

MICROSTRATEGY INC
Form 4
November 13, 2006

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 *
SAYLOR MICHAEL J

(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)
11/08/2006

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)
Chairman, President and CEO

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 | |
| Class A Common Stock | 11/08/2006 | | C | | 70,663 | A | \$ 119.75 | Shares Owned by LLC (2) |
| Class A Common Stock | 11/08/2006 | | S | | 384 | D | \$ 119.75 | Shares Owned by LLC |
| Class A Common Stock | 11/08/2006 | | S | | 1,200 | D | \$ 119.77 | Shares Owned by LLC |
| Class A Common Stock | 11/08/2006 | | S | | 500 | D | \$ 68,579 | Shares |

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| | | | | | | | | | |
|----------------------|------------|---|-------|---|----|--------|--------|---|---------------------|
| Common Stock | | | | | | 119.78 | | | Owned by LLC |
| Class A Common Stock | 11/08/2006 | S | 703 | D | \$ | 119.79 | 67,876 | I | Shares Owned by LLC |
| Class A Common Stock | 11/08/2006 | S | 4,064 | D | \$ | 119.8 | 63,812 | I | Shares Owned by LLC |
| Class A Common Stock | 11/08/2006 | S | 912 | D | \$ | 119.81 | 62,900 | I | Shares Owned by LLC |
| Class A Common Stock | 11/08/2006 | S | 400 | D | \$ | 119.82 | 62,500 | I | Shares Owned by LLC |
| Class A Common Stock | 11/08/2006 | S | 200 | D | \$ | 119.84 | 62,300 | I | Shares Owned by LLC |
| Class A Common Stock | 11/08/2006 | S | 1,300 | D | \$ | 119.85 | 61,000 | I | Shares Owned by LLC |
| Class A Common Stock | 11/08/2006 | S | 100 | D | \$ | 119.86 | 60,900 | I | Shares Owned by LLC |
| Class A Common Stock | 11/08/2006 | S | 300 | D | \$ | 119.88 | 60,600 | I | Shares Owned by LLC |
| Class A Common Stock | 11/08/2006 | S | 798 | D | \$ | 119.9 | 59,802 | I | Shares Owned by LLC |
| Class A Common Stock | 11/08/2006 | S | 700 | D | \$ | 119.91 | 59,102 | I | Shares Owned by LLC |
| Class A Common Stock | 11/08/2006 | S | 1,002 | D | \$ | 119.92 | 58,100 | I | Shares Owned by LLC |
| Class A Common Stock | 11/08/2006 | S | 500 | D | \$ | 119.93 | 57,600 | I | Shares Owned by LLC |
| Class A Common Stock | 11/08/2006 | S | 600 | D | \$ | 119.95 | 57,000 | I | Shares Owned by LLC |
| Class A Common Stock | 11/08/2006 | S | 200 | D | \$ | 119.96 | 56,800 | I | Shares Owned by LLC |

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| | | | | | | | | |
|----------------------------|------------|---|-------|---|--------------|--------|---|---------------------------|
| Class A Common Stock | 11/08/2006 | S | 600 | D | \$ 119.97 | 56,200 | I | Shares Owned by LLC |
| Class A Common Stock | 11/08/2006 | S | 800 | D | \$ 119.98 | 55,400 | I | Shares Owned by LLC |
| Class A Common Stock | 11/08/2006 | S | 900 | D | \$ 119.99 | 54,500 | I | Shares Owned by LLC |
| Class A Common Stock | 11/08/2006 | S | 1,350 | D | \$ 120 | 53,150 | I | Shares Owned by LLC |
| Class A Common Stock | 11/08/2006 | S | 1,550 | D | \$ 120.01 | 51,600 | I | Shares Owned by LLC |
| Class A Common Stock | 11/08/2006 | S | 211 | D | \$ 120.02 | 51,389 | I | Shares Owned by LLC |
| Class A Common Stock | 11/08/2006 | S | 300 | D | \$ 120.03 | 51,089 | I | Shares Owned by LLC |
| Class A Common Stock | 11/08/2006 | S | 889 | D | \$ 120.04 | 50,200 | I | Shares Owned by LLC |
| Class A Common Stock | 11/08/2006 | S | 600 | D | \$ 120.05 | 49,600 | I | Shares Owned by LLC |
| Class A Common Stock | 11/08/2006 | S | 700 | D | \$ 120.06 | 48,900 | I | Shares Owned by LLC |
| Class A Common Stock | 11/08/2006 | S | 101 | D | \$ 120.07 | 48,799 | I | Shares Owned by LLC |
| Class A Common Stock | 11/08/2006 | S | 2,000 | D | \$ 120.08 | 46,799 | I | Shares Owned by LLC |

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)

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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 Securities (Instr. 3 and 4) | 8. P Deriv Secur (Ins | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-----------------------|----------------------------|
| | | | | | | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| | | | | | | Code | V | (A) | (D) |
| Class B Common Stock | (4) | 11/08/2006 | | C | 70,663 | (4) | (4) | Class A Common Stock | 70,663 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-----------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| SAYLOR MICHAEL J C/O MICROSTRATEGY INCORPORATED 1861 INTERNATIONAL DRIVE MCLEAN, VA 22102 | X | X | Chairman, President and CEO | |
| ALCANTARA LLC C/O MICROSTRATEGY INCORPORATED 1861 INTERNATIONAL DRIVE MCLEAN, VA 22102 | | X | | |

Signatures

W. Ming Shao, As
Attorney-in-Fact

11/13/2006

**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) These shares were acquired upon conversion of shares of Class B Common Stock, which were convertible on a 1-for-1 basis into shares of Class A Common Stock.

Shares that are indicated as being "owned by LLC" are owned directly by Alcantara LLC (the "LLC"), and indirectly by Mr. Saylor as the sole member of the LLC. The LLC's address is the same as Mr. Saylor's address. The LLC has designated Mr. Saylor as the designated filer. Mr. Saylor is an officer, director and ten percent owner of the issuer.
- (3) Separate open market sale transactions that were executed on 11/08/2006 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.
- (4) Shares of Class B Common Stock are convertible immediately upon receipt into shares of Class A Common Stock on a 1-for-1 basis and have no expiration date.
- (5) See Exhibit A.

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Remarks:

This is the first Form 4 of four Form 4 filings made by the reporting person to report transactions that occurred on November 8

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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