

BARONE RICHARD A
Form 4
June 22, 2006

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 *
BARONE RICHARD A

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
06/20/2006

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

ONE CHAGRIN
HIGHLANDS, 2000 AUBURN
DRIVE SUITE 420

(Street)

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

CLEVELAND, OH 44122

(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) | | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|-----------------------|---|---|
| | | | | (A) or (D) | Price | | | | | |
| | | | | Code | V | Amount | | | | |
| Shares of Common Stock | 06/20/2006 | | P | V | 1,500 | A | \$ 3.08 | 24,500 | 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)

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

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(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. Price or Value of Underlying Securities (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|---|
| Stock Options | \$ 3.99 | | | | | 09/29/2006 09/29/2010 | 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 420 CLEVELAND, OH 44122 | X | | | |

Signatures

/s/ Richard A.
Barone 06/22/2006

**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).

Mr. Barone is the majority owner of Ancora Advisors, LLC, 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.

- (1) 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 acquisition 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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