

Expedia, Inc.
Form 4
August 10, 2005

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 ^{*}
IAC/INTERACTIVECORP

(Last) (First) (Middle)

152 WEST 57TH STREET

(Street)

NEW YORK, NY 10019

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
Expedia, Inc. [EXPE]

3. Date of Earliest Transaction
(Month/Day/Year)
08/08/2005

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)

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 Ownership (Instr. 4) |
|-------------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount | (A) or (D) | Price |
| Common Stock ⁽¹⁾ | 08/08/2005 | | J ⁽¹⁾ | | 308,437,395 | A | \$ 0 |
| | | | | | 308,437,495 | D | |
| Common Stock ⁽¹⁾ | 08/09/2005 | | J ⁽¹⁾ | | 308,437,495 | D | \$ 0 |
| | | | | | 0 | | |
| Class B Common Stock ⁽¹⁾ | 08/08/2005 | | J ⁽¹⁾ | | 25,599,998 | A | \$ 0 |
| | | | | | 25,599,998 | D | |
| Class B Common Stock ⁽¹⁾ | 08/09/2005 | | J ⁽¹⁾ | | 25,599,998 | D | \$ 0 |
| | | | | | 0 | | |

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) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Beneficially Owned Following Reported Transaction (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|---|
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|---|

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| IAC/INTERACTIVECORP 152 WEST 57TH STREET NEW YORK, NY 10019 | | X | | |

Signatures

Gregory R. Blatt, Executive Vice President, General Counsel & Secretary

08/10/2005

__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) On August 8, 2005, Expedia, Inc. ("Expedia") issued to IAC/InterActiveCorp ("IAC") that number of shares of Expedia Common Stock and Expedia Class B Common Stock sufficient to permit IAC to distribute to its stockholders one share of Expedia Common Stock for each outstanding share of IAC Common Stock and one share of Class B Common Stock for each outstanding share of IAC Class B Common Stock. On August 9, 2005, IAC completed the spin-off of Expedia, distributing all of its shares of Expedia Common Stock and all of its shares of Expedia Class B Common Stock to holders of IAC Common Stock and IAC Class B Common Stock, respectively, on a share for share basis.

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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