

VAGELOS P ROY
Form 4
December 23, 2009

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 *
VAGELOS P ROY

2. Issuer Name and Ticker or Trading Symbol
THERAVANCE INC [THRX]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

THERAVANCE, INC., 901
GATEWAY BOULEVARD

3. Date of Earliest Transaction
(Month/Day/Year)
12/23/2009

Director 10% Owner
 Officer (give title below) Other (specify below)

(Street)

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

SOUTH SAN
FRANCISCO, CA 94080

(City) (State) (Zip)

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 Indirect Beneficial Ownership (Instr. 4)
Common Stock	12/23/2009		M	200,000	A	\$ 8.53	404,802 ⁽¹⁾ D
Common Stock							232,254 I by trust for grandchildren ⁽²⁾
Common Stock							935,673 I by trust ⁽³⁾

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

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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 Securities (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (Right to Buy)	\$ 8.53	12/23/2009		M	200,000	(4)	06/29/2012	Common Stock	200,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
VAGELOS P ROY THERAVANCE, INC. 901 GATEWAY BOULEVARD SOUTH SAN FRANCISCO, CA 94080		X		

Signatures

Bradford J Shafer as
Attorney-in-Fact
Date: 12/23/2009

**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).
- Reflects changes from indirect to direct ownership in transfers exempt under Rule 16a-13 of 283,495 previously held by the 2008 Theravance Annuity Trust I to the reporting person and 90,910 previously held by the 2008 Theravance Annuity Trust II to the reporting person and reflects change from direct to indirect ownership in transfer exempt under Rule 16a-13 of 415,000 previously held by the reporting person to the 2009 Theravance Annuity Trust I. Reporting person is the trustee of the trusts.
- (1) Shares held in trusts for the benefit of the reporting person's grandchildren. Reporting person is the trustee of the trusts. Reporting person disclaims beneficial ownership of these shares.
 - (2) Shares held by the 2008 Theravance Annuity Trust I, 2008 Theravance Annuity Trust II and 2009 Theravance Annuity Trust I. Reporting person is the trustee of the trusts.
 - (3) Immediately exercisable.
 - (4)

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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