

ALKERMES INC
Form 4
May 29, 2008

FORM 4

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

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
FRATES JAMES M

(Last) (First) (Middle)
88 SIDNEY STREET
(Street)

CAMBRIDGE, MA 02139

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
ALKERMES INC [ALKS]

3. Date of Earliest Transaction (Month/Day/Year)
05/27/2008

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
SVP, CFO & Treasurer

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

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 Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	05/27/2008		M ⁽¹⁾		3,335 A \$ 9.045	75,228	D
Common Stock	05/27/2008		S ⁽¹⁾		2,135 D \$ 12.61	73,093	D
Common Stock	05/27/2008		S ⁽¹⁾		800 D \$ 12.62	72,293	D
Common Stock	05/27/2008		S ⁽¹⁾		100 D \$ 12.63	72,193	D
Common Stock	05/27/2008		S ⁽¹⁾		300 D \$ 12.64	71,893	D

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- (1) This option exercise was effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person.
- (2) Award of stock pursuant to the Alkermes, Inc 2002 Restricted Stock Award Plan. Shares cease to be subject to forfeiture in 25% increments, commencing one year from the date of grant and yearly thereafter.

Performance-based restricted stock award that will vest in full upon the NASDAQ-reported trading price of the Company's common stock
- (3) closing at \$19 or more per share for 5 consecutive trading days, provided that, if such an event occurs during the first year after grant, the restricted stock will vest in full upon the one year anniversary of the grant date. This award expires five years from the date of grant.
- (4) The option becomes exercisable in equal annual installments over a four-year period, at the rate of 25% per year commencing one year after the date of grant.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.