

MALONE JOHN C
Form 4
September 18, 2008

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 *
MALONE JOHN C

(Last) (First) (Middle)
12300 LIBERTY BLVD.
(Street)

ENGLEWOOD, CO 80112

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
Discovery Holding CO [DISCA]

3. Date of Earliest Transaction
(Month/Day/Year)
09/17/2008

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 of the Board, 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 |
| Series A Common Stock | 09/17/2008 | | D | | 612,662 ⁽¹⁾ | D | <u>(2)</u> 0 |
| Series A Common Stock | 09/17/2008 | | D | | 536,675 ⁽¹⁾ ₍₃₎ | D | <u>(2)</u> 0 |
| Series A Common Stock | 09/17/2008 | | D | | 330 | D | <u>(2)</u> 0 |
| Series A Common | 09/17/2008 | | D | | 1,106,348 ⁽¹⁾ | D | <u>(2)</u> 0 |

Stock

Series B

Common 09/17/2008 D 11,846,040 D (2) 0 D

Series B

Common 09/17/2008 D 340,943 (3) D (2) 0 I By Spouse

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 (Instr. 5) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|----------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| MALONE JOHN C 12300 LIBERTY BLVD. ENGLEWOOD, CO 80112 | X | X | Chairman of the Board, CEO | |

Signatures

/s/ John C. Malone 09/18/2008

**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) On June 27, 2008, a charitable remainder trust (the "Trust") of which the Reporting Person is the sole trustee and, with his spouse, retains a unitrust interest in the Trust, distributed 55,786 shares of the Issuer's Series A common stock to the Reporting Person and 55,786 shares of Series A common stock to the Reporting Person's spouse.

(2) On September 17, 2008, the Issuer merged (the "Merger") with and into a wholly owned subsidiary of a new public holding company ("New Discovery"), which was a wholly owned subsidiary of the Issuer prior to the Merger. In the Merger, the Reporting Person disposed of each share of the Issuer's Series A common stock and Series B common stock held at the time of the Merger in exchange for 0.50 of a share of the same series of common stock of New Discovery plus 0.50 of a share of Series C common stock of New Discovery.

(3) The Reporting Person disclaims beneficial ownership of these shares owned by his spouse.

(4) The Reporting Person is the sole trustee of and, with his spouse, retains a unitrust interest in the trust.

Remarks:

The trading symbols for the Issuer's Series A and Series B common stock are, respectively, DISCA and DISCB.

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.