

Digimarc CORP  
Form 4  
July 19, 2012

**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 \*  
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  
 Officer (give title below)  Other (specify below)  
CFO

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount (A) or (D) Price		
Common Stock	07/17/2012	07/17/2012	S		500 <sup>(1)</sup> D \$ 28	63,652	D
Common Stock	07/18/2012	07/18/2012	M		4,000 A \$ 9.64	67,652	D
Common Stock	07/18/2012	07/18/2012	F		2,307 <sup>(2)</sup> D \$ 28	65,345	D
Common Stock	07/18/2012	07/18/2012	S		1,020 <sup>(1)</sup> D \$ 28	64,325	D
Common Stock	07/19/2012	07/19/2012	S		506 <sup>(1)</sup> D \$ 28	63,819	D

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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.

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**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				6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Security (Instr. 3 and 4)	Amount or Number of Shares
					Acquired (A)	Disposed of (D)	(Instr. 3, 4, and 5)		Date Exercisable	Expiration Date		
Non-Qualified Stock Option	\$ 9.64	07/18/2012	07/18/2012	M		V	(A)	(D)	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 9405 SW GEMINI DRIVE 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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