

DIGIMARC CORP  
Form 4  
July 25, 2008

**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 \*  
SMITH PETER W

(Last) (First) (Middle)  
9405 SW GEMINI DRIVE  
(Street)

BEAVERTON, OR 97008

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
DIGIMARC CORP [DMRC]

3. Date of Earliest Transaction (Month/Day/Year)  
07/23/2008

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
 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 Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	07/23/2008		M		12,000	A	\$ 13.68 20,400
Common Stock	07/23/2008		M		6,000	A	\$ 7.17 26,400
Common Stock	07/23/2008		M		3,000	A	\$ 13.68 29,400
Common Stock	07/23/2008		M		12,000	A	\$ 11.52 41,400
Common Stock	07/23/2008		M		12,000	A	\$ 4.69 53,400
	07/23/2008		M		10,000	A	\$ 14.02 63,400

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Common Stock							
Common Stock	07/23/2008		M	3,000	A	\$ 13.68	66,400 D
Common Stock	07/23/2008		M	6,000	A	\$ 11.08	72,400 D
Common Stock	07/23/2008		M	6,000	A	\$ 9.88	78,400 D
Common Stock	07/23/2008		S	53,100	D	\$ <u>14.163</u> (1)	25,300 D

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

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SEC 1474  
(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 Underlying Security (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
Non-Qualified Stock Option (right to buy)	\$ 4.69	07/23/2008		M	12,000	<u>(2)</u>	05/12/2015	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 7.17	07/23/2008		M	6,000	<u>(2)</u>	05/02/2016	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 9.88	07/23/2008		M	6,000	<u>(2)</u>	05/02/2017	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 11.08	07/23/2008		M	6,000	05/01/2009 <sup>(3)</sup>	05/01/2012	Common Stock
Non-Qualified Stock Option	\$ 11.52	07/23/2008		M	12,000	<u>(2)</u>	05/06/2014	Common Stock

(right to buy)

Non-Qualified Stock Option (right to buy)	\$ 13.68	07/23/2008	M	12,000	<u>(2)</u>	05/09/2012	Common Stock
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Non-Qualified Stock Option (right to buy)	\$ 13.68	07/23/2008	M	3,000	<u>(2)</u>	05/09/2012	Common Stock
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Non-Qualified Stock Option (right to buy)	\$ 13.68	07/23/2008	M	3,000	<u>(2)</u>	05/09/2012	Common Stock
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Non-Qualified Stock Option (right to buy)	\$ 14.02	07/23/2008	M	10,000	<u>(2)</u>	04/21/2011	Common Stock
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## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SMITH PETER W 9405 SW GEMINI DRIVE BEAVERTON, OR 97008		X		

## Signatures

By: Robert Chamness For: Peter Smith	07/25/2008
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\_\_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).

The price in Column 4 is a weighted average sale price. The prices actually received range from \$14.12 to \$14.20. The reporting person

- (1) will provide to the issuer, any security holder of the issuer, or the SEC staff, upon request, information regarding the number of shares sold at each price within the range.
- (2) This option has fully vested.
- (3) The vesting was accelerated. It is now fully vested and exercisable

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

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