

MICROSTRATEGY INC

Form 4

November 01, 2004

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 *
BROWN ERIC F

(Last) (First) (Middle)

**C/O MICROSTRATEGY
INCORPORATED, 1861
INTERNATIONAL DRIVE**

(Street)

MCLEAN, VA 22102

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol

MICROSTRATEGY INC [MSTR]

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

10/28/2004

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)

President and 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 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			
Class A Common Stock	10/28/2004		M		18,750	A	\$ 4.7	18,750	D	
Class A Common Stock	10/28/2004		M		6,250	A	\$ 24.8	25,000	D	
Class A Common Stock	10/28/2004		S		300	D	\$ 60.48	24,700 <u>(1)</u>	D	
Class A	10/28/2004		S		300	D	\$	24,400	D	

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Common Stock						60.49		
Class A Common Stock	10/28/2004	S	1,100	D	\$ 60.5	23,300	D	
Class A Common Stock	10/28/2004	S	300	D	\$ 60.51	23,000	D	
Class A Common Stock	10/28/2004	S	150	D	\$ 60.56	22,850	D	
Class A Common Stock	10/28/2004	S	300	D	\$ 60.57	22,550	D	
Class A Common Stock	10/28/2004	S	100	D	\$ 60.58	22,450	D	
Class A Common Stock	10/28/2004	S	100	D	\$ 60.61	22,350	D	
Class A Common Stock	10/28/2004	S	900	D	\$ 60.64	21,450	D	
Class A Common Stock	10/28/2004	S	800	D	\$ 60.65	20,650	D	
Class A Common Stock	10/28/2004	S	550	D	\$ 60.66	20,100	D	
Class A Common Stock	10/28/2004	S	200	D	\$ 60.67	19,900	D	
Class A Common Stock	10/28/2004	S	100	D	\$ 60.69	19,800	D	
Class A Common Stock	10/28/2004	S	1,100	D	\$ 60.73	18,700	D	
Class A Common Stock	10/28/2004	S	600	D	\$ 60.75	18,100	D	
Class A Common Stock	10/28/2004	S	300	D	\$ 60.77	17,800	D	

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Class A Common Stock	10/28/2004	S	425	D	\$ 60.78	17,375	D
Class A Common Stock	10/28/2004	S	400	D	\$ 60.79	16,975	D
Class A Common Stock	10/28/2004	S	785	D	\$ 60.8	16,190	D
Class A Common Stock	10/28/2004	S	100	D	\$ 60.81	16,090	D
Class A Common Stock	10/28/2004	S	1,600	D	\$ 60.82	14,490	D
Class A Common Stock	10/28/2004	S	200	D	\$ 60.83	14,290	D
Class A Common Stock	10/28/2004	S	300	D	\$ 60.84	13,990	D
Class A Common Stock	10/28/2004	S	1,000	D	\$ 60.85	12,990	D
Class A Common Stock	10/28/2004	S	100	D	\$ 60.86	12,890	D
Class A Common Stock	10/28/2004	S	500	D	\$ 60.87	12,390	D

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

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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,	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount Underlying Securities (Instr. 3 and 4)
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and 5)

	Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Options (right to buy)							Class A Common Stock	18,750
		\$ 4.7	10/28/2004	M	07/26/2004 ⁽²⁾	07/26/2012		
Employee Stock Options (right to buy)							Class A Common Stock	6,250
		\$ 24.8	10/28/2004	M	04/18/2004 ⁽⁴⁾	04/18/2011		

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BROWN ERIC F C/O MICROSTRATEGY INCORPORATED 1861 INTERNATIONAL DRIVE MCLEAN, VA 22102			President and CFO	

Signatures

W. Ming Shao, As
Attorney-in-Fact

11/01/2004

__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).
- Separate open market sale transactions that were executed on October 28, 2004 at the same price have been reported on an aggregate basis on a single line in Table I. The order in which sale transactions are set forth in Table I is not necessarily reflective of the sequence in which the sale transactions occurred in fact.
- (1) The remaining portion of this option vests in two equal annual installments beginning on 07/26/2005 and expires on 07/26/2012.
 - (2) See Exhibit A.
 - (3) The remaining portion of this option vests on 04/18/2005 and expires on 04/18/2011.

Remarks:

This is the first Form 4 of three Form 4 filings made by the reporting person to report transactions that occurred on October 28, 2004.

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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