

MARTIN WILLIAM C  
Form 4  
April 04, 2013

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
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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 \*  
MARTIN WILLIAM C

2. Issuer Name and Ticker or Trading Symbol  
DERMA SCIENCES, INC. [DSCI]

5. Relationship of Reporting Person(s) to Issuer  
(Check all applicable)

(Last) (First) (Middle)  
TEN PRINCETON AVENUE,  
(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
04/02/2013

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

ROCKY HILL, NJ 08553  
(City) (State) (Zip)

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
\_\_\_ Form filed by One Reporting Person  
\_X\_ 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 Ownership (Instr. 4)
Common Stock, par value \$0.01 <sup>(1)</sup>	04/02/2013		X	125,000 A	\$ 9.6 1,457,557	I <sup>(2)</sup>	By Raging Capital Master Fund, Ltd.
Common Stock, par value \$0.01 <sup>(1)</sup>	04/02/2013		S	97,324 <sup>(3)</sup> D	\$ 12.33 1,360,233	I <sup>(2)</sup>	By Raging Capital Master Fund, Ltd.

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)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount of Number of Shares
Series K Warrants (right to buy) <sup>(1)</sup>	\$ 9.6	04/02/2013		X	125,000	<sup>(4)</sup> 04/01/2013	Common Stock, par value \$0.01 125,000
Series J Warrants (right to buy) <sup>(1)</sup>	\$ 6.16					<sup>(4)</sup> 05/31/2013	Common Stock, par value \$0.01 200,893
Series O Warrants (right to buy) <sup>(1)</sup>	\$ 5.5					<sup>(4)</sup> 02/22/2015	Common Stock, par value \$0.01 128,166
Series R Warrants (right to buy) <sup>(1)</sup>	\$ 9.9					<sup>(4)</sup> 06/24/2016	Common Stock, par value \$0.01 127,272

## Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

X

MARTIN WILLIAM C  
TEN PRINCETON AVENUE  
ROCKY HILL, NJ 08553

Raging Capital Management, LLC  
TEN PRINCETON AVENUE X  
ROCKY HILL, NJ 08553

Raging Capital Master Fund, Ltd.  
C/O OGIER FIDUCIARY SERVICES (CAYMAN) X  
89 NEXUS WAY  
CAMANA BAY, GRAND CAYMAN, E9 KY 1-9007

## Signatures

By: /s/ Frederick C. Wasch as attorney-in-fact for William C. Martin	04/04/2013
__Signature of Reporting Person	Date
By: Raging Capital Management, LLC, By: /s/ Frederick C. Wasch, Chief Financial Officer	04/04/2013
__Signature of Reporting Person	Date
By: Raging Capital Master Fund, Ltd., By: Raging Capital Management, LLC, Investment Manager, By: /s/ Frederick C. Wasch, Chief Financial Officer	04/04/2013
__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).  
This Form 4 is filed jointly by Raging Capital Master Fund, Ltd. ("Raging Master"), Raging Capital Management, LLC ("Raging Capital") and William C. Martin (collectively, the "Reporting Persons"). Each of the Reporting Persons may be deemed to be a member of a Section 13(d) group that collectively owns more than 10% of the Issuer's outstanding shares of Common Stock. Each of the Reporting Persons disclaims beneficial ownership of the securities reported herein except to the extent of his or its pecuniary interest therein.
- (1) Represents securities owned directly by Raging Master. As the Investment Manager of Raging Master, Raging Capital may be deemed to beneficially own the securities owned directly by Raging Master. As the Managing Member of Raging Capital, Mr. Martin may be deemed to beneficially own the securities owned directly by Raging Master.
- (3) Consists of shares of Common Stock withheld by the Issuer to fund the cashless exercise of Series K Warrants owned by Raging Master based on a price of \$12.33 per share, the average closing price of the shares during the five business days prior to exercise.
- (4) The Warrants are currently exercisable.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.