

WATSON PHARMACEUTICALS INC
 Form 4
 July 02, 2007

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, 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 *
 CHAO ALLEN

2. Issuer Name and Ticker or Trading Symbol
 WATSON PHARMACEUTICALS INC [WPI]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)
 Director 10% Owner
 Officer (give title below) Other (specify below)
 Chairman, President & CEO

(Last) (First) (Middle)
 C/O WATSON PHARMACEUTICALS, INC., 311 BONNIE CIRCLE
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 06/28/2007

CORONA, CA 92880
 (City) (State) (Zip)

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

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, par value \$0.0033	06/28/2007		M		20,510 A \$ 24.375	D	
Common Stock, par value \$0.0033	06/28/2007		M		79,490 A \$ 24.375	D	
Common Stock, par	06/29/2007		F		5,958 D \$ 32.53	D	

value
\$0.0033

Common
Stock, par
value
\$0.0033

883,468

I

by Trust

Common
Stock, par
value
\$0.0033

959,083

I

by
Corporation

Common
Stock, par
value
\$0.0033

1,418,661

I

by
Partnership

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

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(9-02)

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 Security (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title
Non-Qualified Options to Purchase Common Stock	\$ 24.375	06/28/2007		M	79,490	07/17/2002 07/17/2007	Common Stock, par value \$0.0033
Incentive Stock Options	\$ 24.375	06/28/2007		M	20,510	07/17/2002 07/17/2007	Common Stock, par value \$0.0033

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
CHAO ALLEN C/O WATSON PHARMACEUTICALS, INC. 311 BONNIE CIRCLE CORONA, CA 92880	X		Chairman, President & CEO	

Signatures

/s/ALLEN CHAO	07/02/2007
**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).

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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