

# 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 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person * COTUGNO STEPHEN			2. Issuer Name and Ticker or Trading Symbol PDI INC [PDII]			5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director _____ 10% Owner _____ <input checked="" type="checkbox"/> Officer (give title below) _____ Other (specify below) _____ Executive Vice-President		
(Last) (First) (Middle) C/O PDI INC., SADDLE RIVER EXEC. CENTRE, 1 ROUTE 17 SOUTH			3. Date of Earliest Transaction (Month/Day/Year) 02/15/2006					
(Street) SADDLE RIVER, NJ 07458			4. If Amendment, Date Original Filed(Month/Day/Year)			6. Individual or Joint/Group Filing(Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person		
(City) (State) (Zip)			<b>Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned</b>					

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)								9,166	D	
Common Stock (2)	02/15/2006		A		6,000	A	\$ 11.63	15,166	D	
Common Stock (3)	03/23/2006		A		4,146	A	\$ 12.06	19,312	D	

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

SEC 1474 (9-02)

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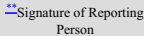
**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

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		Date Exercisable	Expiration Date					
Stock Option (right to buy)	\$ 16						(4) 05/19/2008	Common Stock	6,670		6,670	D	
Stock Option (right to buy)	\$ 27.1875						(4) 10/28/2009	Common Stock	10,000		16,670	D	
Stock Option (right to buy)	\$ 59.50						(4) 02/14/2011	Common Stock	13,981		30,651	D	
Stock Option (right to buy)	\$ 15.74						(4) 03/10/2014	Common Stock	14,013		44,664	D	
Stock Option (right to buy)	\$ 24.605						(4) 03/10/2014	Common Stock	25,000		69,664	D	
Stock Appreciation Rights	\$ 20.145						(4) 03/29/2010	Common Stock	3,807		73,471	D	
Stock Appreciation Rights	\$ 12.06	03/23/2006		A		7,133	(5) 03/23/2011	Common Stock	7,133	\$ 0	80,604	D	

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
COTUGNO STEPHEN C/O PDI INC., SADDLE RIVER EXEC. CENTRE 1 ROUTE 17 SOUTH SADDLE RIVER, NJ 07458			Executive Vice-President	

## Signatures

Stephen Cotugno		08/28/2006
		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) Includes 6,250 restricted shares of common stock that vest on March 10, 2007.
- (2) Restricted shares of common stock that vest on August 20, 2007.
- (3) Restricted shares of common stock that vest on March 23, 2009.
- (4) Immediately.
- (5) 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.

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