STEPHAN CO
Form 5
December 03, 2007

FORM 5

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

ANNUAL 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

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).
Form 3 Holdings Reported
Form 4 Transactions Reported

1. Name and Address of Reporting Person *
BARONE RICHARD A

(Last) (First) (Middle)

ONE CHAGRIN HIGHLANDS,Â 2000 AUBURN DRIVE SUITE 300

(Street)

CLEVELAND,Â OHÂ 44122

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
STEPHAN CO [TSC]

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)
12/31/2006

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Reporting

(check applicable line)

_X_ Form Filed by One Reporting Person
___ Form Filed by More than One Reporting Person

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 at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				Amount	(A) or (D)	Price			
Shares of Common Stock	Â	Â	Â	Â	Â	Â	100,001 (1)	I	By Merlin Partners, LP
Shares of Common Stock	Â	Â	Â	Â	Â	Â	10,000 (1)	I	By Ancora Partners, LLC
Shares of Common	Â	Â	Â	Â	Â	Â	40,000	D	Â

Stock

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)

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)	
					(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Options	$ 3.99	Â	Â	Â	Â	Â	09/29/2006	09/29/2010	Shares of Common Stock	5,062
Stock Options	$ 3.56	06/30/2006	Â	A4	5,062	Â	06/30/2007	06/30/2011	Shares of Common Stock	5,062

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BARONE RICHARD A ONE CHAGRIN HIGHLANDS 2000 AUBURN DRIVE SUITE 300 CLEVELAND,Â OHÂ 44122	Â X	Â	Â	Â

Signatures

/s/ Richard A. Barone	12/03/2007
**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) Mr. Barone is the majority owner of Ancora Advisors, LLC, which is General Partner of Merlin Partners, LP. Further, Mr. Barone is the Managing Partner of Ancora Partners, LLC, which is an affiliate of Ancora Advisors, LLC. Reported shares do not include shares held by accounts managed by Mr. Barone that are charged a management fee only. The reporting person disclaims beneficial ownership of these

securities except to the extent of his pecuniary interest therein, and the inclusion of these shares shall not be deemed an admission of beneficial ownership of all of the reported shares for purposes of Section 16 or for any other purpose.

Note: File three copies of this Form, one of which must be manually signed. If space provided is insufficient, *see* Instruction 6 for procedure.
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