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EXPEDIA, INC.

Reported by

KERN PETER M

FORM 4

(Statement of Changes in Beneficial Ownership)

Filed 06/05/12 for the Period Ending 06/01/12

Address	333 108TH AVENUE NE BELLEVUE, WA 98004
Telephone	(425) 679-7200
CIK	0001324424
Symbol	EXPE
SIC Code	4700 - Transportation services
Industry	Personal Services
Sector	Services
Fiscal Year	12/31

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FORM 4

[ ] Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

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

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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(f) of the Investment Company Act of 1940

1. Name and Address of Reporting Person *	2. Issuer Name **and** Ticker or Trading Symbol	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)
Kern Peter M	**Expedia, Inc. [EXPE]**	
(Last) (First) (Middle)	3. Date of Earliest Transaction (MM/DD/YYYY)	__ **X** __ Director _____ 10% Owner _____ Officer (give title below) _____ Other (specify below)
C/O EXPEDIA, INC., 333 - 108TH AVENUE N.E.	**6/1/2012**	
(Street)	4. If Amendment, Date Original Filed (MM/DD/YYYY)	6. Individual or Joint/Group Filing (Check Applicable Line)
BELLEVUE, WA 98004		_ **X** _ 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. Trans. Date	2A. Deemed Execution Date, if any	3. Trans. 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			
Common Stock	**6/1/2012**		**M**		**3046.0000**	**A**	**$0.0000**	**28226.0000** (1)	**D**	
Common Stock	**6/2/2012**		**M**		**5070.0000**	**A**	**$0.0000**	**33296.0000**	**D**	

Table II - Derivative Securities Beneficially Owned (*e.g.* , puts, calls, warrants, options, convertible securities)

1. Title of Derivate Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Trans. Date	3A. Deemed Execution Date, if any	4. Trans. 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		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction (s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Restricted Stock Units (2)	**$0.0000**	**6/1/2012**		**M**			**3046.0000**	**6/1/2012** (3)	**6/1/2014**	**Common Stock**	**3046.0000**	**$0.0000**	**6094.0000**	**D**	
Restricted Stock Units	**$0.0000**	**6/1/2012**		**A**		**5447.0000**		**6/1/2013** (4)	**6/1/2015**	**Common Stock**	**5447.0000**	**$0.0000**	**5447.0000**	**D**	
Restricted Stock Units (2)	**$0.0000**	**6/2/2012**		**M**			**5070.0000**	**6/2/2010** (3)	**6/2/2012**	**Common Stock**	**5070.0000**	**$0.0000**	**0.0000**	**D**	
Restricted Stock Units	**$0.0000**							**6/8/2011** (4)	**6/8/2013**	**Common Stock**	**8865.0000**		**8865.0000**	**D**	

Explanation of Responses:

(1) Includes shares of Expedia Common Stock, par value $0.0001 ("New Expedia Common Stock"), received in connection with the spin-off of TripAdvisor, Inc. ("TripAdvisor") by Expedia, Inc. ("Expedia") which was completed on December 20, 2011 (the "Spin-Off"). The Spin-Off, which was immediately preceded by a one-for-two reverse stock split (the "Reverse Stock Split") was effected by way of a reclassification, pursuant to which each share of Expedia Common Stock, par value $0.001 ("Old Expedia Common Stock") was reclassified into one share of New Expedia Common Stock and 1/100 of a share of Expedia Series 1 Mandatory Exchangeable Preferred Stock which was automatically exchanged into one share of TripAdvisor's $0.001 par value Common Stock ("TripAdvisor Common

Stock").

(2) In connection with the Spin-Off, the reporting person's restricted stock units ("RSUs") for Old Expedia Common Stock converted into RSUs for New Expedia Common Stock, with adjustments to the number of shares subject to each RSU based on (1) the value of Expedia common stock prior to the Spin-Off and Reverse Stock Split and (2) the value of the common stock of Expedia after giving effect to the Spin-Off and the Reverse Stock Split.

(3) Other than the adjustments described above, RSUs for New Expedia Common Stock received by the reporting person in connection with the Spin-Off have the same terms and conditions, including the same vesting periods, as his RSUs for Old Expedia Common Stock had immediately prior to the Spin-Off and Reverse Stock Split. One-third of the total number of RSUs vest on the first anniversary, or the following June 1 for grants beginning with the 12/6/11 grant, and an additional one-third each anniversary thereafter until the RSUs are fully vested.

(4) Date at which first vesting occurs is indicated. One-third of the total number of restricted stock units ("RSUs") vests on the first vesting date and an additional one-third on each anniversary thereafter until the RSUs are fully vested.

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Kern Peter M **C/O EXPEDIA, INC.** **333 - 108TH AVENUE N.E.** **BELLEVUE, WA 98004**	**X**			

Signatures

/s/ Michael S. Marron, Attorney-in-fact **6/5/2012**

** Signature of Reporting Person — Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

***** 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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