DERMA SCIENCES, INC.

Form 4 May 11, 2007

FORM 4

OMB APPROVAL

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

OMB 3235-0287 Number:

Check this box if no longer subject to Section 16.

January 31, Expires: 2005

Form 4 or Form 5 obligations STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

Estimated average burden hours per

may continue. See Instruction

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

response... 0.5

1(b).

(Last)

(City)

(Print or Type Responses)

1. Name and Address of Reporting Person * **GALEN PARTNERS**

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to Issuer

INTERNATIONAL III L P

DERMA SCIENCES, INC. [DSCI]

(Check all applicable)

C/O GALEN PARTNERS, 680

(Street)

(State)

(First)

(Middle)

(Zip)

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

Director 10% Owner __X__ Other (specify Officer (give title

WASHINGTON BOULEVARD,

below) below) See footnote (1)

11TH FLOOR

4. If Amendment, Date Original

6. Individual or Joint/Group Filing(Check Applicable Line)

Filed(Month/Day/Year)

01/05/2007

X Form filed by One Reporting Person Form filed by More than One Reporting

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

STAMFORD, CT 06901

1. Title of 2. Transaction Date 2A. Deemed 3. 4. Securities Acquired (A) 5. Amount of 6. 7. Nature of Security (Month/Day/Year) Execution Date, if Transactionr Disposed of (D) Securities Ownership Indirect (Instr. 3) Code (Instr. 3, 4 and 5) Beneficially Form: Beneficial (Month/Day/Year) (Instr. 8) Owned Direct (D) Ownership or Indirect Following (Instr. 4) Reported (I) (A) Transaction(s) (Instr. 4) (Instr. 3 and 4) Price Code V Amount (D) \$ Common $J^{(2)}$ 01/05/2007 29,123 0.7797 D A 133,777 Stock (2)

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

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

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

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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. Transactio Code (Instr. 8)	5. Number of or 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)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Warrant (right to buy) (1)	\$ 0.57	01/05/2007		X	108,282	(2)	(2)	Common Stock	29,123

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Reporting Owners

Reporting Owner Name / Address	Relationships					
1	Director	10% Owner	Officer	Other		
GALEN PARTNERS INTERNATIONAL III L P C/O GALEN PARTNERS 680 WASHINGTON BOULEVARD, 11TH FLOOR STAMFORD, CT 06901				See footnote (1)		

Signatures

/s/ Bruce F.
Wesson

**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).
- (1) Affiliated entities hold in the aggregate in excess of 10% of the Issuer's shares.
- (2) Warrants were exercised for shares of Common Stock pursuant to a cashless exercise feature. The cashless exercise price of \$0.7797 was determined by the 30-day trailing average closing price of the Issuer's common stock.

Remarks:

Galen Partners International III, L.P.

By: Claudius, L.L.C.

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.

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