

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): January 20, 2004

PDI, INC.

(Exact name of Registrant as specified in its charter)

DELAWARE	0-24249	22-2919486
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

10 Mountainview Road, Upper Saddle River, NJ	07458
(Address of principal executive office)	(Zip Code)

(201) 258-8450

Registrant's telephone number, including area code:

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

Item 5. Other Events and Required FD Disclosure.

On January 20, 2004, the Company issued a press release announcing its intent to terminate its sales, marketing and distribution agreement with Xylos Corporation. The full text of the press release is set forth as Exhibit 99.1 attached hereto and incorporated herein by reference.

Item 7. Financial Statements and Exhibits

Exhibit 99.1 Press Release of PDI, Inc. dated January 20, 2004.

* * * * *

SIGNATURE

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.

PDI, INC.

By: /s/ Charles T. Saldarini

Charles T. Saldarini, Vice Chairman
and Chief Executive Officer

Date: January 20, 2004

Exhibit 99.1

PDI Terminates Xylos Agreement

Upper Saddle River, NJ-- (January 20, 2004) PDI, Inc. (NASDAQ: PDII) announced that it has given Xylos Corporation notice of its intent to terminate its sales, marketing and distribution agreement with Xylos to promote Xylos' XCell(TM) Wound Care Products. The termination will be effective as of May 16, 2004, which is after the 135-day notice required by the agreement.

PDI reaffirms its 2004 guidance of \$1.15 to \$1.25 earnings per share.

About PDI

PDI, a premier healthcare sales and marketing company, provides strategic alternatives to the portfolio challenges of biopharmaceutical and medical device and diagnostics manufacturers. Focusing on two core businesses, sales and marketing services and product commercialization, PDI leverages its expertise and commercial infrastructure to maximize profitable brand growth. Manufacturers choose the relationship which best meets their strategic and financial objectives, ranging from individual or bundled service agreements to broader commercial partnerships.

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

This press release contains forward-looking statements. Investors are cautioned that these forward-looking statements are subject to numerous risks and uncertainties, known and unknown, which could cause actual results and developments to differ materially from those expressed or implied in such statements. Please see 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, 2002, and PDI's periodic reports on Forms 10-Q and 8-K filed with the Securities and Exchange Commission since January 1, 2003. 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.