

SEATTLE GENETICS INC /WA
Form SC 13D/A
May 17, 2017

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

SCHEDULE 13D
Under the Securities Exchange Act of 1934

(Amendment No. 24)

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 15, 2017

(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 Page 2 of 12 Pages

NAMES OF REPORTING PERSONS

1
Baker Bros. Advisors LP

(a) ..

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

(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

NUMBER OF 45,834,076 (1)
SHARES SHARED VOTING POWER

8 BENEFICIALLY OWNED BY

0

EACH SOLE DISPOSITIVE POWER

9 REPORTING PERSON

45,834,076 (1)

WITH SHARED DISPOSITIVE POWER

10

0

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11
45,834,076 (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
32.1% (1)(2)

TYPE OF REPORTING PERSON (See Instructions)

14
IA, PN

(1) Includes 108,520 shares of the Issuer's common stock underlying 108,520 options.

(2) Based on 142,716,597 shares of common stock as of April 26, 2017 as reported in the Issuer's 10-Q filed with the SEC on May 1, 2017.

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SCHEDULE 13D

CUSIP No. 812578102 Page 3 of 12 Pages

NAMES OF REPORTING PERSONS

1
Baker Bros. Advisors (GP) LLC

(a) ..

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

(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

NUMBER OF 45,834,076 (1)
SHARES SHARED VOTING POWER

8 BENEFICIALLY OWNED BY

0

EACH SOLE DISPOSITIVE POWER

9 REPORTING PERSON

45,834,076 (1)

WITH SHARED DISPOSITIVE POWER

10

0

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11
45,834,076 (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
32.1% (1)(2)

TYPE OF REPORTING PERSON (See Instructions)

14
HC, OO

(1) Includes 108,520 shares of the Issuer's common stock underlying 108,520 options.

(2) Based on 142,716,597 shares of common stock as of April 26, 2017 as reported in the Issuer's 10-Q filed with the SEC on May 1, 2017.

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SCHEDULE 13D

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NAMES OF REPORTING PERSONS

1
Julian C. Baker

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A 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

| | |
|-----------------------|--------------------------|
| | SOLE VOTING POWER |
| 7 | |
| NUMBER OF | 45,972,501(1) |
| SHARES | SHARED VOTING POWER |
| BENEFICIALLY 8 | |
| OWNED BY | 0 |
| EACH | SOLE DISPOSITIVE POWER |
| REPORTING 9 | |
| PERSON | 45,972,501 (1) |
| WITH | SHARED DISPOSITIVE POWER |
| 10 | |
| | 0 |

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11
45,972,501 (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
32.2% (1)(2)

TYPE OF REPORTING PERSON (See Instructions)

14
IN, HC

(1) Includes 108,520 shares of the Issuer's common stock underlying 108,520 options.

(2) Based on 142,716,597 shares of common stock as of April 26, 2017 as reported in the Issuer's 10-Q filed with the SEC on May 1, 2017.

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SCHEDULE 13D

CUSIP No. 812578102 Page 5 of 12 Pages

NAMES OF REPORTING PERSONS

1
Felix J. Baker

(a) ..

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

(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
United States

SOLE VOTING POWER

7

NUMBER OF 45,972,508 (1)
SHARES SHARED VOTING POWER
BENEFICIALLY **8**

OWNED BY 0
EACH SOLE DISPOSITIVE POWER

REPORTING **9**
PERSON 45,972,508 (1)
WITH SHARED DISPOSITIVE POWER

10

0

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11
45,972,508 (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
32.2% (1)(2)

TYPE OF REPORTING PERSON (See Instructions)

14
IN, HC

(1) Includes 108,520 shares of the Issuer's common stock underlying 108,520 options.

(2) Based on 142,716,597 shares of common stock as of April 26, 2017 as reported in the Issuer's 10-Q filed with the SEC on May 1, 2017.

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SCHEDULE 13D

CUSIP No. 812578102 Page 6 of 12 Pages

NAMES OF REPORTING PERSONS

1
FBB2, LLC

(a) ..

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

(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

| | |
|-----------------------|--------------------------|
| NUMBER OF | 18,243 |
| SHARES | SHARED VOTING POWER |
| BENEFICIALLY 8 | |
| OWNED BY | 0 |
| EACH | SOLE DISPOSITIVE POWER |
| REPORTING 9 | |
| PERSON | 18,243 |
| WITH | 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)

TYPE OF REPORTING PERSON (See Instructions)

14
OO

(1) The percentage of ownership is less than 0.1%, based on 142,716,597 shares of common stock as of April 26, 2017 as reported in the Issuer's 10-Q filed with the SEC on May 1, 2017.

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SCHEDULE 13D

CUSIP No. 812578102 Page 7 of 12 Pages

NAMES OF REPORTING PERSONS

1
FBB3 LLC

(a) ..

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

(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

| | |
|-----------------------|--------------------------|
| NUMBER OF | 12,678 |
| SHARES | SHARED VOTING POWER |
| BENEFICIALLY 8 | |
| OWNED BY | 0 |
| EACH | SOLE DISPOSITIVE POWER |
| REPORTING 9 | |
| PERSON | 12,678 |
| WITH | SHARED DISPOSITIVE POWER |

10

0

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11
12,678

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)

TYPE OF REPORTING PERSON (See Instructions)

14
OO

(1) The percentage of ownership is less than 0.1%, based on 142,716,597 shares of common stock as of April 26, 2017 as reported in the Issuer's 10-Q filed with the SEC on May 1, 2017.

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Amendment No. 24 to Schedule 13D

This Amendment No. 24 to Schedule 13D amends and supplements the statements on the previously filed Schedule 13D, as amended, filed by Baker Bros. Advisors LP (the “Adviser”), Baker Bros. Advisors (GP) LLC (the “Adviser GP”), Julian C. Baker, Felix J. Baker, FBB2, LLC (“FBB2”) and FBB3 LLC (“FBB3”) (collectively the “Reporting Persons”). Except as supplemented herein, such statements, as heretofore amended and supplemented, remain in full force and effect. Information given in response to each item shall be deemed incorporated by reference in all other items, as applicable. Each capitalized term used but not defined herein has the meaning ascribed to such term in the Schedule 13D, as amended.

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”) and 667, L.P. (“667”, and together with Life Sciences, the “Funds”), and their respective general partners, the Funds’ respective general partners relinquished to the Adviser all discretion and authority with respect to the investment and voting power of the securities held by the Funds, and thus 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 superseded, as the case may be, as follows:

On May 15, 2017, 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 \$10.20 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 15, 2017. 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 15, 2017, 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 \$102,000.

In order to effect the exercise of the Exercised Stock Options, on May 15, 2017, the Adviser entered into the Loan Agreements with the Funds pursuant to which 667 and Life Sciences loaned \$10,792 and \$91,208, respectively, totaling \$102,000 to the Adviser for the purpose of acquiring the Common Stock. The loan is due May 15, 2047, or earlier if the Common Stock are sold (“Due Date”), with interest payable through the Due Date at a rate of 2.75% 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. 24 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 142,716,597 shares of common stock as of April 26, 2017 as reported in the Issuer’s 10-Q filed with the SEC on May 1, 2017. Such percentage figures were calculated in accordance with Rule 13d-3 under the Securities Exchange Act of 1934, as amended.

| Holder | Percentage of Class Outstanding |
|--------|---------------------------------|
|--------|---------------------------------|

| | Number of Shares | | |
|------------------------------------|---------------------|------|---|
| 667, L.P. | 4,830,464 | 3.4 | % |
| Baker Brothers Life Sciences, L.P. | 40,840,692 | 28.6 | % |

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. 24 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, except to the extent that any such Reporting Persons actually exercises voting or dispositive power with respect to such securities.

Julian C. Baker and Felix J. Baker are also the sole managers of FBB2 and FBB3 and as such may be deemed to be beneficial owners of shares of Common Stock held by FBB2 and FBB3 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 Stock 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.

The Adviser has voting and investment power over the Stock Options, Common Stock underlying such Stock Options, Restricted Stock and Common Stock held by Felix Baker received as directors compensation. 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 underlying such Stock Options, Restricted Stock and Common Stock of the Issuer held by Felix J. Baker received as directors compensation.

(c) Except as disclosed herein or in any previous amendments to this Schedule 13D, none of the Reporting Persons or their affiliates has effected any other transactions in securities of the Issuer during the past 60 days.

(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.

(e) Not applicable.

ITEM 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer.

The disclosure in Item 4 is incorporated by reference herein.

The Loan Agreement and the Proceeds Agreement are filed as Exhibits 99.1 and 99.2, respectively, and are incorporated by reference herein.

Item 7. Material to Be Filed as Exhibits.

Exhibit Description

99.1 Loan Agreement, dated May 15, 2017, by and among the Adviser and the Funds.

99.2 Proceeds Agreement, dated May 15, 2017, by and between the Adviser and Felix J. Baker.

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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 17, 2017

**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

FBB3 LLC

By: /s/ Julian C. Baker
Name: Julian C. Baker
Title: Manager

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