

CANDEE WILLIAM J III
 Form 4
 August 11, 2010

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 *
 CANDEE WILLIAM J III

2. Issuer Name and Ticker or Trading Symbol
 FOREST LABORATORIES INC
 [FRX]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction
 (Month/Day/Year)
 08/09/2010

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

C/O FOREST LABORATORIES, INC., 909 THIRD AVENUE

(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

NEW YORK, NY 10022

(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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V | Amount or Price | | |
| Common Stock | 08/09/2010 | | A | | 2,658 (1) | A | \$ 0 17,841 (2) D |
| Common Stock | 08/09/2010 | | M | | 8,000 | A | \$ 24.6719 25,841 (2) D |
| Common Stock | 08/09/2010 | | S | | 4,100 | D | \$ 28.452 21,741 (2) D |
| Common Stock | 08/09/2010 | | S | | 3,500 | D | \$ 28.451 18,241 (2) D |
| Common Stock | 08/09/2010 | | S | | 100 | D | \$ 28.45 18,141 (2) D |

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| | | | | | | | |
|--------------|------------|---|-----|---|------------|-------------------|---|
| Common Stock | 08/09/2010 | S | 200 | D | \$ 28.4504 | 17,941 <u>(2)</u> | D |
| Common Stock | 08/09/2010 | S | 100 | D | \$ 28.4505 | 17,841 <u>(2)</u> | D |

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) | Amount or Number of Shares | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|-------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | |
| Stock Option (Right to Buy) | \$ 28.225 | 08/09/2010 | | A | 5,621 | 02/09/2011 08/08/2020 | | Common Stock | 5,621 |
| Stock Option (Right to Buy) | \$ 24.6719 | 08/09/2010 | | M | 8,000 | 02/14/2001 08/13/2010 | | Common Stock | 8,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| CANDEE WILLIAM J III C/O FOREST LABORATORIES, INC. 909 THIRD AVENUE NEW YORK, NY 10022 | X | | | |

Signatures

/s/ William J.
Candee, III

08/11/2010

Date

Signature of Reporting
Person

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 shares of common stock are issued under the Company's 2007 Equity Incentive Plan and are subject to a risk of forfeiture, which
(1) lapses as to 25% of the shares on the six month anniversary of the grant date (August 9, 2010) and as to 25% of the shares on each of the first three anniversaries of the grant date.
(2) This amount includes shares of common stock which are subject to a risk of forfeiture.

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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