

KRAMER LAWRENCE S
Form 4
January 25, 2005

FORM 4

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

OMB APPROVAL

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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 *
KRAMER LAWRENCE S

(Last) (First) (Middle)
825 BATTERY ST.

(Street)

SAN FRANCISCO, CA 94111

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
MARKETWATCH INC [MKTW]

3. Date of Earliest Transaction
(Month/Day/Year)
01/21/2005

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)
Chairman & CEO

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) Price | | | |
| Common Stock | 01/21/2005 | | D | 141,101 | D <u>(1)</u> 0 | D | |
| Common Stock | 01/21/2005 | | D | 7,020 | D <u>(2)</u> 0 | I | by Trust |
| Common Stock | 01/21/2005 | | D | 224 | D <u>(3)</u> 0 | D | |

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

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number.

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 Amount of Underlying Securities (Instr. 3 and 4) | |
|--|--|--------------------------------------|--|--------------------------------|---|---------|--|-----------------|---|----------------------|
| | | | | | V | (A) (D) | Date Exercisable | Expiration Date | Title | Amount Number Shares |
| Employee Stock Option (Right to Buy) | \$ 38 | 01/21/2005 | | D | | 7,893 | (4) | 12/30/2009 | Common Stock | 7,893 |
| Employee Stock Option (Right to Buy) | \$ 38 | 01/21/2005 | | D | | 92,107 | (5) | 12/30/2009 | Common Stock | 92,107 |
| Employee Stock Option (Right to Buy) | \$ 4.1 | 01/21/2005 | | D | | 8,944 | (6) | 09/23/2012 | Common Stock | 8,944 |
| Employee Stock Option (Right to Buy) | \$ 4.1 | 01/21/2005 | | D | | 24,390 | (7) | 09/23/2012 | Common Stock | 24,390 |
| Employee Stock Option (Right to Buy) | \$ 8.42 | 01/21/2005 | | D | | 88,124 | (8) | 12/09/2013 | Common Stock | 88,124 |
| Employee Stock Option (Right to Buy) | \$ 8.42 | 01/21/2005 | | D | | 11,876 | (9) | 12/09/2013 | Common Stock | 11,876 |
| Employee Stock Option (Right to Buy) | \$ 11.68 | 01/21/2005 | | D | | 200,000 | (10) | 09/24/2014 | Common Stock | 200,000 |

Buy)

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-------------------|-------|
| | Director | 10% Owner | Officer | Other |
| KRAMER LAWRENCE S 825 BATTERY ST. SAN FRANCISCO, CA 94111 | X | | Chairman & CEO | |

Signatures

Lawrence
Kramer

01/24/2005

**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) Disposed of pursuant to the merger agreement between the issuer and Dow Jones and Company, Inc. in exchange for the right to receive cash consideration of \$18 per share on the effective date of the merger.
 - (2) Disposed of pursuant to the merger agreement between the issuer and Dow Jones and Company, Inc. in exchange for the right to receive cash consideration of \$18 per share on the effective date of the merger.
 - (3) The purchase right under the issuer's ESPP plan was canceled in the merger in exchange for cash consideration of \$2,504.99. This represents the difference between the price per share of \$6.817 and the cash consideration of \$18 per share in connection with the merger.
 - (4) This option fully vested on the effective date of the merger and was assumed by Dow Jones and Company, Inc. in the merger and was replaced with an option to purchase 3,433 shares of Dow Jones common stock for \$87.36 per share.
 - (5) This option fully vested on the effective date of the merger and was assumed by Dow Jones and Company, Inc. in the merger and was replaced with an option to purchase 40,066 shares of Dow Jones common stock for \$87.36 per share.
 - (6) This option fully vested on the effective date of the merger and was assumed by Dow Jones and Company, Inc. in the merger and was replaced with an option to purchase 3,890 shares of Dow Jones common stock for \$9.43 per share.
 - (7) This option fully vested on the effective date of the merger and was assumed by Dow Jones and Company, Inc. in the merger and was replaced with an option to purchase 10,609 shares of Dow Jones common stock for \$9.43 per share.
 - (8) This option fully vested on the effective date of the merger and was assumed by Dow Jones and Company, Inc. in the merger and was replaced with an option to purchase 38,333 shares of Dow Jones common stock for \$19.36 per share.
 - (9) This option fully vested on the effective date of the merger and was assumed by Dow Jones and Company, Inc. in the merger and was replaced with an option to purchase 5,166 shares of Dow Jones common stock for \$19.36 per share.
 - (10) This option fully vested on the effective date of the merger and was assumed by Dow Jones and Company, Inc. in the merger and was replaced with an option to purchase 87,000 shares of Dow Jones common stock for \$26.86 per share.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.