

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, DC 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): November 16, 2011

AVI BioPharma, Inc.

(Exact name of registrant as specified in its charter)

Oregon
(State or other jurisdiction of
incorporation)

001-14895
(Commission
File Number)

93-0797222
(IRS Employer
Identification No.)

3450 Monte Villa Parkway, Suite 101
Bothell, WA 98021
(Address of principal executive offices, including zip code)

(425) 354-5038
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01 Other Events.

On November 17, 2011, AVI BioPharma, Inc. (the “Company”) announced that the Opposition Division of the European Patent Office (the “Opposition Division”), presiding in oral proceedings on Wednesday, November 16, 2011, maintained in amended form certain claims of Prosensa’s European Patent No. EP 1619249 relating to the treatment of Duchenne muscular dystrophy by skipping dystrophin exons 51 and 46. Both Prosensa and the Company have the right to appeal the decision. Pending final resolution of this opposition proceeding and any appeal thereof, the patent at issue may provide the basis for Prosensa to assert that the Company’s drug eteplirsen infringes on such patent.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AVI BioPharma, Inc.

By: /s/ Christopher Garabedian

Christopher Garabedian

President and Chief Executive Officer

Date: November 17, 2011