

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): December 4, 2005

PDI, INC.

(Exact name of registrant as specified in its charter)

Delaware
*(State or other jurisdiction
of incorporation)*

0-24249
*(Commission
File Number)*

22-2919486
*(I.R.S. Employer
Identification No.)*

Saddle River Executive Centre
1 Route 17 South
Saddle River, NJ 07458

(Address of principal executive office)

Registrant's telephone number, including area code: (201) 258-8450

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant 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))

Item 2.05. Costs Associated with Exit or Disposal Activities.

On December 4, 2005, PDI, Inc. (the "Company") issued a press release announcing that its board of directors authorized the discontinuation of the InServe Support Solutions portion of the Company's medical teams business unit. Effective January 1, 2006, the Company's MD&D contract sales teams, also formerly reported under the medical teams business unit, will be reported under its dedicated teams business unit, leveraging existing corporate infrastructure. The InServe Support Solutions business will be discontinued effective March 31, 2006.

In connection with this course of action, the Company expects to incur approximately \$300,000 to \$400,000 in one-time severance costs and approximately \$50,000 in costs related to the acceleration of depreciation of fixed assets. The severance costs are expected to result in future cash expenditures.

A copy of the press release is attached as Exhibit 99.1 hereto and is incorporated herein by reference.

Item 2.06. Material Impairments.

On December 4, 2005, PDI, the Company issued a press release announcing that its board of directors authorized the discontinuation of the InServe Support Solutions portion of the Company's medical teams business unit. Effective January 1, 2006, the Company's MD&D contract sales teams, also formerly reported under the medical teams business unit, will be reported under its dedicated teams business unit, leveraging existing corporate infrastructure. The InServe Support Solutions business will be discontinued effective March 31, 2006.

In connection with this course of action, the Company expects to take impairment charges in the fourth quarter of 2005 of approximately \$7.8 million relating to the impairment of goodwill and approximately \$524,000 relating to the impairment of intangible assets. None of

these impairment charges are expected to result in future cash expenditures.

A copy of the press release is attached as Exhibit 99.1 hereto and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits

99.1 Press Release dated December 4, 2005.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: December 6, 2005

PDI, INC.

By: /s/ Brian Boyle

Name: Brian Boyle

Title: Chief Financial Officer

EXHIBIT INDEX

Exhibit No. Description

99.1 Press Release dated December 4, 2005

For more information contact:

Stephen P. Cotugno
Executive Vice President-Corporate Development
PDI, Inc.
201.574.8617

PDI Discontinues InServe Business Unit

Saddle River, NJ— (December 4, 2005) PDI, Inc. (NASDAQ: PDII) a diversified sales and marketing services provider to the pharmaceutical industry, today announced that it is discontinuing its InServe business unit.

InServe provides clinical after sales support to medical devices and diagnostics companies. Nurses, medical technologists, and other clinicians, employed by InServe, train and provide clinical education and after sales support to the medical staff of hospitals and clinics that recently purchased equipment.

Through September 30, 2005, InServe generated revenue of \$4.2 million. The Company expects to be taking a writedown of intangible assets and goodwill attributed to InServe in the fourth quarter of 2005.

Today's action is part of PDI's plan to return the company to profitability and to focus on its core business of servicing the pharmaceutical industry. In addition, the Company is reducing expenses, investing in new business development and marketing resources, and using its balance sheet to drive shareholder value including making accretive acquisitions.

About PDI

PDI, Inc. (NASDAQ: PDII) is a diversified sales and marketing services provider to the pharmaceutical industry. PDI's comprehensive set of next-generation solutions is designed to increase its clients' strategic flexibility and enhance their efficiency and profitability. Headquartered in Saddle River, NJ, PDI also has offices in Pennsylvania and Illinois.

PDI's sales and marketing services include dedicated contract sales, Select Access™, marketing research and consulting, medical education and communications and integrated commercial solutions for products from pre-launch through patent-expiration. The company's experience extends across multiple therapeutic categories and includes office and hospital-based initiatives.

PDI's commitment is to deliver innovative solutions, unparalleled execution and superior results for its clients. Through strategic partnership and client-driven innovation, PDI maintains some of the longest standing sales and marketing relationships in the industry. Recognized as an industry pioneer, PDI remains committed to continued innovation.

For more information, visit the Company's website at www.pdi-inc.com.

Forward Looking Statements

This press release contains forward-looking statements regarding future events and financial performance. These statements involve a number of risks and uncertainties and are based on numerous assumptions involving judgments with respect to future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond PDI's control. Some of the important factors that could cause actual results to differ materially from those indicated by the forward-looking statements are general economic conditions, changes in our operating expenses, adverse patent rulings, FDA, legal or accounting developments, competitive pressures, discontinued businesses, failure to meet performance benchmarks in significant contracts, changes in customer and market requirements and standards, the impact of any stock repurchase programs, the adequacy of the reserves the Company has taken, the financial viability of certain companies whose debt and equity securities we hold, outcome of certain litigations, and the Company's ability to implement its current business plans and the risk factors detailed from time to time in PDI's periodic filings with the Securities and Exchange Commission, including without limitation, PDI's Annual Report on Form 10-K for the year ended December 31, 2004, and PDI's periodic reports on Form 10-Q and current reports on Form 8-K filed with the Securities and Exchange Commission since January 1, 2005. The forward looking-statements in this press release are based upon management's reasonable belief as of the date hereof. PDI undertakes no obligation to revise or update publicly any forward-looking statements for any reason.