

INSMED INC  
Form SC 13G  
May 14, 2007

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

**SCHEDULE 13G**

**Under the Securities Exchange Act of 1934**

(Amendment No. )\*

**Insmmed Incorporated**

(Name of Issuer)

**Common Stock, par value \$0.01 per share**

(Title of Class of Securities)

**457669208**

(CUSIP Number)

**May 4, 2007**

(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

- Rule 13d-1(b)
- Rule 13d-1(c)
- Rule 13d-1(d)

\*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 the disclosures provided in a prior cover page.

The information required in 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 ("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).

**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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CUSIP No. 457669208

1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only).  
TANG CAPITAL PARTNERS, LP
2. Check the Appropriate Box if a Member of a Group (See Instructions)  
(a)   
(b)
3. SEC Use Only
4. Citizenship or Place of Organization  
DELAWARE
5. Sole Voting Power  
0
6. Shared Voting Power  
6,605,904
7. Sole Dispositive Power  
0
8. Shared Dispositive Power  
6,605,904
9. Aggregate Amount Beneficially Owned by Each Reporting Person  
6,605,904
10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)
11. Percent of Class Represented by Amount in Row (9)  
5.4%
12. Type of Reporting Person (See Instructions)  
PN

Number of  
Shares  
Beneficially  
Owned by  
Each  
Reporting  
Person With

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CUSIP No. 457669208

1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only).  
TANG CAPITAL MANAGEMENT, LLC
2. Check the Appropriate Box if a Member of a Group (See Instructions)  
(a)   
(b)
3. SEC Use Only
4. Citizenship or Place of Organization  
DELAWARE
- |   |    |                                       |
|---|----|---------------------------------------|
| Number of<br>Shares<br>Beneficially<br>Owned by<br>Each<br>Reporting<br>Person With | 5. | Sole Voting Power<br>0                |
|   | 6. | Shared Voting Power<br>6,605,904      |
|   | 7. | Sole Dispositive Power<br>0           |
|   | 8. | Shared Dispositive Power<br>6,605,904 |
9. Aggregate Amount Beneficially Owned by Each Reporting Person  
6,605,904
10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)
11. Percent of Class Represented by Amount in Row (9)  
5.4%
12. Type of Reporting Person (See Instructions)  
OO

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CUSIP No. 457669208

1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only).  
KEVIN C. TANG
2. Check the Appropriate Box if a Member of a Group (See Instructions)  
(a)   
(b)
3. SEC Use Only
4. Citizenship or Place of Organization  
UNITED STATES
5. Sole Voting Power  
0
6. Shared Voting Power  
6,605,904
7. Sole Dispositive Power  
0
8. Shared Dispositive Power  
6,605,904
9. Aggregate Amount Beneficially Owned by Each Reporting Person  
6,605,904
10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)
11. Percent of Class Represented by Amount in Row (9)  
5.4%
12. Type of Reporting Person (See Instructions)  
IN

Number of  
Shares  
Beneficially  
Owned by  
Each  
Reporting  
Person With

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Item 1.

- (a) Name of Issuer  
Insmmed Incorporated, a Virginia corporation (the Issuer )
- (b) Address of Issuer's Principal Executive Offices  
8720 Stony Point Parkway, Richmond, Virginia 23235

Item 2.

- (a) Name of Person Filing  
This Statement on Schedule 13G (this Statement ) is filed by Tang Capital Partners, LP ( Tang Capital Partners ); Tang Capital Management, LLC, the general partner of Tang Capital Partners ( Tang Capital Management ); and Kevin C. Tang, the manager of Tang Capital Management.
- (b) Address of Principal Business Office or, if none, Residence  
4401 Eastgate Mall, San Diego, CA 92121
- (c) Citizenship  
Tang Capital Partners is a Delaware limited partnership. Tang Capital Management is a Delaware limited liability company. Mr. Tang is a United States citizen.
- (d) Title of Class of Securities  
Common Stock, par value \$0.01 per share (the Common Stock )
- (e) CUSIP Number  
457669208

Item 3.

- If this statement is filed pursuant to §§240.13d-1(b) or 240.13d-2(b) or (c), check whether the person filing is a:
- (a)  Broker or dealer registered under section 15 of the Act (15 U.S.C. 78o).
  - (b)  Bank as defined in section 3(a)(6) of the Act (15 U.S.C. 78c).
  - (c)  Insurance company as defined in section 3(a)(19) of the Act (15 U.S.C. 78c).
  - (d)  Investment company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C 80a-8).
  - (e)  An investment adviser in accordance with §240.13d-1(b)(1)(ii)(E);
  - (f)  An employee benefit plan or endowment fund in accordance with §240.13d-1(b)(1)(ii)(F);
  - (g)  A parent holding company or control person in accordance with § 240.13d-1(b)(1)(ii)(G);
  - (h)  A savings associations as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813);
  - (i)  A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3);
  - (j)  Group, in accordance with §240.13d-1(b)(1)(ii)(J).
- Not Applicable

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Item 4. Ownership

Provide the following information regarding the aggregate number and percentage of the class of securities of the issuer identified in Item 1.

(a) Amount beneficially owned:

Tang Capital Partners. Tang Capital Partners is the record and beneficial owner of 6,005,367 shares of Common Stock. Tang Capital Partners also holds a warrant to purchase 600,537 shares of Common Stock at an exercise price of \$1.10 per share (subject to adjustment as set forth in the warrant). Tang Capital Partners shares voting power and dispositive power over such shares and warrants with Tang Capital Management and Kevin C. Tang.

Tang Capital Management. Tang Capital Management, as the general partner of Tang Capital Partners, may be deemed to beneficially own the 6,005,367 shares held of record by Tang Capital Partners and the warrant to purchase 600,537 shares of Common Stock at an exercise price of \$1.10 per share (subject to adjustment as set forth in the warrant). Tang Capital Management shares voting and dispositive power over such shares and warrants with Tang Capital Partners and Kevin C. Tang.

Kevin C. Tang. Kevin C. Tang, as Manager of Tang Capital Management, may be deemed to beneficially own the 6,005,367 shares held of record by Tang Capital Partners and the warrant to purchase 600,537 shares of Common Stock at an exercise price of \$1.10 per share (subject to adjustment as set forth in the warrant). Mr. Tang shares voting and dispositive power over such shares with Tang Capital Partners and Tang Capital Management.

Mr. Tang disclaims beneficial ownership of all shares reported herein except to the extent of his pecuniary interest therein.

(b) Percent of class:

Tang Capital Partners	5.4%
Tang Capital Management	5.4%
Kevin C. Tang	5.4%

(c) Number of shares as to which the person has:

(i) Sole power to vote or to direct the vote

Tang Capital Partners	0 shares
Tang Capital Management	0 shares
Kevin C. Tang	0 shares

(ii) Shared power to vote or to direct the vote

Tang Capital Partners	6,605,904 shares
Tang Capital Management	6,605,904 shares
Kevin C. Tang	6,605,904 shares

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(iii) Sole power to dispose or to direct the disposition of

Tang Capital Partners	0 shares
Tang Capital Management	0 shares
Kevin C. Tang	0 shares

(iv) Shared power to dispose or to direct the disposition of

Tang Capital Partners	6,605,904 shares
Tang Capital Management	6,605,904 shares
Kevin C. Tang	6,605,904 shares

Item 5. Ownership of Five Percent or Less of a Class  
If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following .

Item 6. Ownership of More than Five Percent on Behalf of Another Person  
Not applicable

Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company  
Not applicable

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Item 8. Identification and Classification of Members of the Group  
Not applicable

Item 9. Notice of Dissolution of Group  
Not applicable

Item 10. Certification  
By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

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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.

Date: May 14, 2007

TANG CAPITAL PARTNERS, LP

By: Tang Capital Management, LLC, its General Partner

By: /s/ Kevin C. Tang  
Kevin C. Tang, Manager

TANG CAPITAL MANAGEMENT, LLC

By: /s/ Kevin C. Tang  
Kevin C. Tang, Manager

/s/ Kevin C. Tang  
Kevin C. Tang