

Eschenbach Carl M.
Form 4
June 08, 2009

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 *
Eschenbach Carl M.

2. Issuer Name and Ticker or Trading Symbol
VMWARE, INC. [VMW]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
3401 HILLVIEW AVE.

(Street)

3. Date of Earliest Transaction (Month/Day/Year)
06/04/2009

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
EVP Worldwide Field Operations

PALO ALTO, CA 94304

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

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	(D)	Price
Class A Common Stock	06/04/2009		M		6,116	A	\$ 18.3
Class A Common Stock	06/04/2009		M		15,290	A	\$ 21.87
Class A Common Stock	06/04/2009		M		25,000	A	\$ 23
Class A Common	06/04/2009		S		46,406	D	\$ 100,000 31.2854

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Stock					(1) (2)		
Class A							
Common Stock	06/05/2009		M	40,000	A	\$ 23	0 D
Class A						\$	
Common Stock	06/05/2009		S	40,000	D	32.5922	100,000 D
						(2) (3)	

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, 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 or Number of Shares
Stock Option (right-to-buy)	\$ 18.3	06/04/2009		M	6,116	04/29/2009 04/29/2014	Class A Common Stock 6,116
Stock Option (right-to-buy)	\$ 21.87	06/04/2009		M	15,290	(4) 05/03/2016	Class A Common Stock 15,290
Stock Option (right-to-buy)	\$ 23	06/04/2009		M	25,000	(5) 06/08/2013	Common Stock 25,000
Stock Option (right-to-buy)	\$ 23	06/05/2009		M	40,000	(5) 06/08/2013	Common Stock 40,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Eschenbach Carl M. 3401 HILLVIEW AVE. PALO ALTO, CA 94304			EVP Worldwide Field Operations	

Signatures

Larry Wainblat,
attorney-in-fact

06/08/2009

__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) Price represents weighted average price for sales reported. The range of prices for the sales reported is \$31.01 through \$31.50.
- (2) The reporting person will provide upon request by the commission staff, the issuer or a security holder of the issuer, full information regarding the number of shares sold at each separate price.
- (3) Price represents weighted average price for sales reported. The range of prices for the sales reported is \$32.54 through \$32.71.
- (4) The option, representing a right to purchase a total of 61,158 shares of Class A common stock, became exercisable in four equal annual installments on each of May 3, 2008, 2009, 2010 and 2011.
- (5) The option, representing a right to purchase a total of 350,000 shares of Class A common stock, became exercisable as to one-quarter of the shares on June 8, 2008 and vests in 36 equal monthly installments as to the remaining shares until fully exercisable on June 8, 2011.

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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