

Digimarc CORP  
Form 4  
July 19, 2012

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

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

## OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**MCCONNELL MICHAEL**

(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)  
**07/17/2012**

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

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

\_\_\_\_ Director \_\_\_\_ 10% Owner  
\_\_\_\_X\_\_\_\_ Officer (give title below) \_\_\_\_ Other (specify below)  
CFO

6. Individual or Joint/Group Filing(Check  
Applicable Line)  
\_\_\_\_X\_\_\_\_ 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<br>Security<br>(Instr. 3) | 2. Transaction Date<br>(Month/Day/Year) | 2A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 3. Transaction<br>Code<br>(Instr. 8) | 4. Securities Acquired<br>(A) or Disposed of<br>(D)<br>(Instr. 3, 4 and 5) | 5. Amount of<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s)<br>(Instr. 3 and 4) | 6. Ownership<br>Form: Direct<br>(D) or<br>Indirect (I)<br>(Instr. 4) | 7. Nature of<br>Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |
|---------------------------------------|-----------------------------------------|-------------------------------------------------------------|--------------------------------------|----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|-------------------------------------------------------------------|
| Common<br>Stock                       | 07/17/2012                              | 07/17/2012                                                  | S                                    | 500 <sup>(1)</sup> D                                                       | \$ 28 63,652                                                                                                       | D                                                                    |                                                                   |
| Common<br>Stock                       | 07/18/2012                              | 07/18/2012                                                  | M                                    | 4,000 A                                                                    | \$ 9.64 67,652                                                                                                     | D                                                                    |                                                                   |
| Common<br>Stock                       | 07/18/2012                              | 07/18/2012                                                  | F                                    | 2,307 <sup>(2)</sup> D                                                     | \$ 28 65,345                                                                                                       | D                                                                    |                                                                   |
| Common<br>Stock                       | 07/18/2012                              | 07/18/2012                                                  | S                                    | 1,020 <sup>(1)</sup> D                                                     | \$ 28 64,325                                                                                                       | D                                                                    |                                                                   |
| Common<br>Stock                       | 07/19/2012                              | 07/19/2012                                                  | S                                    | 506 <sup>(1)</sup> D                                                       | \$ 28 63,819                                                                                                       | D                                                                    |                                                                   |

# Edgar Filing: Digimarc CORP - Form 4

Series A  
 Redeemable  
 Nonvoting 2,500 D  
 Preferred  
 Stock

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

**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 control number.**

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 (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Security (Instr. 3 and 4) |
|--------------------------------------------|--------------------------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|--------------------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------------|
|                                            |                                                        |                                      |                                                    | Code                           | V (A) (D)                                                                      | Date Exercisable Expiration Date                         | Title Amount or Number of Shares                            |
| Non-Qualified Stock Option                 | \$ 9.64                                                | 07/18/2012                           | 07/18/2012                                         | M                              | 4,000                                                                          | 10/30/2010 10/30/2018                                    | Common Stock 4,000                                          |
| Non-Qualified Stock Option                 | \$ 14.99                                               |                                      |                                                    |                                |                                                                                | 01/02/2011 01/02/2020                                    | Common Stock 20,000                                         |

## Reporting Owners

| Reporting Owner Name / Address                                   | Relationships |           |         |       |
|------------------------------------------------------------------|---------------|-----------|---------|-------|
|                                                                  | Director      | 10% Owner | Officer | Other |
| MCCONNELL MICHAEL<br>9405 SW GEMINI DRIVE<br>BEAVERTON, OR 97008 |               |           | CFO     |       |

## Signatures

Michael  
 McConnell 07/19/2012

                     \*\*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).

(1) The sale reported on this Form 4 was effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on March 8, 2012.

(2) Shares of exercised option were traded back to the company to cover the option price and tax liability.

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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