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SEATTLE GENETICS INC /WA  
Form SC 13D/A  
August 15, 2006

Draft of August 15, 2006

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

SCHEDULE 13D  
UNDER THE SECURITIES EXCHANGE ACT OF 1934

(AMENDMENT NO. 1)

SEATTLE GENETICS, INC

-----  
(Name of Issuer)

COMMON STOCK, PAR VALUE \$0.001 PER SHARE

-----  
(Title of Class of Securities)

812578102

-----  
(CUSIP Number)

LEO KIRBY  
667 MADISON AVENUE, 17TH FLOOR  
NEW YORK, NY 10021  
(212) 521-2418

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

AUGUST 2, 2006

-----  
(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).

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SCHEDULE 13D

CUSIP No. 812578102

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-----  
1 NAME OF REPORTING PERSON  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSON (ENTITIES ONLY).  
  
Julian C. Baker  
-----

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)  
(a)   
(b)

3 SEC USE ONLY

-----  
4 SOURCE OF FUNDS (SEE INSTRUCTIONS)  
  
WC  
-----

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

-----  
6 CITIZENSHIP OR PLACE OF ORGANIZATION  
  
United States  
-----

-----  
7 SOLE VOTING POWER  
0  
-----  
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH  
8 SHARED VOTING POWER  
13,197,089  
-----  
9 SOLE DISPOSITIVE POWER  
0  
-----  
10 SHARED DISPOSITIVE POWER  
13,197,089  
-----

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
  
13,197,089  
-----

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)  
  
22.6%  
-----

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14 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

IN

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SCHEDULE 13D

CUSIP No. 812578102

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1 NAME OF REPORTING PERSON  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSON (ENTITIES ONLY).

Felix J. Baker

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)  
(a)   
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

WC

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

|              |    |                          |            |
|--------------|----|--------------------------|------------|
|              | 7  | SOLE VOTING POWER        |            |
|              |    |                          | 20,000     |
| NUMBER OF    | 8  | SHARED VOTING POWER      |            |
| SHARES       |    |                          |            |
| BENEFICIALLY |    |                          | 13,197,089 |
| OWNED BY     | 9  | SOLE DISPOSITIVE POWER   |            |
| EACH         |    |                          |            |
| REPORTING    |    |                          | 20,000     |
| PERSON       | 10 | SHARED DISPOSITIVE POWER |            |
| WITH         |    |                          |            |
|              |    |                          | 13,197,089 |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

13,217,089

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

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(SEE INSTRUCTIONS)

|X|

-----  
 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

22.7%

-----  
 14 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

IN  
 -----

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This Amendment No. 1 to Schedule 13D is being filed by Julian C. Baker and Felix J. Baker (the "Reporting Persons") to supplement the statements on Schedule 13D previously filed by them, as heretofore amended. Except as supplemented herein, such statements, as heretofore amended and supplemented, remain in full force and effect.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER.

Set forth below is the aggregate number of shares of Common Stock held, including shares that maybe acquired upon conversion of Preferred Stock and shares that maybe acquired upon the exercise of Warrants and Options, as of the date hereof by each of the following, together with the percentage of outstanding shares of Common Stock that such number represents based upon 51,013,878 shares outstanding, according to information received from the Company on August 14, 2006. Such percentage figures are calculated on the basis that the shares of Preferred Stock, Warrants and Options owned by the Reporting Persons are deemed converted into or exercised for shares of Common Stock but other outstanding shares of Preferred Stock, Warrants and Options are not deemed converted or exercised.

| NAME                               | NUMBER OF SHARES | Percent of class<br>OUTSTANDING |
|------------------------------------|------------------|---------------------------------|
| ----                               | -----            | -----                           |
| Baker Bros. Investments, L.P.      | 340,622          | 0.6%                            |
| Baker Bros. Investments II, L.P.   | 348,321          | 0.6%                            |
| Baker Biotech Fund I, L.P.         | 4,594,087        | 7.9%                            |
| Baker Brothers Life Sciences, L.P. | 7,345,904        | 12.6%                           |
| 14159, L.P.                        | 95,159           | 0.2%                            |
| Baker/Tisch Investments, L.P.      | 472,996          | 0.8%                            |
| Felix J. Baker                     | 20,000           | 0.0%                            |
|                                    | -----            | ----                            |
| TOTAL                              | 13,217,089       | 22.7%                           |

By virtue of their ownership of entities that have the power to control the investment decisions of the limited partnerships listed in the table above, Julian C. Baker and Felix J. Baker may each be deemed to be beneficial owners of shares owned by such entities and may be deemed to have shared power to vote or direct the vote of and shared power to dispose or direct the disposition of such securities.

The entities noted below are parties to a voting agreement contained in the Investors Rights Agreement referred to in Item 6 of the Schedule 13D previously filed on June 23, 2006. The parties to the voting agreement may be deemed to constitute a "group" for purposes of Section 13(d) of the Act. The Reporting

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Persons disclaim beneficial ownership of such shares held by such other persons, and such shares are excluded from the table above.

The following transactions in Common Stock were effected by the entities noted below during the fifty-three days preceding the filing of this statement. The transactions in common stock effected the fifty-fourth to sixtieth days are disclosed on the previous Schedule 13D filed on June 23, 2006. All transactions were effected in the over-the-counter market directly with a broker-dealer. None of the reporting Persons has effected any other transactions in Common Stock during this period.

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| NAME                               | DATE      | NUMBER OF SHARES | TRANSACTION | PRICE/ SHARE |
|------------------------------------|-----------|------------------|-------------|--------------|
| Baker Biotech Fund I, L.P.         | 6/23/2006 | 8,639            | Purchase    | 4.0674       |
| Baker Brothers Life Sciences, L.P. | 6/23/2006 | 26,145           | Purchase    | 4.0674       |
| 14159, L.P.                        | 6/23/2006 | 563              | Purchase    | 4.0674       |
| Baker Biotech Fund I, L.P.         | 6/26/2006 | 34,216           | Purchase    | 4.0016       |
| Baker Brothers Life Sciences, L.P. | 6/26/2006 | 103,552          | Purchase    | 4.0016       |
| 14159, L.P.                        | 6/26/2006 | 2,232            | Purchase    | 4.0016       |
| Baker Biotech Fund I, L.P.         | 6/27/2006 | 354              | Purchase    | 4.0299       |
| Baker Brothers Life Sciences, L.P. | 6/27/2006 | 1,072            | Purchase    | 4.0299       |
| 14159, L.P.                        | 6/27/2006 | 24               | Purchase    | 4.0299       |
| Baker Biotech Fund I, L.P.         | 6/27/2006 | 31,943           | Purchase    | 4.0368       |
| Baker Brothers Life Sciences, L.P. | 6/27/2006 | 96,673           | Purchase    | 4.0368       |
| 14159, L.P.                        | 6/27/2006 | 2,084            | Purchase    | 4.0368       |
| Baker Biotech Fund I, L.P.         | 6/28/2006 | 77,345           | Purchase    | 4.0174       |
| Baker Brothers Life Sciences, L.P. | 6/28/2006 | 233,645          | Purchase    | 4.0174       |
| 14159, L.P.                        | 6/28/2006 | 5,010            | Purchase    | 4.0174       |
| Baker Biotech Fund I, L.P.         | 6/29/2006 | 20,340           | Purchase    | 4.0768       |
| Baker Brothers Life Sciences, L.P. | 6/29/2006 | 61,443           | Purchase    | 4.0768       |
| 14159, L.P.                        | 6/29/2006 | 1,317            | Purchase    | 4.0768       |
| Baker Biotech Fund I, L.P.         | 8/2/2006  | 7,683            | Purchase    | 3.69908      |

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|                                    |           |         |          |         |
|------------------------------------|-----------|---------|----------|---------|
| Baker Brothers Life Sciences, L.P. | 8/2/2006  | 23,576  | Purchase | 3.69908 |
| 14159, L.P.                        | 8/2/2006  | 541     | Purchase | 3.69908 |
| Baker Biotech Fund I, L.P.         | 8/3/2006  | 6,040   | Purchase | 3.9967  |
| Baker Brothers Life Sciences, L.P. | 8/3/2006  | 18,535  | Purchase | 3.9967  |
| 14159, L.P.                        | 8/3/2006  | 425     | Purchase | 3.9967  |
| Baker Biotech Fund I, L.P.         | 8/4/2006  | 5,798   | Purchase | 4.0498  |
| Baker Brothers Life Sciences, L.P. | 8/4/2006  | 17,793  | Purchase | 4.0498  |
| 14159, L.P.                        | 8/4/2006  | 409     | Purchase | 4.0498  |
| Baker Biotech Fund I, L.P.         | 8/7/2006  | 9,350   | Purchase | 4.0341  |
| Baker Brothers Life Sciences, L.P. | 8/7/2006  | 28,692  | Purchase | 4.0341  |
| 14159, L.P.                        | 8/7/2006  | 658     | Purchase | 4.0341  |
| Baker Biotech Fund I, L.P.         | 8/8/2006  | 2,416   | Purchase | 4.0478  |
| Baker Brothers Life Sciences, L.P. | 8/8/2006  | 7,414   | Purchase | 4.0478  |
| 14159, L.P.                        | 8/8/2006  | 170     | Purchase | 4.0478  |
| Baker Biotech Fund I, L.P.         | 8/9/2006  | 51,819  | Purchase | 4.05    |
| Baker Brothers Life Sciences, L.P. | 8/9/2006  | 159,019 | Purchase | 4.05    |
| 14159, L.P.                        | 8/9/2006  | 3,648   | Purchase | 4.05    |
| Baker Biotech Fund I, L.P.         | 8/9/2006  | 11,838  | Purchase | 4.0499  |
| Baker Brothers Life Sciences, L.P. | 8/9/2006  | 36,328  | Purchase | 4.0499  |
| 14159, L.P.                        | 8/9/2006  | 834     | Purchase | 4.0499  |
| Baker Biotech Fund I, L.P.         | 8/10/2006 | 338     | Purchase | 4.0368  |
| Baker Brothers Life Sciences, L.P. | 8/10/2006 | 1,038   | Purchase | 4.0368  |
| 14159, L.P.                        | 8/10/2006 | 24      | Purchase | 4.0368  |
| Baker Biotech Fund I, L.P.         | 8/10/2006 | 834     | Purchase | 4.03    |
| Baker Brothers Life Sciences, L.P. | 8/10/2006 | 2,559   | Purchase | 4.03    |
| 14159, L.P.                        | 8/10/2006 | 59      | Purchase | 4.03    |
| Baker Biotech Fund I, L.P.         | 8/11/2006 | 34,745  | Purchase | 4.0291  |
| Baker Brothers Life Sciences, L.P. | 8/11/2006 | 106,622 | Purchase | 4.0291  |
| 14159, L.P.                        | 8/11/2006 | 2,446   | Purchase | 4.0291  |
| Baker Biotech Fund I, L.P.         | 8/14/2006 | 12,080  | Purchase | 4.05    |
| Baker Brothers Life Sciences, L.P. | 8/14/2006 | 37,070  | Purchase | 4.05    |

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|             |           |           |          |      |
|-------------|-----------|-----------|----------|------|
| 14159, L.P. | 8/14/2006 | 850       | Purchase | 4.05 |
| TOTAL       |           | 1,298,248 |          |      |

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Exhibit 4. Agreement regarding the joint filing of this statement.

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.

August 15, 2006

By: /s/ Julian C. Baker  
-----  
Julian C. Baker

By: /s/ Felix J. Baker  
-----  
Felix J. Baker

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