

# 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 * Kerr David E		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) _____ Senior VP Business Development	
(Last) (First) (Middle) C/O PDI, INC., MORRIS CORPORATE CENTER 1, 300 INTERPACE PARKWAY		3. Date of Earliest Transaction (Month/Day/Year) 12/23/2010			
(Street) PARSIPPANY, NJ 07054		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)								11,223	D	
Common Stock (2)	12/23/2010		F		225	D	\$ 10.98	10,998	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)	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					
Stock Appreciation Rights	\$ 3.32							(3)	06/03/2016	Common Stock	25,000	25,000	D	
Stock Appreciation Rights	\$ 5.03							(4)	03/01/2015	Common Stock	18,072	43,072	D	

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Kerr David E C/O PDI, INC., MORRIS CORPORATE CENTER 1 300 INTERPACE PARKWAY PARSIPPANY, NJ 07054			Senior VP Business Development	

## Signatures

David Kerr	12/28/2010
<small>**Signature of Reporting Person</small>	<small>Date</small>

## 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 8,946 restricted stock units that vest on March 1, 2013 and 1,518 shares of restricted stock that vest one-half on each of 12/21/11 and 12/21/12.

(2) Shares that were withheld to satisfy the payroll tax withholdings on the vesting of 759 restricted shares.

(3) Performance contingent stock appreciation rights ("SARs") of which 12,500 are currently vested. The remaining 12,500 vest one-half on each of 6/3/11 and 6/3/12. The SARs are only exercisable if the performance conditions are met.

(4) Stock appreciation rights that vest one-third on each of 3/1/11, 3/1/12, and 3/1/13.

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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