

Expedia, Inc.
Form 4
August 11, 2005

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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 *
BATTLE A GEORGE

(Last) (First) (Middle)

5858 HORTON STREET, SUITE 350

(Street)

EMERYVILLE, CA 94608

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
Expedia, Inc. [EXPE]

3. Date of Earliest Transaction (Month/Day/Year)
08/09/2005

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)

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) | Amount | | |
| | | | Code | V | Price | | |
| Common Stock ⁽¹⁾ | 08/09/2005 | | J ⁽¹⁾ | | 0 | I | N/A ⁽¹⁾ |
| | | | | | A ⁽¹⁾ | | |
| | | | | | (1) | | |
| | | | | | (1) | | |

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)

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| 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) | | | |
|---|--|--------------------------------------|--|--------------------------------|---|--|-----|---|---------------------------|--------------|--------|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount |
| Restricted Stock Units ⁽²⁾ | \$ 0 | 08/09/2005 | | A | | 7,500 | | 08/09/2006 ⁽²⁾ | 08/09/2008 ⁽²⁾ | Common Stock | |
| Options to Purchase Common Stock ⁽³⁾ | \$ 0.97 | 08/09/2005 | | A | | 3,166 | | 08/09/2005 ⁽³⁾ | 02/13/2012 ⁽³⁾ | Common Stock | |
| Options to Purchase Common Stock ⁽³⁾ | \$ 0.86 | 08/09/2005 | | A | | 116,123 | | 08/09/2005 ⁽³⁾ | 05/10/2012 ⁽³⁾ | Common Stock | |
| Options to Purchase Common Stock ⁽³⁾ | \$ 4.88 | 08/09/2005 | | A | | 92,898 | | 08/09/2005 ⁽³⁾ | 04/01/2013 ⁽³⁾ | Common Stock | |
| Options to Purchase Common Stock | \$ 13.14 | 08/09/2005 | ⁽³⁾ | A ⁽³⁾ | | 2,850 | | 08/09/2005 ⁽³⁾ | 01/02/2014 ⁽³⁾ | Common Stock | |
| Options to Purchase Common Stock ⁽³⁾ | \$ 26.29 | 08/09/2005 | | A | | 2,850 | | 08/09/2005 ⁽³⁾ | 04/01/2014 ⁽³⁾ | Common Stock | |
| Options to Purchase Common Stock ⁽³⁾ | \$ 25.06 | 08/09/2005 | | A | | 2,850 | | 08/09/2005 ⁽³⁾ | 07/01/2014 ⁽³⁾ | Common Stock | |
| Options to Purchase Common Stock ⁽³⁾ | \$ 22.98 | 08/09/2005 | | A | | 2,850 | | 08/09/2005 ⁽³⁾ | 10/01/2014 ⁽³⁾ | Common Stock | |
| Options to Purchase Common Stock ⁽³⁾ | \$ 19.54 | 08/09/2005 | | A | | 2,850 | | 08/09/2005 ⁽³⁾ | 01/03/2015 ⁽³⁾ | Common Stock | |
| Options to Purchase | \$ 19.64 | 08/09/2005 | | A | | 2,850 | | 08/09/2005 ⁽³⁾ | 04/01/2015 ⁽³⁾ | Common Stock | |

Common
Stock ⁽³⁾Options to
Purchase
Common
Stock ⁽³⁾

\$ 21.03

08/09/2005

A

2,850

08/09/2005⁽³⁾07/01/2015⁽³⁾Common
Stock

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| BATTLE A GEORGE 5858 HORTON STREET SUITE 350 EMERYVILLE, CA 94608 | X | | | |

Signatures

/s/ Amy E. Weaver, as attorney-in-fact for A. George "Skip"

Battle

08/11/2005

**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).

- Does not include 5,067 shares of Expedia common stock held by Mr. Battle's wife as Custodian under CAUTMA for Catherine McNelley
- (1) and does not include 9,999 shares of Expedia common stock held by The Battle Family Foundation as to which Mr. Battle disclaims beneficial ownership.
 - (2) Represents restricted stock units granted as of August 9, 2005 under the Expedia, Inc. 2005 Stock and Annual Incentive Plan, which vest in equal annual installments over 3 years.
 - (3) In connection with the spin-off of Expedia, Inc. from IAC/InterActiveCorp ("IAC") on August 9, 2005, former vested options to purchase IAC common stock were adjusted into options to purchase IAC common stock and options to purchase Expedia common stock.

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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