UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 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): **March 26, 2010**

AVI BioPharma, Inc.
(Exact name of registrant as specified in its charter)

Oregon	**001-14895**	**93-0797222**
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

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

(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:

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

Item 7.01. Regulation FD Disclosure.

On March 26, 2010, AVI BioPharma, Inc. ("AVI" or the "Company") issued a press release in which the Company made a statement regarding the Schedule 13D filed on March 26, 2010 by a group of the Company's shareholders. A copy of this press release is attached hereto as Exhibit 99.1.

The information in this Item 7.01 and the press release attached as Exhibit 99.1 to this Form 8-K, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, nor shall this Item 7.01, such Exhibit 99.1, or any of the information contained therein be deemed incorporated by reference in any filing under the Securities Exchange Act of 1934 or the Securities Act of 1933, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	**Description**
99.1	Press release, dated March 26, 2010, entitled "AVI BioPharma Issues Statement Regarding Filing By Shareholder Group"

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Bothell, State of Washington, on March 30, 2010.

AVI BioPharma, Inc.

By: /s/ Leslie Hudson, Ph.D.

Leslie Hudson, Ph.D.
President and Chief Executive Officer
(Principal Operating Officer)

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press release, dated March 26, 2010, entitled “AVI BioPharma Issues Statement Regarding Filing By Shareholder Group”

Exhibit 99.1

AVI Press and Investor Contact:
David A. Walsey
Senior Director, Investor Relations & Corporate Communications
425.354.5140
Investorrelations@avibio.com

AVI BIOPHARMA ISSUES STATEMENT REGARDING FILING BY SHAREHOLDER GROUP

BOTHELL, WA — March 26, 2010 — AVI BioPharma, Inc. (NASDAQ:AVII), a developer of RNA-based drugs, issued the following statement regarding the Schedule 13D filed today with the SEC by a group of AVI shareholders in which they stated that they had requested a special meeting of shareholders:

"The AVI Board of Directors welcomes the views of all our shareholders. We've had a productive dialogue with these shareholders, which is continuing. We are carefully considering the matters they have raised. AVI's Board and management team are committed to acting in the best interests of all AVI shareholders."

About AVI BioPharma

AVI BioPharma is focused on the discovery and development of RNA—based medicines utilizing proprietary derivatives of its antisense chemistry (morpholino-modified phosphorodiamidate oligomers or PMOs) that can be applied to a wide range of diseases and genetic disorders through several distinct mechanisms of action. Unlike other RNA therapeutic approaches, AVI's antisense technology has been used to directly target both messenger RNA (mRNA) and its precursor (pre-mRNA), allowing for both up- and down-regulation of targeted genes and proteins. AVI's RNA—based drug programs are being evaluated for the treatment of Duchenne muscular dystrophy, including an ongoing systemic Phase 1b/2 clinical trial of exon skipping with AVI-4658. AVI's antiviral programs have demonstrated promising outcomes in Ebola Zaire and Marburg Musoke virus infections and may prove applicable to other viral targets such as Junín, influenza, HCV or Dengue viruses. For more information, visit www.avibio.com.

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"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: The statements that are not historical facts contained in this release are forward-looking statements that involve risks and uncertainties, including, but not limited to, the results of research and development efforts, the results of preclinical and clinical testing, the effect of regulation by the FDA and other agencies, the impact of competitive products, product development, commercialization and technological difficulties, and other risks detailed in the company's Securities and Exchange Commission filings.