

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d) of  
the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): September 7, 2006

**VANDA PHARMACEUTICALS INC.**

*(Exact name of Registrant as specified in its charter)*

**Delaware**

*(State or other jurisdiction of incorporation)*

**000-51863**

*(Commission File No.)*

**03-0491827**

*(IRS Employer Identification No.)*

**9605 Medical Center Drive  
Suite 300**

**Rockville, Maryland 20850**

*(Address of principal executive offices and zip code)*

**Registrant's telephone number, including area code: (240) 599-4500**

**Not Applicable**

*(Former Name or Former Address, if Changed Since Last Report)*

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

**Item 5.02. Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.**

(b) Wayne T. Hockmeyer, Ph.D. resigned from the Company's Board of Directors on September 7, 2006.

(d) To fill the vacancy on the Board created by Dr. Hockmeyer's resignation, based upon the recommendation of the Company's Nominating/Corporate Governance Committee, the Board appointed Mr. H. Thomas Watkins to the Board as a Class I Director with a term expiring at the 2007 annual meeting of stockholders. In connection with his appointment to the Board, on September 8, 2006 Mr. Watkins was granted an option to purchase 35,000 shares of the Company's common stock at an exercise price of \$9.40 per share. Such option will vest in equal monthly installments over a period of four years from the date of the grant, except that in the event of a change of control the option will accelerate and become immediately exercisable. Mr. Watkins has been assigned to serve on the Compensation Committee of the Board and on the Nominating/Corporate Governance Committee of the Board, in each case to replace Dr. Hockmeyer.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

Exhibit No.	Description
99.1	Press release of Vanda Pharmaceuticals Inc. dated September 12, 2006 regarding the resignation of Wayne T. Hockmeyer, Ph.D. from the Company's Board of Directors.
99.2	Press release of Vanda Pharmaceuticals Inc. dated September 12, 2006 regarding the appointment of H. Thomas Watkins to the Company's Board of Directors.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

VANDA PHARMACEUTICALS INC.

By:           /s/ STEVEN A. SHALLCROSS          

Name: Steven A. Shallcross

Title: Senior Vice President, Chief Financial Officer and  
Treasurer

Dated: September 12, 2006

---

**For Immediate Release****Company Contact:**

Steven A. Shallcross  
Senior Vice President & CFO  
Vanda Pharmaceuticals Inc.  
(240) 599-4500  
steven.shallcross@vandapharma.com

**Vanda Pharmaceuticals Announces Board Change**

**ROCKVILLE, Md.** – September 12, 2006 – / PR Newswire-FirstCall / Vanda Pharmaceuticals Inc. (NASDAQ: VNDA), a biopharmaceutical company focused on the development and commercialization of clinical-stage product candidates for central nervous system disorders, today announced that Wayne T. Hockmeyer, Ph.D. has resigned from the Vanda Board of Directors effective September 7, 2006. Dr. Hockmeyer served as a member of the Board from 2004. He was also a member of the Board's Compensation Committee and Nominating/Governance Committee.

"I have enjoyed seeing the progress of the company during my time on the board, and I wish them the best in the future," said Dr. Hockmeyer.

"I would like to thank Wayne for his invaluable contributions in helping advance our products through the clinic and towards commercialization," said Mihael Polymeropoulos, M.D., President and CEO of Vanda.

**About Vanda Pharmaceuticals Inc.:**

Vanda Pharmaceuticals Inc. is a biopharmaceutical company focused on the development and commercialization of clinical-stage product candidates for central nervous system disorders. The Company has three product candidates in clinical development. Vanda's lead product candidate, iloperidone, is a compound for the treatment of schizophrenia and bipolar disorder and is in a Phase III clinical trial for the treatment of schizophrenia. Vanda's second product candidate, VEC-162, is a compound for the treatment of insomnia and depression which is currently in a Phase III clinical trial for the treatment of insomnia. Vanda's third product candidate, VSF-173, is a compound for the treatment of excessive sleepiness and is ready for a Phase II clinical trial. For more on Vanda Pharmaceuticals Inc., please visit [www.vandapharma.com](http://www.vandapharma.com).

####

SOURCE Vanda Pharmaceuticals Inc.  
09/12/2006

CONTACT: Steven A. Shallcross, Senior Vice President, Chief Financial Officer and Treasurer of Vanda Pharmaceuticals Inc., +1-240-599-4500

Web site: <http://www.vandapharma.com>  
(VNDA)

CO: Vanda Pharmaceuticals Inc.

---



**For Immediate Release**

**Company Contact:**

Steven A. Shallcross  
 Senior Vice President & CFO  
 Vanda Pharmaceuticals Inc.  
 (240) 599-4500  
 steven.shallcross@vandapharma.com

**Vanda Pharmaceuticals Announces the Appointment of H. Thomas Watkins  
 to the Board of Directors**

**ROCKVILLE, Md.** – September 12, 2006 – / PR Newswire-FirstCall / Vanda Pharmaceuticals Inc. (NASDAQ: VNDA), a biopharmaceutical company focused on the development and commercialization of clinical-stage product candidates for central nervous system disorders, today announced that H. Thomas Watkins has been appointed to its Board of Directors. Mr. Watkins will serve as a Class I Director with a term expiring at the 2007 annual meeting of Vanda's stockholders. In his role as Director, Mr. Watkins will also serve as a member of the Board's Compensation Committee and its Nominating/Corporate Governance Committee.

"The Vanda board of directors is pleased to strengthen its membership with a capable executive like Tom," said Mihael Polymeropoulos, M.D., President and CEO of Vanda. "His commercial experience and strategic insights will provide meaningful benefits as we advance the development and commercialization of our clinical assets".

Mr. Watkins is the President and Chief Executive Officer of Human Genome Sciences, Inc. and also serves on that company's Board of Directors. He joined HGS in November 2004 after holding a series of executive positions over the course of nearly twenty years with Abbott Laboratories and its U.S. and Asian affiliates. Most recently, from 1998 to 2004, Mr. Watkins served as President of TAP Pharmaceutical Products Inc., which is jointly owned by Abbott Laboratories and Takeda Pharmaceutical Company Limited. He also serves as a Trustee of the William and Mary Business School Foundation at the College of William and Mary, Williamsburg, Virginia.

**About Vanda Pharmaceuticals Inc.:**

Vanda Pharmaceuticals Inc. is a biopharmaceutical company focused on the development and commercialization of clinical-stage product candidates for central nervous system disorders. The Company has three product candidates in clinical development. Vanda's lead product candidate, iloperidone, is a compound for the treatment of schizophrenia and bipolar disorder and is in a Phase III clinical trial for the treatment of schizophrenia. Vanda's second product candidate, VEC-162, is a compound for the treatment of insomnia and depression which is currently in a Phase III clinical trial for the treatment of insomnia. Vanda's third product candidate, VSF-173, is a compound for the treatment of excessive sleepiness and is ready for a Phase II clinical trial. For more on Vanda Pharmaceuticals Inc., please visit [www.vandapharma.com](http://www.vandapharma.com).

####

SOURCE Vanda Pharmaceuticals Inc.  
 09/12/2006

CONTACT: Steven A. Shallcross, Senior Vice President, Chief Financial Officer and Treasurer of Vanda Pharmaceuticals Inc., +1-240-599-4500

Web site: <http://www.vandapharma.com>  
 (VNDA)

CO: Vanda Pharmaceuticals Inc.

---