

SHEFFERY MICHAEL B
Form 4
January 12, 2010

FORM 4

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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 *
SHEFFERY MICHAEL B

2. Issuer Name and Ticker or Trading Symbol
ATHERSYS, INC / NEW [ATHX]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
767 THIRD AVENUE, 30TH FLOOR

3. Date of Earliest Transaction (Month/Day/Year)
12/28/2009

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

(Street)
NEW YORK, NY 10017

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

(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 or Beneficial Ownership (Instr. 4)			
			Code	V	Amount	(A) or (D)	Price			
Common Stock	12/28/2009		J ⁽¹⁾		1,800,153	D	\$ 0	1,810,047	I	By Partnerships ⁽²⁾
Common Stock	12/28/2009		J ⁽³⁾		3,406	A	\$ 0	3,406	D	
Common Stock	01/07/2010		J ⁽⁴⁾		4,947	D	\$ 0	1,805,100	I	By Partnerships ⁽²⁾
Common Stock	01/07/2010		J ⁽⁵⁾		466	A	\$ 0	3,872	D	

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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

Table with 10 columns: 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), 8. Price of Derivative Security (Instr. 5), 9. Number of Derivative Securities Owned Beneficially (Instr. 6, 7, and 9). Includes sub-columns for Date Exercisable, Expiration Date, Title, and Amount or Number of Shares.

Reporting Owners

Table with 2 columns: Reporting Owner Name / Address, Relationships. Reporting Owner: SHEFFERY MICHAEL B, 767 THIRD AVENUE, 30TH FLOOR, NEW YORK, NY 10017. Relationships: Director, 10% Owner, Officer, Other. Marked 'X' under 10% Owner.

Signatures

/s/ Michael B. Sheffery 01/12/2010
**Signature of Reporting Person Date

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).
(1) The Reporting Person is a partner of OrbiMed Advisors LLC ("Advisors") and OrbiMed Capital GP III LLC ("Capital"). On December 28, 2009 Capital and Advisors made an in-kind distribution of the Common Stock to investors in Caduceus Private Investments III, LP ("Caduceus") and OrbiMed Associates III, LP ("Associates"). Following this in-kind distribution, Caduceus, Associates and Advisors hold 1,788,100, 17,000 and 4,947 shares, respectively. Advisors, pursuant to its authority as general partner of Associates, may be considered to hold indirectly 17,000 shares of Common Stock and Capital, pursuant to its authority as general partner of Caduceus, may be considered to hold indirectly 1,788,100 shares of Common Stock.
(2)

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The Reporting Person disclaims beneficial ownership except to the extent of his pecuniary interest. This report shall not be deemed an admission that the Reporting Person is a beneficial owner for the purpose of Section 16 of the Exchange Act of 1934, as amended, or for any other purpose.

- (3) Of the in-kind distribution of the Common Stock made to investors in Caduceus, as described in the note 1, 3,406 were allocated to the Reporting Person. These are the only shares of Common stock held directly by the Reporting Person.

On January 7, 2010 Advisors distributed 4,947 shares of Common Stock to its partners, including a distribution of 466 shares to the Reporting Person. Following this transaction, Caduceus and Associates, hold 1,788,100 and 17,000 shares, respectively. Advisors,

- (4) pursuant to its authority as general partner of Associates, may be considered to hold indirectly 17,000 shares of Common Stock and Capital, pursuant to its authority as general partner of Caduceus, may be considered to hold indirectly 1,788,100 shares of Common Stock.

- (5) Following the in-kind distribution made to the Reporting Person, directly holds 3,872 shares of Common Stock.

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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