

ARADIGM CORP  
Form 3  
January 29, 2007

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL

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**INITIAL STATEMENT OF 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 *		2. Date of Event Requiring Statement	3. Issuer Name <b>and</b> Ticker or Trading Symbol	
Â TANG KEVIN C		(Month/Day/Year)	ARADIGM CORP [ARDM]	
(Last)	(First)	(Middle)	4. Relationship of Reporting Person(s) to Issuer	5. If Amendment, Date Original Filed(Month/Day/Year)
		01/25/2007		
4401 EASTGATE MALL			(Check all applicable)	6. Individual or Joint/Group Filing(Check Applicable Line)
	(Street)		<input type="checkbox"/> Director	<input checked="" type="checkbox"/> 10% Owner
SAN DIEGO,Â CAÂ 92121			<input type="checkbox"/> Officer	<input type="checkbox"/> Other
(City)	(State)	(Zip)	(give title below)	(specify below)
				<input type="checkbox"/> Form filed by One Reporting Person
				<input checked="" type="checkbox"/> Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	5,310,000	I <sup>(1)</sup>	By LP
Common Stock	470,000	I <sup>(2)</sup>	(2)
Common Stock	70,000	D <sup>(3)</sup>	Â

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

SEC 1473 (7-02)

**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.**

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

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security	4. Conversion or Exercise	5. Ownership Form of	6. Nature of Indirect Beneficial Ownership (Instr. 5)
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Date Exercisable	Expiration Date	Title	Amount or Number of Shares	Price of Derivative Security	Derivative Security: Direct (D) or Indirect (I)

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
TANG KEVIN C 4401 EASTGATE MALL SAN DIEGO, CA 92121	^	^ X	^	^
TANG CAPITAL PARTNERS LP 4401 EASTGATE MALL SAN DIEGO, CA 92121	^	^ X	^	^
TANG CAPITAL MANAGEMENT LLC 4401 EASTGATE MALL SAN DIEGO, CA 92121	^	^ X	^	^

## Signatures

/s/ Kevin C. Tang	01/29/2007
__Signature of Reporting Person	Date
/s/ Kevin C. Tang as Managing Member	01/29/2007
__Signature of Reporting Person	Date
/s/ Kevin C. Tang as the Managing Member of Tang Capital Management, LLC, General Partner	01/29/2007
__Signature of Reporting Person	Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, see Instruction 5(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).
- The shares are held by Tang Capital Partners, LP. Kevin C. Tang is the sole manager of Tang Capital Management, LLC, which is the
- (1) general partner of Tang Capital Partners, LP. Mr. Tang disclaims beneficial ownership of the securities except to the extent of his pecuniary interest therein.
  - (2) The securities are held by Kevin C. Tang as custodian for his minor children, as Trustee of the Tang Family Trust and as Trustee of the Tang Advisors, LLC Profit Sharing Plan.
  - (3) The securities are held by Kevin C. Tang's IRA.

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.