

ISALY SAMUEL D  
Form 4  
January 12, 2010

**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 \*  
ORBIMED ADVISORS LLC

2. Issuer Name and Ticker or Trading Symbol  
ATHERSYS, INC / NEW [ATHX]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
767 3RD AVENUE, 30TH FLOOR  
  
(Street)

3. Date of Earliest Transaction (Month/Day/Year)  
12/28/2009

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

NEW YORK, NY 10017

(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 Indirect Beneficial Ownership (Instr. 4)
Common Stock	12/28/2009		J <sup>(1)</sup>	1,800,153 D	\$ 0 1,810,047	I	See Footnotes (2) (3)
Common Stock	01/07/2010		J <sup>(4)</sup>	4,947 D	\$ 0 1,805,100	I	See Footnotes (2) (3)

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

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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 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. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ORBIMED ADVISORS LLC 767 3RD AVENUE 30TH FLOOR NEW YORK, NY 10017	X	X		
ISALY SAMUEL D 767 3RD AVENUE 30TH FLOOR NEW YORK, NY 10017	X	X		

## Signatures

/s/ Samuel D. 01/12/2010  
Isaly

\*\*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).

- On December 28, 2009 OrbiMed Capital GP III LLC ("Capital") and OrbiMed Advisors LLC ("Advisors") made an in-kind distribution of the Common Stock to investors in Caduceus Private Investments III, LP ("Caduceus") and OrbiMed Associates III, LP ("Associates"). As a result, the Reporting Persons hold 1,810,047 shares of Common Stock, on behalf of other persons who have the right to receive or
- (1) the power to direct the receipt of dividends or proceeds from the sale of such securities. Of this amount, Caduceus and Associates, hold 1,788,100 and 17,000 shares, respectively. Advisors, pursuant to its authority as general partner of Associates, may be considered to hold indirectly 17,000 shares of Common Stock and Capital, pursuant to its authority as general partner of Caduceus, may be considered to hold indirectly 1,788,100 shares of Common Stock. Concurrently, Associates transferred 4,947 shares of Common Stock to Advisors.
  - (2) Advisors is a registered adviser under the Investment Advisers Act of 1940, as amended, that acts as an investment adviser to certain collective investment funds which hold shares of the Issuer. Samuel D. Isaly, a natural person, owns controlling interests in Advisors and Capital. Advisors acts as general partner to Associates. Capital acts as general partner to Caduceus. Pursuant to certain agreements and

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relationships, Advisors and Capital have discretionary investment management authority with respect to the assets of Associates and Caduceus. Such authority includes the power to vote and otherwise dispose of securities purchased by Associates and Caduceus. The Reporting Persons may be deemed to be a director of the issuer by virtue of having nominated a representative, now Michael B. Sheffery, to serve on the Issuer's board of directors.

- (3) The Reporting Persons disclaim beneficial ownership except to the extent of their pecuniary interest. This report shall not be deemed an admission that the Reporting Persons are beneficial owners for the purpose of Section 16 of the Exchange Act of 1934, as amended, or for any other purpose.

- (4) On January 7, 2010 Advisors made an in-kind distribution to its members of 4,947 shares of Common Stock. Following the transaction, the Reporting Persons hold 1,805,100 shares of Common Stock on behalf of other persons who have the right to receive or the power to direct the receipt of dividends or proceeds from the sale of such securities. Of this amount, Caduceus and Associates, hold 1,788,100 and 17,000 shares, respectively. Advisors, pursuant to its authority as general partner of Associates, may be considered to hold indirectly 17,000 shares of Common Stock and Capital, pursuant to its authority as general partner of Caduceus, may be considered to hold indirectly 1,788,100 shares of Common Stock.

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.