FORM 4

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

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person [*] Connolly Kevin	2. Issuer Name **and** Ticker or Trading Symbol PDI INC [PDII]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)
(Last) (First) (Middle) C/O PDI INC., SADDLE RIVER EXEC.CTR., 1 ROUTE 17 SOUTH	3. Date of Earliest Transaction (Month/Day/Year) 02/15/2006	Director 10% Owner X Officer (give title below) Other (specify below) Executive vice-president
(Street) SADDLE RIVER, NJ 07458	4. If Amendment, Date Original Filed(Month/Day/Year)	6. Individual or Joint/Group Filing(Check Applicable Line) X Form filed by One Reporting Person ___ Form filed by More than One Reporting Person
(City) (State) (Zip)		

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	(A) or (D)	Price			
Common Stock [(1)]	02/15/2006		A		8,000	A	$11.63	8,000	D	
Common Stock [(2)]	03/23/2006		A		4,146	A	$12.06	12,146	D	

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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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)		8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Stock Appreciation Rights	$ 11.27							[(3)]	06/08/2010	Common Stock	10,000		10,000	D	
Stock Appreciation Rights	$ 12.06	03/23/2006		A		7,133		[(4)]	03/23/2011	Common Stock	7,133	$ 0	17,133	D	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Connolly Kevin C/O PDI INC., SADDLE RIVER EXEC.CTR. 1 ROUTE 17 SOUTH SADDLE RIVER, NJ 07458			Executive vice-president	

Signatures

Kevin Connolly	09/15/2006
[**]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) Restricted shares of common stock that vest on August 20, 2007.

(2) Restricted shares of common stock that vest on March 23, 2009.

(3) Immediately.

(4) One-third of the stock-appreciation rights will become exercisable on each of 3/23/07, 3/23/08, and 3/23/09.

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