

Vanda Pharmaceuticals Inc.
 Form 4
 November 08, 2006

FORM 4

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

OMB APPROVAL

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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 *
 Clark William D

(Last) (First) (Middle)
 9605 MEDICAL CENTER DRIVE, SUITE 300
 (Street)

ROCKVILLE, MD 20850

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 Vanda Pharmaceuticals Inc. [VNDA]

3. Date of Earliest Transaction (Month/Day/Year)
 11/07/2006

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Sr VP, Chief Business Officer

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	11/07/2006		M		400 A \$ 0.33	400	D
Common Stock	11/07/2006		S		200 D \$ 11.5	200	D
Common Stock	11/07/2006		S		200 D \$ 11.61	0	D
Common Stock	11/08/2006		M		18,600 A \$ 0.33	18,600	D
Common Stock	11/08/2006		S		3,202 D \$ 11	15,398	D

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Common Stock	11/08/2006	S	700	D	\$ 11.02	14,698	D
Common Stock	11/08/2006	S	99	D	\$ 11.03	14,599	D
Common Stock	11/08/2006	S	200	D	\$ 11.04	14,399	D
Common Stock	11/08/2006	S	700	D	\$ 11.05	13,699	D
Common Stock	11/08/2006	S	400	D	\$ 11.07	13,299	D
Common Stock	11/08/2006	S	400	D	\$ 11.08	12,899	D
Common Stock	11/08/2006	S	300	D	\$ 11.1	12,599	D
Common Stock	11/08/2006	S	199	D	\$ 11.13	12,400	D
Common Stock	11/08/2006	S	935	D	\$ 11.15	11,465	D
Common Stock	11/08/2006	S	300	D	\$ 11.16	11,165	D
Common Stock	11/08/2006	S	99	D	\$ 11.18	11,066	D
Common Stock	11/08/2006	S	200	D	\$ 11.19	10,866	D
Common Stock	11/08/2006	S	102	D	\$ 11.2	10,764	D
Common Stock	11/08/2006	S	200	D	\$ 11.21	10,564	D
Common Stock	11/08/2006	S	100	D	\$ 11.22	10,464	D
Common Stock	11/08/2006	S	680	D	\$ 11.23	9,784	D
Common Stock	11/08/2006	S	299	D	\$ 11.24	9,485	D
Common Stock	11/08/2006	S	1,120	D	\$ 11.25	8,365	D
Common Stock	11/08/2006	S	380	D	\$ 11.26	7,985	D
Common Stock	11/08/2006	S	700	D	\$ 11.3	7,285	D
	11/08/2006	S	100	D		7,185	D

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Common Stock						\$ 11.33		
Common Stock	11/08/2006		S	300	D	\$ 11.34	6,885	D
Common Stock	11/08/2006		S	286	D	\$ 11.35	6,599	D
Common Stock	11/08/2006		S	200	D	\$ 11.36	6,399	D
Common Stock	11/08/2006		S	99	D	\$ 11.39	6,300	D

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

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

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)	Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (right to buy)	\$ 0.33	11/07/2006		M	400	<u>(1)</u> 09/01/2014	Common Stock	400	
Employee Stock Option (right to buy)	\$ 0.33	11/08/2006		M	18,600	<u>(1)</u> 09/01/2014	Common Stock	18,600	

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

Clark William D
9605 MEDICAL CENTER DRIVE
SUITE 300
ROCKVILLE, MD 20850

Sr VP, Chief Business Officer

Signatures

/s/ William D.
Clark

11/08/2006

__Signature of
Reporting Person

Date

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).
- (1) Exercisable with respect to 49,653 of the shares covered by the option immediately. Exercisable with respect to an additional 2.08333% of the aggregate option share total each month thereafter.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.