

Franklin Joshua B
Form 4
August 30, 2012

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 *
Franklin Joshua B

2. Issuer Name and Ticker or Trading Symbol
CORNERSTONE THERAPEUTICS INC [CRTX]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
08/29/2012

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
VP, Strategy & Bus. Dev.

C/O CORNERSTONE THERAPEUTICS INC., 1255 CRESCENT GREEN DRIVE, SUITE 250

(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

CARY, NC 27518

(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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V Amount (D) Price | | | |
| Common Stock | 08/29/2012 | | M | 38,637 A \$ 3.9 | 59,581 | D | |
| Common Stock | 08/29/2012 | | S | 38,637 D 6.86 | 20,944 | D | |

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

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SEC 1474 (9-02)

displays a currently valid OMB control number.

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) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| Option to Purchase Common Stock (Right to Buy) | \$ 3.9 | 08/29/2012 | | M | 38,637 | 07/28/2009 ⁽²⁾ 10/31/2018 | Common Stock | 38,637 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|--------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Franklin Joshua B C/O CORNERSTONE THERAPEUTICS INC. 1255 CRESCENT GREEN DRIVE, SUITE 250 CARY, NC 27518 | | | VP, Strategy & Bus. Dev. | |

Signatures

/s/Josh Franklin 08/30/2012
 **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) The price reported in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$6.85 to \$6.93, inclusive. The reporting person undertakes to provide to Cornerstone Therapeutics Inc., any security holder of Cornerstone Therapeutics Inc., or the staff of the U.S. Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price within the range set forth in this footnote to this Form 4.

(2) Vesting of this option was accelerated, in connection with the closing of the transactions contemplated by the Stock Purchase Agreement, by and among Chiesi Farmaceutici SpA, ("Chiesi") and Cornerstone BioPharma Holdings, Ltd., and other related agreements entered into on May 6, 2009.

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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