

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL	
OMB Number:	3235-0287
Estimated average burden hours per response:	0.5

1. Name and Address of Reporting Person * <b>SCHABER CHRISTOPHER</b>  (Last) (First) (Middle) <b>350 SOUTH MAIN STREET</b> <b>SUITE 301</b>  (Street) <b>DOYLESTOWN PA 18901</b>  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <b>DISCOVERY LABORATORIES INC /DE/</b> [ DSCO ]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <b>Exec. VP &amp; COO</b>
	3. Date of Earliest Transaction (Month/Day/Year) <b>03/01/2004</b>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> 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)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	03/01/2004		M		42,500	A	\$1.38	143,142	D	
Common Stock	03/01/2004		F		4,855	D	\$12.08	138,287	D	
Common Stock	03/01/2004		M		52,500	A	\$2.1	190,787	D	
Common Stock	03/01/2004		F		9,126	D	\$12.08	181,661	D	
Common Stock	03/01/2004		M		12,500	A	\$1.72	194,161	D	
Common Stock	03/01/2004		F		1,779	D	\$12.08	192,382	D	
Common Stock	03/01/2004		M		17,500	A	\$1.89	209,882	D	
Common Stock	03/01/2004		F		2,737	D	\$12.08	207,145	D	

**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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Incentive Stock Option (Right to Buy)	\$1.38	03/01/2004		M			42,500	09/30/1999	09/30/2009	Common Stock	42,500	\$0	0	D	
Incentive Stock Option (Right to Buy)	\$2.1	03/01/2004		M			52,500	09/21/2001	09/21/2011	Common Stock	52,500	\$0	17,500	D	
Incentive Stock Option (Right to Buy)	\$1.72	03/01/2004		M			12,500	06/27/2002	06/27/2012	Common Stock	12,500	\$0	12,500	D	
Incentive Stock Option (Right to Buy)	\$1.89	03/01/2004		M			17,500	11/05/2002	11/05/2012	Common Stock	17,500	\$0	17,500	D	

Explanation of Responses:

/s/ Christopher J. Schaber

03/03/2004

\*\* Signature of Reporting Person

Date

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

\* 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

**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 Number.**