

Digimarc CORP  
Form 4  
June 20, 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)  
06/18/2012

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                    | 06/18/2012                           | 06/18/2012   | M                              |   | 25,000  | A  | \$ 9.64   |
| Common Stock                    | 06/18/2012                           | 06/18/2012   | F                              |   | 14,776  | D  | \$ 26.31  |
| Common Stock                    | 06/18/2012                           | 06/18/2012   | S                              |   | 6,000   | D  | \$ 26.67  |
| Common Stock                    | 06/19/2012                           | 06/19/2012   | S                              |   | 200   | D  | \$ 26.35  |
| Common Stock                    | 06/20/2012                           | 06/20/2012   | S                              |   | 3,800   | D  | \$ 25.43  |

(3)

|   |       |   |
|---|-------|---|
| Series A<br>Redeemable<br>Nonvoting<br>Preferred<br>Stock | 2,500 | D |
|---|-------|---|

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.**

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(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 Amount of Underlying Security (Instr. 3 and 4) | 8. Amount or Number of Shares of Underlying Security |                |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|----------------|
|  |  |                                      |  |                                |   | Date Exercisable   | Expiration Date   | Title  | Am or Nur of S |
|  |  |                                      |  |                                |   |  |   |  |                |
| Non-Qualified Stock Option                 | \$ 9.64  | 06/18/2012                           | 06/18/2012   | M                              | 25,000  | 10/30/2010   | 10/30/2018  | Common Stock   | 25             |
| Non-Qualified Stock Option                 | \$ 14.99   |                                      |  |                                |   | 01/02/2011   | 01/02/2020  | Common Stock   | 20             |

## 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<br>McConnell | 06/20/2012 |
|----------------------|------------|

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

(2) The price reported for this transaction is an average price. Shares were sold in multiple transactions at prices ranging from \$26.44 to \$26.80. If requested, the reporting person will provide full details of the sale.

(3) The price reported for this transaction is an average price. Shares were sold in multiple transactions at prices ranging from \$25.00 to \$25.69. If requested, the reporting person will provide full details of the sale.

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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