

STEPHAN CO  
Form 4  
June 19, 2006

**FORM 4**

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

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,  
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section  
30(h) of the Investment Company Act of 1940

## OMB APPROVAL

OMB  
Number: 3235-0287  
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2005  
Estimated average  
burden hours per  
response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**BARONE RICHARD A**

(Last) (First) (Middle)

**ONE CHAGRIN  
HIGHLANDS, 2000 AUBURN  
DRIVE SUITE 420**

(Street)

**CLEVELAND, OH 44122**

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading  
Symbol  
**STEPHAN CO [TSC]**

3. Date of Earliest Transaction  
(Month/Day/Year)  
**06/15/2006**

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)

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<br>Security<br>(Instr. 3) | 2. Transaction Date<br>(Month/Day/Year) | 2A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 3. Transaction<br>Code<br>(Instr. 8) | 4. Securities Acquired<br>or Disposed of<br>(Instr. 3, 4 and 5) | 5. Amount of<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s)<br>(Instr. 3 and 4) | 6. Ownership<br>Form:<br>Direct (D)<br>or Indirect<br>(I)<br>(Instr. 4) | 7. Nature of<br>Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |
|---------------------------------------|-----------------------------------------|-------------------------------------------------------------|--------------------------------------|-----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|-------------------------------------------------------------------|
|                                       |                                         |                                                             | Code                                 | V Amount (D) Price                                              |                                                                                                                    |                                                                         |                                                                   |
| Shares of<br>Common<br>Stock          | 06/15/2006                              |                                                             | P                                    | V 3,000 A \$<br>3.11                                            | 23,000                                                                                                             | D                                                                       |                                                                   |
| Shares of<br>Common<br>Stock          |                                         |                                                             |                                      |                                                                 | 63,001 <sup>(1)</sup>                                                                                              | I                                                                       | By Merlin<br>Partners, LP                                         |
| Shares of<br>Common<br>Stock          |                                         |                                                             |                                      |                                                                 | 48,900 <sup>(1)</sup>                                                                                              | I                                                                       | By Ancora<br>Special<br>Opportunity<br>Fund<br>(Mutual            |

Fund)

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

**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.**

SEC 1474  
(9-02)

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

| 1. Title of<br>Derivative<br>Security<br>(Instr. 3) | 2.<br>Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 4.<br>Transaction<br>Code<br>(Instr. 8) | 5.<br>Number<br>of<br>Derivative<br>Securities<br>Acquired<br>(A) or<br>Disposed<br>of (D)<br>(Instr. 3,<br>4, and 5) | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) |                    | 7. Title and Amount of<br>Underlying Securities<br>(Instr. 3 and 4) | 8. Pri<br>Deriv<br>Secur<br>(Instr.    |
|-----------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------|-----------------------------------------|-----------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|--------------------|---------------------------------------------------------------------|----------------------------------------|
|                                                     |                                                                       |                                         |                                                             | Code                                    | V (A) (D)                                                                                                             | Date<br>Exercisable                                            | Expiration<br>Date | Title                                                               | Amount<br>or<br>Number<br>of<br>Shares |
| Stock<br>Options                                    | \$ 3.99                                                               |                                         |                                                             |                                         |                                                                                                                       | 09/29/2006                                                     | 09/29/2010         | Shares of<br>Common<br>Stock                                        | 5,062                                  |

## Reporting Owners

| Reporting Owner Name / Address                                                                  | Relationships |           |         |       |
|-------------------------------------------------------------------------------------------------|---------------|-----------|---------|-------|
|                                                                                                 | Director      | 10% Owner | Officer | Other |
| BARONE RICHARD A<br>ONE CHAGRIN HIGHLANDS<br>2000 AUBURN DRIVE SUITE 420<br>CLEVELAND, OH 44122 | X             |           |         |       |

## Signatures

/s/ Richard A.  
Barone

06/19/2006

\*\*Signature of  
Reporting Person

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).

- Mr. Barone is the majority owner of Ancora Advisors, LCC, which has an investment management agreement with The Ancora Special Opportunity Fund and is General Partner of Merlin Partners, LP. Reported shares do not include shares held by accounts managed by Mr. Barone that are charged a management fee only, with the exception of the Ancora Special Opportunity Fund, of which Mr. Barone owns shares. The reporting person disclaims beneficial ownership of these securities except to the extent of his pecuniary interest therein, and the inclusion of these shares shall not be deemed an admission of beneficial ownership of all of the reported shares for purposes of Section 16 or for any other purpose.
- (1)

### Remarks:

The acquisition reported hereby qualifies as a "Small Acquisition" pursuant to SEC Rule 16a-6.

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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