

Eschenbach Carl M.
Form 4
May 06, 2008

FORM 4

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

OMB APPROVAL

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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)
05/05/2008

____ Director
 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	(A) or (D)	Price
Class A Common Stock	05/05/2008		M		15,289	A	\$ 21.87
Class A Common Stock	05/05/2008		S		2,300	D	\$ 67.69
Class A Common Stock	05/05/2008		S		2,789	D	\$ 67.45
Class A Common	05/05/2008		S		2,127	D	\$ 67.6

Stock								
Class A Common Stock	05/05/2008		S	373	D	\$ 67.85	0	D
Class A Common Stock	05/05/2008		S	1,692	D	\$ 68.05	0	D
Class A Common Stock	05/05/2008		S	808	D	\$ 68.25	0	D
Class A Common Stock	05/05/2008		S	2,700	D	\$ 68.5	0	D
Class A Common Stock	05/05/2008		S	2,500	D	\$ 68.51	25,482	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, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (right to buy)	\$ 21.87	05/05/2008		M	15,289	05/03/2008	05/03/2016	Class A Common Stock	15,289

Reporting Owners

Reporting Owner Name / Address

Relationships

Reporting Owners

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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

05/06/2008

__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).

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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