

HSIA DAVID C
Form 4
August 15, 2005

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 *
HSIA DAVID C

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction
(Month/Day/Year)
08/12/2005

____ Director
 Officer (give title below) Sr. VP, Scientific Affairs
____ 10% Owner
____ Other (specify below)

C/O WATSON
PHARMACEUTICALS, INC., 311
BONNIE CIRCLE

(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

CORONA, CA 92880

(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 Ownership (Instr. 4) |
|--|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | Code | V | Amount | (D) | Price |
| Common Stock (Restricted) ⁽¹⁾ | 08/12/2005 | | A | | 1,333 | A | \$ 0 |
| Common Stock, par value \$0.0033 | | | | | 758,464 | I | by Family Trust ⁽²⁾ |
| Common Stock, par | | | | | 1,024,218 | I | by Partnership |

value
\$0.0033

Common
Stock, par
value
\$0.0033

40,000 I by Trust

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.

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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 Securities (Instr. 3 and 4) | 8. Amount or Number of Shares |
|---|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Stock Options to Purchase Common Stock ⁽³⁾ | \$ 35.11 | 08/12/2005 | | A | 4,000 | ⁽⁴⁾ 08/12/2015 | Common Stock, par value \$0.0033 | 4,000 |

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

HSIA DAVID C
C/O WATSON PHARMACEUTICALS, INC.
311 BONNIE CIRCLE
CORONA, CA 92880

Sr. VP, Scientific Affairs

Signatures

/s/DAVID C.
HSIA

08/12/2005

__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).

- These restricted shares of common stock, par value \$0.0033, were issued pursuant to the provisions of the Amendment and Restatement of the 2001 Incentive Award Plan of Watson Pharmaceuticals, Inc. (including, but not limited to, restrictions on transferability and certain forfeiture provisions concerning unvested restricted shares). The restricted shares vest (i) fifty percent on the second anniversary of the date of grant, and (ii) fifty percent on the fourth anniversary of the date of grant.
- (1)
 - (2) By Family Trust refers to the Hsia Family Trust, of which Dr. Hsia is a beneficial owner.
 - (3) The options are to be incentive stock options to the extent permitted by law, and thereafter to be non-statutory stock options
 - (4) These stock options shall become exercisable in four equal annual installments commencing on August 12, 2006.

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.