master Fund, L.P. and Mulsanne Partners, L.P. and (ii) the managing general partner of Knott Partners, L.P. The Reporting Person is also a general partner of Knott Partners, L.P.
- (1) Partners, L.P., Knott Partners Offshore Master Fund, L.P. and Mulsanne Partners, L.P. and (ii) the managing general partner of Knott Partners, L.P. The Reporting Person is also a general partner of Knott Partners, L.P.
  - (2) The securities identified in this row are held by a managed account for which Dorset Management Corporation provides portfolio management services. The Reporting Person is the President and sole director of Dorset Management Corporation.
  - (3) The securities reported in Column 4 of Table I represent restricted shares of Common Stock granted to all directors at the annual meeting of the shareholders on May 29, 2008. Of those shares, 5,000 vested on the first anniversary of the date of grant and 5,000 will vest upon a change of control in or a hostile takeover of the issuer.
  - (4) As a result of the Reporting Person's interests in Knott Partners Management, LLC and in Dorset Management Corporation, the Reporting Person has investment discretion and control of the securities represented in this entry. The Reporting Person may be deemed to beneficially own an indirect pecuniary interest in the securities represented in this entry as a result of its performance-related fee. Except with respect to Knott Partners, L.P., Knott Partners Offshore Master Fund, L.P. and Shoshone Partners, L.P., in which the Reporting Person owns a beneficial interest, the Reporting Person disclaims beneficial ownership therein except to the extent ultimately realized. Each of Knott Partners, L.P., Shoshone Partners, L.P., Mulsanne Partners, L.P. and Knott Partners Offshore Master Fund, L.P. and each of the Managed Accounts disclaims beneficial ownership of securities reported as owned by any other party.

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

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