

Expedia, Inc.
Form 4
October 11, 2012

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 *
Liberty Interactive Corp

(Last) (First) (Middle)
12300 LIBERTY BOULEVARD
(Street)

ENGLEWOOD, CO 80112

(City) (State) (Zip)

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

3. Date of Earliest Transaction
(Month/Day/Year)
10/09/2012

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___X___ 10% Owner
___ Officer (give title below) ___ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
X 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)
Common Stock	10/09/2012		J/K ⁽¹⁾	V	12,000,000	D	Wholly-owned subsidiary

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)

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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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Forward Sale Contract (obligation to sell) ⁽¹⁾	<u>(1)</u>	10/09/2012		J/K ⁽¹⁾	1	<u>(1)</u>	<u>(1)</u>	Common Stock	12,000,000 ⁽¹⁾

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Liberty Interactive Corp 12300 LIBERTY BOULEVARD ENGLEWOOD, CO 80112			X	

Signatures

LIBERTY INTERACTIVE CORPORATION By: /s/ Craig Troyer, Vice President
 10/11/2012
 **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 October 9, 2012, the Reporting Person settled a post-paid forward sale contract with respect to 12,000,000 notional shares of Common Stock (the "Number of Shares"). The Reporting Person entered into the post-paid forward sale contract with a financial institution (the "Counterparty") on March 26, 2012. The contract obligated the Reporting Person to deliver to the Counterparty the Number of Shares (or, at the Reporting Person's election, an amount of cash based on a formula) on the settlement date for the contract, in return for the forward price (\$34.316) multiplied by the Number of Shares. The transaction settled on a physical settlement basis on October 9, 2012. The 12,000,000 shares delivered upon physical settlement had been pledged by the Reporting Person to the Counterparty to secure its obligations under the forward sale contract.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.