

ELECTRONIC CLEARING HOUSE INC

Form 4

January 09, 2008

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 *
Discovery Group I, LLC

2. Issuer Name **and** Ticker or Trading
Symbol
ELECTRONIC CLEARING
HOUSE INC [ECHO]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)
191 N. WACKER DRIVE SUITE
1685,

3. Date of Earliest Transaction
(Month/Day/Year)
01/02/2008

____ Director ____X____ 10% Owner
____ Officer (give title below) ____ Other (specify below)

(Street)

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

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

CHICAGO, IL 60606

(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	(A) or (D)	Price			
Common Stock	01/02/2008		S		35,700 <u>(1)</u>	D	\$ 16.5412	938,410	I	By Discovery Equity Partners, L.P. <u>(1)</u>
Common Stock	01/02/2008		S		6,300 <u>(2)</u>	D	\$ 16.5412	932,110	I	By Pleiades Investment Partners - D, L.P. <u>(2)</u>
Common Stock	01/03/2008		S		14,285 <u>(1)</u>	D	\$ 16.59	917,825	I	By Discovery

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Common Stock	01/03/2008	S	<u>2,522</u> (2)	D	\$ 16.59	915,303	I	Equity Partners, L.P. (1) By Pleiades Investment Partners - D, L.P. (2)
Common Stock	01/04/2008	S	<u>11,900</u> (1)	D	\$ 16.5715	903,403	I	By Discovery Equity Partners, L.P. (1)
Common Stock	01/04/2008	S	<u>2,100</u> (2)	D	\$ 16.5715	901,303	I	By Pleiades Investment Partners - D, L.P. (2)
Common Stock	01/07/2008	S	<u>26,350</u> (1)	D	\$ 16.5905	874,953	I	By Discovery Equity Partners, L.P. (1)
Common Stock	01/07/2008	S	<u>4,650</u> (2)	D	\$ 16.5905	870,303	I	By Pleiades Investment Partners - D, L.P. (2)
Common Stock	01/08/2008	S	<u>18,700</u> (1)	D	\$ 16.5728	851,603	I	By Discovery Equity Partners, L.P. (1)
Common Stock	01/08/2008	S	<u>3,302</u> (2)	D	\$ 16.5728	848,301	I (2)	Pleiades Investment Partners - D, L.P. (2)
Common Stock	01/09/2008	S	<u>39,788</u> (1)	D	\$ 16.567	808,513	I	By Discovery Equity Partners, L.P. (1)
Common Stock	01/09/2008	S	<u>7,022</u> (2)	D	\$ 16.567	801,491	I	By Pleiades Investment Partners - D, L.P. (2)

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)

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 Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Transaction (Instr. 10)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Discovery Group I, LLC 191 N. WACKER DRIVE SUITE 1685 CHICAGO, IL 60606		X		
Donoghue Daniel J C/O DISCOVERY GROUP I, LLC 191 N. WACKER DRIVE SUITE 1685 CHICAGO, IL 60606		X		
Murphy Michael R C/O DISCOVERY GROUP I, LLC 191 N. WACKER DRIVE SUITE 1685 CHICAGO, IL 60606		X		

Signatures

Michael R. Murphy, Managing Director	01/09/2008
<u> </u> **Signature of Reporting Person	Date
Daniel J. Donoghue	01/09/2008
<u> </u> **Signature of Reporting Person	Date
Michael R. Murphy	01/09/2008

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) Discovery Group I, LLC is the General Partner of Discovery Equity Partners, L.P., which is a discretionary client of the reporting person, that owns the reported securities. The reporting person disclaims beneficial ownership of the reported securities except to the extent of its pecuniary interest therein.

(2) Discovery Group I, LLC is an investment manager for Pleiades Investment Partners - D, L.P., which is a discretionary client of the reporting person, that owns the reported securities. The reporting person disclaims beneficial ownership of the reported securities except to the extent of its pecuniary interest therein.

Remarks:

Michael R. Murphy and Daniel J. Donoghue are managing members of Discovery Group I, LLC, and each disclaims beneficial ownership of the reported securities.

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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