

APPLIED BIOSYSTEMS INC.
 Form 4
 November 13, 2008

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 *
KERR BARBARA J

2. Issuer Name and Ticker or Trading Symbol
**APPLIED BIOSYSTEMS INC.
 [ABI]**

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
**APPLIED BIOSYSTEMS INC., 850
 LINCOLN CENTRE DRIVE**

3. Date of Earliest Transaction
 (Month/Day/Year)
11/11/2008

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Sr. V.P. - Human Resources

(Street)
FOSTER CITY, CA 94404

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 Beneficial Ownership (Instr. 4) |
|---------------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price |
| Applied Biosystems Group Common Stock | 11/11/2008 | | M | | 54,000 | A | \$ 25.575 |
| Applied Biosystems Group Common Stock | 11/11/2008 | | M | | 10,000 | A | \$ 25 |
| | 11/11/2008 | | M | | 10,000 | A | \$ 25 |

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| | | | | | | | | |
|---|------------|---|---------|---|--------------------------|--------------|---|--|
| Applied Biosystems Group Common Stock | | | | | | | | |
| Applied Biosystems Group Common Stock | 11/11/2008 | M | 51,000 | A | \$ 20.85 | 146,802.9091 | D | |
| Applied Biosystems Group Common Stock | 11/11/2008 | M | 41,336 | A | \$ 15.54 | 188,138.9091 | D | |
| Applied Biosystems Group Common Stock | 11/11/2008 | M | 10,000 | A | \$ 15.54 | 198,138.9091 | D | |
| Applied Biosystems Group Common Stock | 11/11/2008 | M | 10,000 | A | \$ 15.54 | 208,138.9091 | D | |
| Applied Biosystems Group Common Stock | 11/11/2008 | M | 47,664 | A | \$ 20.185 | 255,802.9091 | D | |
| Applied Biosystems Group Common Stock | 11/11/2008 | M | 62,250 | A | \$ 21.475 | 318,052.9091 | D | |
| Applied Biosystems Group Common Stock | 11/11/2008 | S | 296,250 | D | \$ <u>(1)</u> 29.9321 | 21,802.9091 | D | |

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

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(9-02)

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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 Security (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| | | | | Code | V (A) (D) | Date Exercisable Expiration Date | Title |
| Applied Biosystems Group Employee Stock Options-Right to Buy | \$ 25.575 | 11/11/2008 | | M | 54,000 | <u>(2)</u> 03/26/2011 | Applied Biosystems Group Common Stock |
| Applied Biosystems Group Employee Stock Options-Right to Buy | \$ 25 | 11/11/2008 | | M | 10,000 | 08/16/2004 08/16/2011 | Applied Biosystems Group Common Stock |
| Applied Biosystems Group Employee Stock Options-Right to Buy | \$ 25 | 11/11/2008 | | M | 10,000 | <u>(3)</u> 08/16/2011 | Applied Biosystems Group Common Stock |
| Applied Biosystems Group Employee Stock Options-Right to Buy | \$ 20.85 | 11/11/2008 | | M | 51,000 | <u>(4)</u> 04/08/2012 | Applied Biosystems Group Common Stock |
| Applied Biosystems Group Employee Stock Options-Right to Buy | \$ 15.54 | 11/11/2008 | | M | 41,336 | <u>(5)</u> 03/24/2013 | Applied Biosystems Group Common Stock |

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- (1) The price reported is the weighted average sale price in open market transactions at prices ranging from \$29.90 to \$29.98. The reporting person undertakes to provide upon request by the Securities and Exchange Commission staff, the issuer, or a security holder of the issuer, full information regarding the number of shares sold at each separate price.

- (2) These options originally became exercisable in four equal annual installments, commencing March 26, 2002. Effective January 20, 2005, the vesting of all of these options was accelerated. However, shares received upon the exercise of accelerated options were subject to a restriction on transfer (covering sales, gifts, pledges, and any other method of disposition) that remained in effect for some of the shares until March 26, 2005.

- (3) These options originally became exercisable on or after the earlier of (a) August 16, 2006 or (b) two years after certain stock price targets were attained. The vesting of these options was accelerated effective January 20, 2005. However, shares received upon the exercise of accelerated options were subject to a restriction on transfer (covering sales, gifts, pledges, and any other method of disposition) that was to remain in effect until the earlier of the original vesting date of those options or termination of the reporting person's employment with the issuer.

- (4) These options originally became exercisable in four equal annual installments, commencing April 8, 2003. Effective January 20, 2005, the vesting of all of these options was accelerated. However, shares received upon the exercise of accelerated options were subject to a restriction on transfer (covering sales, gifts, pledges, and any other method of disposition) that remained in effect for some of the shares until April 8, 2006.

- (5) These options originally became exercisable in four equal annual installments, commencing March 24, 2004. Effective January 20, 2005, the vesting of all of these options was accelerated. However, shares received upon the exercise of accelerated options were subject to a restriction on transfer (covering sales, gifts, pledges, and any other method of disposition) that remained in effect for some of the shares until March 24, 2007.

- (6) As originally granted, these options would have become exercisable on March 24, 2006. Effective June 2, 2005, the vesting of all of these options was accelerated. However, shares received upon the exercise of accelerated options were subject to a restriction on transfer (covering sales, gifts, pledges, and any other method of disposition) that remained in effect until March 24, 2006.

- (7) These options originally became exercisable on or after the earlier of (a) March 24, 2008 or (b) two years after certain stock price targets were attained. The vesting of these options was accelerated effective January 20, 2005. However, shares received upon the exercise of accelerated options were subject to a restriction on transfer (covering sales, gifts, pledges, and any other method of disposition) that was to remain in effect until the earlier of the original vesting date of those options or termination of the reporting person's employment with the issuer.

- (8) These options originally became exercisable in four equal annual installments, commencing June 17, 2005. Effective January 20, 2005, the vesting of all of these options was accelerated. However, shares received upon the exercise of accelerated options were subject to a restriction on transfer (covering sales, gifts, pledges, and any other method of disposition) that remained in effect for some of the shares until June 17, 2008.

- (9) These options were fully vested and exercisable as of the grant date. However, shares acquired upon the exercise of these options were subject to a restriction on transfer (covering sales, gifts, pledges, and any other method of disposition). The transfer restriction was scheduled to lapse on 25% of the shares covered by the grant on each of the first four anniversaries of the grant date. Also, the transfer restriction would have lapsed in full upon termination of employment for any reason. However, all remaining restrictions were terminated on November 12, 2008.

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