

STEPHAN CO
Form 4
May 12, 2006

FORM 4

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

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

OMB APPROVAL

OMB
Number: 3235-0287
Expires: January 31,
2005
Estimated average
burden hours per
response... 0.5

(Print or Type Responses)

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

(Last) (First) (Middle)

**ONE CHAGRIN
HIGHLANDS, 2000 AUBURN
DRIVE SUITE 420**

(Street)

CLEVELAND, OH 44122

(City) (State) (Zip)

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

3. Date of Earliest Transaction
(Month/Day/Year)
05/09/2006

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check
Applicable Line)
☒ 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 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)
Shares of Common Stock	05/09/2006		P	2,000 A	\$ 3.42 7,000	D	
Shares of Common Stock					63,001 ⁽¹⁾	I	By Merlin Partners, LP
Shares of Common Stock					48,900 ⁽¹⁾	I	By Ancora Special Opportunity Fund (Mutual Fund)

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

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SEC 1474
(9-02)

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)	8. Pri Deriv Secur (Instr.
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Options	\$ 3.99					09/29/2006	09/29/2010	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 420 CLEVELAND, OH 44122	X

Signatures

/s/ Richard A.
Barone 05/12/2006

__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)

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Mr. Barone is the majority owner of Ancora Advisors, LCC, which has an investment management agreement with The Ancora Special Opportunity Fund and is General Partner of Merlin Partners, LP. Reported shares do not include shares held by accounts managed by Mr. Barone that are charged a management fee only, with the exception of the Ancora Special Opportunity Fund, of which Mr. Barone owns shares. 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.

Remarks:

The transaction reported hereby qualifies as a "small acquisition" pursuant to SEC Rule 16a-6.

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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