

SEATTLE GENETICS INC /WA
Form SC 13D/A
May 16, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D
Under the Securities Exchange Act of 1934

(Amendment No. 10)

**Seattle Genetics,
Inc.**

(Name of Issuer)

**Common Stock,
par value \$0.001
per share**

(Title of Class of
Securities)

812578102
(CUSIP
Number)

**Alexandra A.
Toohey**

**Chief Financial
Officer**

**Baker Bros.
Advisors LP
667 Madison
Avenue, 21st
Floor
New York, NY
10065**

(212) 339-5690
(Name, Address
and Telephone
Number of Person
Authorized to
Receive Notices
and
Communications)

**May 12,
2014**

(Date of
Event
which
Requires
Filing of
this
Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box. "

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties to whom copies are to be sent.

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 (the "Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

SCHEDULE 13D

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NAMES OF REPORTING
PERSONS I.R.S.
IDENTIFICATION NOS. OF
ABOVE PERSONS

1 Baker Bros. Advisors LP

13-4093645

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions) (a) .. (b) ..

3 SEC USE ONLY SOURCE OF FUNDS (See Instructions)

4 OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS.. REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

SOLE
VOTING
POWER

7

21,538,669 (1)

SHARED
VOTING
POWER

8

**NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH**

0

SOLE
DISPOSITIVE
POWER

9

21,538,669 (1)

SHARED
DISPOSITIVE
POWER

10

0

AGGREGATE AMOUNT
BENEFICIALLY OWNED
BY EACH REPORTING
PERSON

11

21,538,669 (1)

12

CHECK BOX IF THE
AGGREGATE

AMOUNT IN ROW
(11) EXCLUDES
CERTAIN SHARES
(See Instructions)
PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (11)

13

17.5%(2)

TYPE OF REPORTING
PERSON (See Instructions)

14

IA, PN

(1) Includes 111,250 shares of the Issuer's common stock underlying 111,250 options directly held, 10,000 common shares directly held, received as a result of the exercise of options to purchase common stock of the Issuer, and 3,500 shares of common stock directly held, received as a result of the vesting of restricted stock.

(2) Based on 123,146,418 shares of the Issuer's common stock outstanding as of May 5, 2014, as reported in the Issuer's 10-Q filed with the SEC on May 9, 2014.

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NAMES OF REPORTING
PERSONS I.R.S.
IDENTIFICATION NOS. OF
ABOVE PERSONS

1 Baker Bros. Advisors (GP)
LLC

46-3147749

2 CHECK THE APPROPRIATE
BOX IF A MEMBER OF A
GROUP (See Instructions) **(a)** ..
(b) ..

3 SEC USE ONLY
SOURCE OF FUNDS (See
Instructions)

4
OO

5 CHECK BOX IF
DISCLOSURE OF
LEGAL
PROCEEDINGS IS..
REQUIRED
PURSUANT TO
ITEMS 2(d) OR
2(e)

CITIZENSHIP OR PLACE
OF ORGANIZATION

6

Delaware

SOLE
VOTING
POWER

7

21,538,669 (1)

SHARED
VOTING
POWER

8

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH

0

SOLE
DISPOSITIVE
POWER

9

21,538,669 (1)

SHARED
DISPOSITIVE
POWER

10

0

11 AGGREGATE AMOUNT
BENEFICIALLY OWNED
BY EACH REPORTING
PERSON

21,538,669 (1)

12 CHECK BOX IF THE
AGGREGATE
AMOUNT IN ROW ..
(11) EXCLUDES
CERTAIN SHARES
(See Instructions)
PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (11)

13

17.5%(2)

TYPE OF REPORTING
PERSON (See Instructions)

14

HC, OO

(1) Includes 111,250 shares of the Issuer's common stock underlying 111,250 options directly held, 10,000 common shares directly held, received as a result of the exercise of options to purchase common stock of the Issuer, and 3,500 shares of common stock directly held, received as a result of the vesting of restricted stock.

(2) Based on 123,146,418 shares of the Issuer's common stock outstanding as of May 5, 2014, as reported in the Issuer's 10-Q filed with the SEC on May 9, 2014.

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NAMES OF REPORTING
PERSONS I.R.S.
IDENTIFICATION NOS. OF
ABOVE PERSONS

1

Julian C. Baker

2

CHECK THE (a) "
APPROPRIATE
BOX IF A
MEMBER OF A (b) "
GROUP (See
Instructions)

3

SEC USE ONLY
SOURCE OF FUNDS (See
Instructions)

4

OO

5

CHECK BOX IF
DISCLOSURE OF
LEGAL
PROCEEDINGS IS..
REQUIRED
PURSUANT TO
ITEMS 2(d) OR
2(e)
CITIZENSHIP OR PLACE
OF ORGANIZATION

6

United States

**NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH**

SOLE
VOTING
POWER

21,633,909 (1)

SHARED
VOTING
POWER

8

0

SOLE
DISPOSITIVE
POWER

9

21,633,909 (1)

10 SHARED
DISPOSITIVE
POWER

0

AGGREGATE AMOUNT
BENEFICIALLY OWNED
BY EACH REPORTING
PERSON

11

21,633,909 (1)

12

CHECK BOX IF THE
AGGREGATE
AMOUNT IN ROW
(11) EXCLUDES
CERTAIN SHARES

(See Instructions)
PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (11)

13

17.5%(2)

TYPE OF REPORTING
PERSON (See Instructions)

14

IN, HC

(1) Includes 111,250 shares of the Issuer's common stock underlying 111,250 options directly held, 10,000 common shares directly held, received as a result of the exercise of options to purchase common stock of the Issuer, and 3,500 shares of common stock directly held, received as a result of the vesting of restricted stock.

(2) Based on 123,146,418 shares of the Issuer's common stock outstanding as of May 5, 2014, as reported in the Issuer's 10-Q filed with the SEC on May 9, 2014.

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NAMES OF REPORTING
PERSONS I.R.S.
IDENTIFICATION NOS. OF
ABOVE PERSONS

1

Felix J. Baker

CHECK THE
APPROPRIATE (a) "

2

BOX IF A (b) "

MEMBER OF A
GROUP (See
Instructions)

3

SEC USE ONLY
SOURCE OF FUNDS (See
Instructions)

4

OO

CHECK BOX IF
DISCLOSURE OF
LEGAL
PROCEEDINGS IS..
REQUIRED

5

PURSUANT TO
ITEMS 2(d) OR
2(e)
CITIZENSHIP OR PLACE
OF ORGANIZATION

6

United States

NUMBER OF
SHARES

7

SOLE
VOTING

BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

POWER

21,633,916 (1)

SHARED VOTING POWER

8

0

SOLE DISPOSITIVE POWER

9

21,633,916 (1)

10 SHARED DISPOSITIVE POWER

0

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11

21,633,916 (1)

12

CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See Instructions) ..

13

PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (11)

17.5% (2)

TYPE OF REPORTING
PERSON (See Instructions)

14

IN, HC

(1) Includes 111,250 shares of the Issuer's common stock underlying 111,250 options directly held, 10,000 common shares directly held, received as a result of the exercise of options to purchase common stock of the Issuer, and 3,500 shares of common stock directly held, received as a result of the vesting of restricted stock.

(2) Based on 123,146,418 shares of the Issuer's common stock outstanding as of May 5, 2014, as reported in the Issuer's 10-Q filed with the SEC on May 9, 2014.

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NAMES OF REPORTING
PERSONS I.R.S.
IDENTIFICATION NOS. OF
ABOVE PERSONS

1 FBB2, LLC

45-5474130

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions) (a) ..
(b) ..

3 SEC USE ONLY SOURCE OF FUNDS (See Instructions)

4 OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS.. REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

SOLE
VOTING
POWER

7

18,243

SHARED
VOTING
POWER

8

**NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH**

0

SOLE
DISPOSITIVE
POWER

9

18,243

SHARED
DISPOSITIVE
POWER

10

0

AGGREGATE AMOUNT
BENEFICIALLY OWNED
BY EACH REPORTING
PERSON

11

18,243

12

CHECK BOX IF THE
AGGREGATE

AMOUNT IN ROW
(11) EXCLUDES
CERTAIN SHARES
(See Instructions)
PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (11)

13

(1)(2)

TYPE OF REPORTING
PERSON (See Instructions)

14

OO

(1) The percentage of ownership is less than 0.1%.

(2) Based on 123,146,418 shares of the Issuer's common stock outstanding as of May 5, 2014, as reported in the Issuer's 10-Q filed with the SEC on May 9, 2014.

Amendment No. 10 to Schedule 13D

This Amendment No. 10 to Schedule 13D amends and supplements the statements on the previously filed Schedules 13D filed by Baker Bros. Advisors LP (the “Adviser”), Baker Bros. Advisors (GP) LLC (the “Adviser GP”), Julian C. Baker, Felix J. Baker and FBB2, LLC (“FBB2”) (collectively the “Reporting Persons”). Except as supplemented herein, such statements, as heretofore amended and supplemented, remain in full force and effect.

The Adviser GP is the sole general partner of the Adviser. Pursuant to management agreements as amended, among the Adviser, Baker Brothers Life Sciences, L.P. (“Life Sciences”), 14159, L.P. (“14159”), and 667, L.P. (“667”, and together with Life Sciences and 14159, the “Funds”), and their respective general partners, the Adviser has complete and unlimited discretion and authority with respect to the Funds’ investments and voting power over investments.

Item 3. Source and Amount of Funds or Other Consideration.

Item 3 of Schedule 13D is supplemented and amended, as the case may be, as follows:

The disclosure in Item 4 below is incorporated herein by reference.

Item 4. Purpose of the Transaction.

Item 4 of Schedule 13D is supplemented and amended, as the case may be, as follows:

On May 14, 2014 the Adviser acquired beneficial ownership of 10,000 shares of common stock of Seattle Genetics, Inc. (the “Issuer”), as a result of the exercise of 10,000 options to purchase the Issuer’s common stock at \$7.26 per share (the “Exercised Stock Options”) held directly by Felix J. Baker. Felix J. Baker currently serves on the Issuer’s Board of Directors (the “Board”) as a representative of the Funds. The policy of the Funds and the Adviser does not permit employees of the Adviser to receive compensation for serving as directors of the Issuer, and the Funds are instead entitled to the pecuniary interest in the Exercised Stock Options. Felix J. Baker, as an agent in his capacity as a director of the Issuer, entered into a proceeds agreement (the “Proceeds Agreement”) with the Adviser on May 12, 2014. Pursuant to the Proceeds Agreement, Felix J. Baker agreed that, with respect to the Exercised Stock Options and the common stock received as a result of the exercise of the Exercised Stock Options (the “Common Stock”) on May 14, 2014, the Adviser will have dispositive power as well as the ability to control the timing of exercise of the Exercised Stock Options and that any proceeds from the sale of the Common Stock will be remitted to the Adviser net of brokerage commissions. Other than through their control of the Adviser, Felix J. Baker and Julian C. Baker have

neither voting nor dispositive power and have no direct pecuniary interest in the Exercised Stock Options or the Common Stock. Pursuant to the Proceeds Agreement, the Adviser funded Felix J. Baker's exercise of the Exercised Stock Options through loans from the Funds (the "Loan Agreements"). The total amount expended on acquiring the Common Stock was \$72,600.

In order to effect the exercise of the Exercised Stock Options, on May 12, 2014, the Adviser entered into the Loan Agreements with the Funds pursuant to which the Funds loaned an amount totaling \$72,600 to the Adviser for the purpose of acquiring the Common Stock. The loan is due May 12, 2044, or earlier if the Common Stock are sold ("Due Date"), with interest payable through the Due Date at a rate of 3.32% annually.

The Funds hold securities of the Issuer for investment purposes. The Reporting Persons or their affiliates may purchase additional securities or dispose of securities in varying amounts and at varying times depending upon the Reporting Persons' continuing assessments of pertinent factors, including the availability of shares of common stock or other securities for purchase at particular price levels, the business prospects of the Issuer, other business investment opportunities, economic conditions, stock market conditions, money market conditions, the attitudes and actions of the board of directors and management of the Issuer, the availability and nature of opportunities to dispose of shares in the Issuer and other plans and requirements of the particular entities. The Reporting Persons may discuss items of mutual interest with the Issuer, which could include items in subparagraphs (a) through (j) of Schedule 13D.

Depending upon their assessments of the above factors, the Reporting Persons or their affiliates may change their present intentions as stated above and they may assess whether to make suggestions to the management of the Issuer regarding financing, and whether to acquire additional securities of the Issuer, including shares of common stock (by means of open market purchases, privately negotiated purchases, exercise of some or all of the Stock Options (as defined below), or otherwise) or to dispose of some or all of the securities of the Issuer, including shares of common stock, under their control.

Except as otherwise disclosed herein, at the present time, the Reporting Persons do not have any plans or proposals with respect to any extraordinary corporate transaction involving the Issuer including, without limitation, those matters described in subparagraphs (a) through (j) of Item 4 of Schedule 13D.

Item 5. Interest in Securities of the Issuer.

(a) and (b) Items 7 through 11 and 13 of each of the cover pages of this Amendment No. 10 are incorporated herein by reference. Set forth below is the aggregate number and percentage of shares of common stock directly held, as of the date hereof, by each of the following based upon 123,146,418 shares outstanding as of May 5, 2014, as reported in the Issuer's 10-Q filed with the SEC on May 9, 2014. Such percentage figures were calculated in accordance with Rule 13d-3 under the Securities Exchange Act of 1934 (the "Exchange Act").

| Reporting Person | Number of Shares | Percentage of Class Outstanding | |
|------------------------------------|------------------|---------------------------------|---|
| 667, L.P. | 3,868,576 | 3.1 | % |
| Baker Brothers Life Sciences, L.P. | 17,171,399 | 13.9 | % |
| 14159, L.P. | 373,944 | 0.3 | % |

The Adviser GP, Felix J. Baker and Julian C. Baker as principals of the Adviser GP, and the Adviser may be deemed to be beneficial owners of securities of the Issuer directly held by the Funds, and may be deemed to have the power to vote or direct the vote of and the power to dispose or direct the disposition of such securities.

The Reporting Persons disclaim beneficial ownership of the securities held by each of the Funds, and this Amendment No. 10 shall not be deemed an admission that the Reporting Persons are the beneficial owners of such securities for purposes of Section 13(d) or for any other purpose.

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Julian C. Baker and Felix J. Baker are also the sole managers of FBB2 and as such may be deemed to be beneficial owners of shares owned by FBB2 and may be deemed to have the power to vote or direct the vote and dispose or direct the disposition of those shares.

Felix J. Baker is a Director of the Issuer. In connection with his service on the Issuer's Board, Felix J. Baker holds options to purchase common stock of the Issuer ("Stock Options"), Common stock and restricted stock units payable solely in common shares of the Issuer ("Restricted Stock") as disclosed in previous amendments to this Schedule 13D.

Felix J. Baker serves on the Issuer's Board as a representative of the Funds. The policy of the Funds and the Adviser does not permit employees of the Adviser to receive compensation for serving as a director of the Issuer. Therefore, Felix J. Baker has no pecuniary interest in the Stock Options, Common Stock or Restricted Stock. The Funds are instead entitled to the pecuniary interest in the Stock Options, Common Stock and Restricted Stock.

Baker Bros. Advisors LP has voting and investment power over the Stock Options, Restricted Stock and common stock underlying such Stock Options and Common Stock held by Felix Baker. The Adviser GP, and Felix J. Baker and Julian C. Baker as principals of the Adviser GP, may be deemed to have the power to vote or direct the vote of and the power to dispose or direct the disposition of the Stock Options, Common Stock and Restricted Stock of the Issuer and common stock underlying such Stock Options held by Felix J. Baker.

(c) The information set forth in Item 4 is hereby incorporated by reference into this Item 5. The following transactions in the Issuer's Common Stock were effected by the Funds noted below since May 9, 2014 using working capital of the applicable purchasing Fund. All transactions were effected in the over-the-counter market directly with a broker-dealer. Except as disclosed herein or in any previous amendments to this Amendment No. 10, none of the Reporting Persons or their affiliates has effected any other transactions in securities of the Issuer during the past 60 days.

(1) The reported price is a weighted average price. These shares were traded in multiple transactions at a price of \$34.10. The Reporting Persons undertake to provide the staff of the Securities and Exchange Commission (the "Staff"), upon request, full information regarding the number of shares traded at each separate price within the ranges set forth in this footnote.

(2) The reported price is a weighted average price. These shares were traded in multiple transactions at prices ranging from \$34.11 to \$34.49. The Reporting Persons undertake to provide the Staff, upon request, full information regarding the number of shares traded at each separate price within the ranges set forth in this footnote.

(3) The reported price is a weighted average price. These shares were traded in multiple transactions at prices ranging from \$33.60 to \$34.42. The Reporting Persons undertake to provide the Staff, upon request, full information regarding the number of shares traded at each separate price within the ranges set forth in this footnote.

(4) The reported price is a weighted average price. These shares were traded in multiple transactions at prices ranging from \$34.00 to \$34.20. The Reporting Persons undertake to provide the Staff, upon request, full information regarding the number of shares traded at each separate price within the ranges set forth in this footnote.

(d) Certain securities of the Issuer are held directly by 667, a limited partnership the sole general partner of which is Baker Biotech Capital, L.P., a limited partnership the sole general partner of which is Baker Biotech Capital (GP), LLC. Julian C. Baker and Felix J. Baker are the controlling members of Baker Biotech Capital (GP), LLC.

Certain securities of the Issuer are held directly by Life Sciences, a limited partnership the sole general partner of which is Baker Brothers Life Sciences Capital, L.P., a limited partnership the sole general partner of which is Baker Brothers Life Sciences Capital (GP), LLC. Julian C. Baker and Felix J. Baker are the controlling members of Baker Brothers Life Sciences Capital (GP), LLC.

Certain securities of the Issuer are held directly by 14159, a limited partnership the sole general partner of which is 14159 Capital, L.P., a limited partnership the sole general partner of which is 14159 Capital (GP), LLC. Julian C. Baker and Felix J. Baker are the controlling members of 14159 Capital (GP), LLC.

(e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.

On May 16, 2014 Felix J. Baker was granted 8,750 Stock Options exercisable at \$34.25 per share with an expiration date of May 14, 2024 along with 3,500 shares of restricted stock both of which vest on May 15, 2015 (“Vesting Date”). The Restricted Stock has no voting rights until the Vesting Date.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

May 16, 2014

**BAKER BROS.
ADVISORS LP**

By: Baker Bros. Advisors
(GP) LLC, its general
partner

By: /s/ Scott L. Lessing
Name: Scott L. Lessing
Title: President

**BAKER BROS.
ADVISORS (GP) LLC**

By: /s/ Scott L. Lessing
Name: Scott L. Lessing
Title: President

/s/ Julian C. Baker
Julian C. Baker

/s/ Felix J. Baker
Felix J. Baker

FBB2, LLC

By: /s/ Julian C. Baker

Name: Julian C. Baker

Title: Manager

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