

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

SCHEDULE 13G/A  
(RULE 13D-102)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO RULES  
13D-1(B), (C) AND (D) AND AMENDMENTS THERETO FILED  
PURSUANT TO RULE 13D-2(B)  
(Amendment No. 1) (1)

Akorn, Inc.  
-----

(Name of Issuer)

Common Stock  
-----

(Title of Class of Securities)

009728106  
-----

(CUSIP Number)

December 31, 2004  
-----

(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule  
is filed:

Rule 13d-1(b)

Rule 13d-1(c)

Rule 13d-1(d)

(Page 1 of 12 Pages)

-----  
(1) The remainder of this cover page shall be filled out for a reporting  
person's initial filing on this form with respect to the subject class of  
securities, and for any subsequent amendment containing information which would  
alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be  
deemed to be "filed" for the purpose of Section 18 of the Securities Exchange  
Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the  
liabilities of that section of the Exchange Act but shall be subject to all  
other provisions of the Exchange Act (however, see the Notes).

CUSIP NO. 009728106 -----	13G	Page 2	of 12	Pages
-----				
1	NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)			
	Baystar Capital II, L.P.			
-----				
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*			
		(a)	<input type="checkbox"/>	
		(b)	<input checked="" type="checkbox"/>	
-----				
3	SEC USE ONLY			
-----				
4	CITIZENSHIP OR PLACE OF ORGANIZATION			
	Delaware			
-----				
5	SOLE VOTING POWER			

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

6	SHARED VOTING POWER	0
		2,454,707
7	SOLE DISPOSITIVE POWER	0
8	SHARED DISPOSITIVE POWER	0
		2,454,707

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
2,454,707

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES\*

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9  
10.7%

12 TYPE OF REPORTING PERSON\*  
PN

\*SEE INSTRUCTION BEFORE FILLING OUT!

CUSIP NO. 009728106 13G Page 3 of 12 Pages

1 NAME OF REPORTING PERSON  
I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)  
Baystar Capital Management, LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*  
(a)   
(b)

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION  
Delaware

5	SOLE VOTING POWER	0
6	SHARED VOTING POWER	0
		2,454,707
7	SOLE DISPOSITIVE POWER	0
8	SHARED DISPOSITIVE POWER	0
		2,454,707

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
2,454,707

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES\*

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9  
10.7%

12 TYPE OF REPORTING PERSON\*  
OO

\*SEE INSTRUCTION BEFORE FILLING OUT!

CUSIP NO. 009728106 13G Page 4 of 12 Pages

1 NAME OF REPORTING PERSON

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

Lawrence Goldfarb

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a)   
(b)

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

5 SOLE VOTING POWER

0

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED BY  
EACH  
REPORTING  
PERSON  
WITH

6 SHARED VOTING POWER

2,454,707

7 SOLE DISPOSITIVE POWER

0

8 SHARED DISPOSITIVE POWER

2,454,707

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,454,707

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES\*

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9  
10.7%

12 TYPE OF REPORTING PERSON\*

IN

\*SEE INSTRUCTION BEFORE FILLING OUT!

CUSIP NO. 009728106

13G

Page 5 of 12 Pages

1 NAME OF REPORTING PERSON  
I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

Steven M. Lamar

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a)   
(b)

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

5 SOLE VOTING POWER

0

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED BY  
EACH  
REPORTING  
PERSON  
WITH

6 SHARED VOTING POWER

2,454,707

7 SOLE DISPOSITIVE POWER

0

8 SHARED DISPOSITIVE POWER

2,454,707

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,454,707

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES\*

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9  
10.7%

12 TYPE OF REPORTING PERSON\*

IN

\*SEE INSTRUCTION BEFORE FILLING OUT!

CUSIP NO. 009728106 13G Page 6 of 12 Pages

1 NAME OF REPORTING PERSON  
I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

Bay East, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a)   
(b)

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

5 SOLE VOTING POWER

0

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED BY  
EACH  
REPORTING  
PERSON  
WITH

6 SHARED VOTING POWER

2,454,707

7 SOLE DISPOSITIVE POWER

0

8 SHARED DISPOSITIVE POWER

2,454,707

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,454,707

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES\*

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9  
10.7%

12 TYPE OF REPORTING PERSON\*

PN

\*SEE INSTRUCTION BEFORE FILLING OUT!

CUSIP NO. 009728106 13G Page 7 of 12 Pages

1 NAME OF REPORTING PERSON  
I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

Steven Derby

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a)   
(b)

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

5 SOLE VOTING POWER

0

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED BY  
EACH  
REPORTING  
PERSON  
WITH

6 SHARED VOTING POWER

2,454,707

7 SOLE DISPOSITIVE POWER

0

8 SHARED DISPOSITIVE POWER

2,454,707

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,454,707

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES\*

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9  
10.7%

12 TYPE OF REPORTING PERSON\*

IN

\*SEE INSTRUCTION BEFORE FILLING OUT!

-----  
CUSIP NO. 009728106                    13G                    Page                    8                    of                    12                    Pages  
-----

SCHEDULE 13-G - TO BE INCLUDED IN STATEMENTS  
FILED PURSUANT TO RULE 13d-1(c)

ITEM 1(A). NAME OF ISSUER:

Akorn, Inc.

ITEM 1(B). ADDRESS OF ISSUER'S PRINCIPAL EXECUTIVE OFFICES:

2500 Millbrook Drive  
Buffalo Grove, Illinois 60089

ITEM 2(A). NAME OF PERSON FILING:

Baystar Capital II, L.P. (the "Partnership")  
c/o Baystar Capital Management, LLC  
80 East Sir Francis Drake Blvd., Suite 2B  
Larkspur, CA 94939  
Delaware limited partnership

Baystar Capital Management, LLC (the "General Partner")  
80 East Sir Francis Drake Blvd., Suite 2B  
Larkspur, CA 94939  
Delaware limited liability company

Mr. Lawrence Goldfarb  
Managing Member of the General Partner  
80 East Sir Francis Drake Blvd., Suite 2B  
Larkspur, CA 94939  
United States citizen

Mr. Steven M. Lamar  
Managing Member of the General Partner  
80 East Sir Francis Drake Blvd., Suite 2B  
Larkspur, CA 94939  
United States citizen

Bay East, L.P.  
Managing Member of the General Partner  
53 Forest Avenue, 2nd Floor  
Old Greenwich, CT 06870  
Delaware limited partnership

Mr. Steven Derby  
General Partner of Bay East, L.P.  
53 Forest Avenue, 2nd Floor  
Old Greenwich, CT 06870  
United States citizen

The Partnership, the General Partner, Mr. Lamar, Mr. Goldfarb,  
Bay East, L.P. and Mr. Derby are collectively referred to herein as the  
Reporting Persons.

-----  
CUSIP NO. 009728106                    13G                    Page                    9                    of                    12                    Pages  
-----

ITEM 2(B). ADDRESS OF PRINCIPAL BUSINESS OFFICE OR, IF NONE, RESIDENCE:

See Item 2(a).

ITEM 2(C). CITIZENSHIP:

ITEM 2(D). TITLE OF CLASS OF SECURITIES:

Common Stock, no par value (the "Common Stock")

ITEM 2(E). CUSIP NUMBER:

009728106

ITEM 3. IF THIS STATEMENT IS FILED PURSUANT TO RULE 13D-1(B), OR 13D-2(B) OR (C), CHECK WHETHER THE PERSON FILING IS A:

Not applicable.

ITEM 4. OWNERSHIP.

As of the date hereof, each of the Reporting Persons may be deemed to beneficially own (i) 139,893 shares of Common Stock; (ii) 1,759,258 shares of Common Stock underlying 47,500 shares of the Issuer's Series B 6% Participating Convertible Preferred Stock, par value \$1.00 per share and (iii) 555,556 shares of Common Stock underlying warrants for Common Stock.

1. The Partnership

(a) Amount beneficially owned: 2,454,707 shares

(b) Percent of class: 10.7%. (The percentage of Common Stock reported as beneficially owned is based upon 20,692,521 shares outstanding as reported by the Issuer on its Quarterly Report on Form 10-Q for the quarter ended September 30, 2004.)

(c) Number of shares as to which such person has:

(i) Sole power to vote or to direct the vote:

0 shares

(ii) Shared power to vote or to direct the vote:

2,454,707 shares

(iii) Sole power to dispose or to direct the

disposition of: 0 shares

(iv) Shared power to dispose or to direct the

disposition of: 2,454,707 shares.

CUSIP NO. 009728106	13G	Page	10	of	12	Pages
---------------------	-----	------	----	----	----	-------

2. The General Partner

(a) Amount beneficially owned: 2,454,707 shares

(b) Percent of class: 10.7%. (The percentage of Common Stock reported as beneficially owned is based upon 20,692,521 shares outstanding as reported by the Issuer on its Quarterly Report on Form 10-Q for the quarter ended September 30, 2004.)

(c) Number of shares as to which such person has:

(i) Sole power to vote or to direct the vote:

0 shares

(ii) Shared power to vote or to direct the vote:

2,454,707 shares

(iii) Sole power to dispose or to direct the

disposition of: 0 shares

(iv) Shared power to dispose or to direct the disposition of: 2,454,707 shares.

The shares reported herein by the General Partner may be deemed beneficially owned as a result of the purchase of such shares by the Partnership. The General Partner, in its capacity as the sole general partner of the Partnership, may be deemed to have the sole power to vote or to direct the vote and to dispose or to direct the disposition of the shares beneficially owned by the Partnership. The General Partner disclaims any beneficial ownership of the shares reported herein.

3. Mr. Lamar, Mr. Goldfarb, Bay East, L.P. and Mr. Derby

(a) Amount beneficially owned: 2,454,707 shares

(b) Percent of class: 10.7%. (The percentage of Common Stock reported as beneficially owned is based upon 20,692,521 shares outstanding as reported by the Issuer on its Quarterly Report on Form 10-Q for the quarter ended September 30, 2004.)

(c) Number of shares as to which such person has:

(i) Sole power to vote or to direct the vote:  
0 shares

(ii) Shared power to vote or to direct the vote:  
2,454,707 shares

(iii) Sole power to dispose or to direct the disposition of: 0 shares

(iv) Shared power to dispose or to direct the disposition of: 2,454,707 shares

The shares reported herein by the General Partner may be deemed beneficially owned as a result of the purchase of such shares by the Partnership. Messrs. Lamar and Goldfarb and Bay East, L.P., in their capacities as the managing members of the General Partner, and Mr. Derby, in his capacity as the general partner of Bay East, L.P., may be deemed to share the power to vote or to direct the vote and to dispose or to direct the disposition of the shares beneficially owned by the Partnership. Each of Bay East, L.P. and Messrs. Lamar, Goldfarb and Derby disclaim beneficial ownership of the shares reported herein except to the extent of any indirect pecuniary interest therein.

-----  
CUSIP NO. 009728106            13G            Page    11            of            12            Pages  
-----  
-----

ITEM 5. OWNERSHIP OF FIVE PERCENT OR LESS OF A CLASS.

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following [ ].

ITEM 6. OWNERSHIP OF MORE THAN FIVE PERCENT ON BEHALF OF ANOTHER PERSON.

Not applicable.

ITEM 7. IDENTIFICATION AND CLASSIFICATION OF THE SUBSIDIARY WHICH ACQUIRED THE SECURITY BEING REPORTED ON BY THE PARENT HOLDING COMPANY OR CONTROL PERSON.

Not applicable.

ITEM 8. IDENTIFICATION AND CLASSIFICATION OF MEMBERS OF A GROUP.

Not applicable.

ITEM 9. NOTICE OF DISSOLUTION OF GROUP.

Not applicable.

ITEM 10. CERTIFICATION.

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purposes or effect.

-----  
CUSIP NO. 009728106                      13G                      Page      12                      of                      12                      Pages  
-----

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

BAYSTAR CAPITAL II, L.P.  
By: Baystar Capital Management, LLC, its General Partner

By: /s/ Lawrence Goldfarb  
-----  
Name: Lawrence Goldfarb  
Title: Managing Member

BAYSTAR CAPITAL MANAGEMENT, LLC

By: /s/ Lawrence Goldfarb  
-----  
Name: Lawrence Goldfarb  
Title: Managing Member

/s/ Lawrence Goldfarb  
-----  
Lawrence Goldfarb

/s/ Steven M. Lamar  
-----  
Steven M. Lamar

BAY EAST, L.P.

Dated: February 14, 2005

By: /s/ Steven Derby  
-----  
Name: Steven Derby  
Title: General Partner

/s/ Steven Derby  
-----  
Steven Derby

Dated: February 15, 2005



EXHIBIT 1

The undersigned acknowledge and agree that the foregoing statement on Schedule 13G is filed on behalf of each of the undersigned and that all subsequent amendments to this statement on Schedule 13G shall be filed on behalf of each of the undersigned without the necessity of filing additional joint acquisition statements. The undersigned acknowledge that each shall be responsible for the timely filing of such amendments, and for the completeness and accuracy of the information concerning him or it contained therein, but shall not be responsible for the completeness and accuracy of the information concerning the others, except to the extent that he or it knows or has reason to believe that such information is inaccurate.

BAYSTAR CAPITAL II, L.P.  
By: Baystar Capital Management, LLC, its General Partner

By: /s/ Lawrence Goldfarb  
-----  
Name: Lawrence Goldfarb  
Title: Managing Member

BAYSTAR CAPITAL MANAGEMENT, LLC

By: /s/ Lawrence Goldfarb  
-----  
Name: Lawrence Goldfarb  
Title: Managing Member

/s/ Lawrence Goldfarb  
-----  
Lawrence Goldfarb

/s/ Steven M. Lamar  
-----  
Steven M. Lamar

BAY EAST, L.P.

Dated: February 14, 2005

By: /s/ Steven Derby  
-----  
Name: Steven Derby  
Title: General Partner

/s/ Steven Derby  
-----  
Steven Derby

Dated: February 15, 2005