

Costantino John R
Form 4
December 27, 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 *
Costantino John R

2. Issuer Name and Ticker or Trading Symbol
ARTES MEDICAL INC [ARTE]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
5870 PACIFIC CENTER BOULEVARD
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
12/26/2006

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

SAN DIEGO, CA 92121

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

(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 Ownership (Instr. 4) | | |
|---------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------|--------------------------------------------|---|-----------------------------------------------------------------------|
| | | | Code | V | Amount | (A) or (D) | Price | | |
| Common Stock | 12/26/2006 | | C | | 197,458 | A | Ⓣ 197,458 | I | By NGN BioMed Opportunity I GmbH & Co. Beteiligungs KG ⁽²⁾ |
| Common Stock | 12/26/2006 | | P | | 174,833 | A | \$ 6 372,291 ⁽³⁾ | I | By NGN BioMed Opportunity I GmbH & Co. Beteiligungs KG ⁽²⁾ |

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| | | | | | | | | |
|--------------|------------|---|---------|---|------------|--------------------|---|----------------------------------------------|
| Common Stock | 12/26/2006 | C | 273,129 | A | <u>(1)</u> | 273,129 | I | By NGN Biomed Opportunity I, L.P. <u>(2)</u> |
| Common Stock | 12/26/2006 | P | 241,833 | A | \$ 6 | 514,962 <u>(4)</u> | I | By NGN Biomed Opportunity I, L.P. <u>(2)</u> |

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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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) |
|--------------------------------------------|--------------------------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------------|
| | | | | Code | V (A) (D) | Date Exercisable Expiration Date | Title Amount of Number of Shares |
| Series E Convertible Preferred Stock | <u>(1)</u> | 12/26/2006 | | C | 197,458 <u>(5)</u> | <u>(1)</u> <u>(1)</u> | Common Stock 197,458 <u>(5)</u> |
| Series E Convertible Preferred Stock | <u>(1)</u> | 12/26/2006 | | C | 273,129 <u>(5)</u> | <u>(1)</u> <u>(1)</u> | Common Stock 273,129 <u>(5)</u> |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---------------------------------------------------------------------------|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| Costantino John R 5870 PACIFIC CENTER BOULEVARD SAN DIEGO, CA 92121 | X | | | |

Signatures

/s/ John R.
Costantino

12/26/2006

__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) Immediately following the closing of the initial public offering of the Issuer's Common Stock all outstanding shares of Preferred Stock will be automatically converted, for no additional consideration, into shares of the Issuer's Common Stock.

Mr. Costantino is the Managing General Partner of NGN Capital LLC. NGN Capital LLC is the managing limited partner of NGN BioMed Opportunity I, GmbH & Co. Beteiligungs KG and the sole general partner of NGN BioMed I, GP, L.P, the sole general partner of NGN BioMed Opportunity I, L.P. Mr. Costantino disclaims beneficial ownership of the securities held directly by NGN BioMed Opportunity I, GmbH & Co. Beteiligungs KG, NGN BioMed Opportunity I, L.P. and NGN Capital LLC except to the extent of any indirect pecuniary interest in his distributive share therein.
- (2) Represents total amount of common stock owned directly by NGN BioMed Opportunity I GmbH & Co. Beteiligungs KG.
- (3) Represents total amount of common stock owned directly by NGN BioMed Opportunity I, L.P.
- (4) Reflects a 1 for 4.25 reverse stock split, effected on December 19, 2006, pursuant to which each share of Series E Convertible Preferred Stock became convertible into approximately 0.235 of a share of common stock.
- (5)

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.