

Discovery Holding CO
 Form 4
 May 24, 2007

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 *
TANABE CHARLES Y

(Last) (First) (Middle)

12300 LIBERTY BLVD.

(Street)

ENGLEWOOD, CO 80112

(City) (State) (Zip)

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

3. Date of Earliest Transaction
 (Month/Day/Year)
05/23/2007

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)
Senior Vice President

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)	(A) or (D)	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	Price		
Series A Common Stock	05/23/2007		M		200	\$ 17.54	D	
Series A Common Stock	05/23/2007		S		200	\$ 23.21	D	
Series A Common Stock	05/23/2007		M		1,234	\$ 17.54	D	
Series A Common	05/23/2007		S		1,234	\$ 23.22	D	

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Stock								
Series A Common Stock	05/23/2007	M	1,800	A	\$ 17.54	15,772		D
Series A Common Stock	05/23/2007	S	1,800	D	\$ 23.23	13,972		D
Series A Common Stock	05/23/2007	M	21,092	A	\$ 17.54	35,064		D
Series A Common Stock	05/23/2007	S	21,092	D	\$ 23.4	13,972		D
Series A Common Stock	05/23/2007	M	4,004	A	\$ 17.54	17,976		D
Series A Common Stock	05/23/2007	S	4,004	D	\$ 23.41	13,972		D
Series A Common Stock	05/23/2007	M	5,212	A	\$ 17.54	19,184		D
Series A Common Stock	05/23/2007	S	5,212	D	\$ 23.42	13,972		D
Series A Common Stock	05/23/2007	M	4,690	A	\$ 17.54	18,662		D
Series A Common Stock	05/23/2007	S	4,690	D	\$ 23.43	13,972		D
Series A Common Stock	05/23/2007	M	7,300	A	\$ 17.54	21,272		D
Series A Common Stock	05/23/2007	S	7,300	D	\$ 23.44	13,972		D
Series A Common Stock	05/23/2007	M	3,768	A	\$ 17.54	17,740		D
Series A Common Stock	05/23/2007	S	3,768	D	\$ 23.45	13,972		D

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Series A Common Stock	05/23/2007	M	300	A	\$ 17.54	14,272	D	
Series A Common Stock	05/23/2007	S	300	D	\$ 23.46	13,972	D	
Series A Common Stock	05/23/2007	M	400	A	\$ 17.54	14,372	D	
Series A Common Stock	05/23/2007	S	400	D	\$ 23.47	13,972	D	
Series A Common Stock						306 ⁽¹⁾	I	By Spouse
Series A Common Stock						754 ⁽²⁾	I	By 401(k) Savings Plan

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. Amount or Number of Shares
Stock Option (right to buy)	\$ 17.54	05/23/2007		M	200	⁽³⁾ 02/28/2011	Series A Common Stock	200
Stock Option (right to buy)	\$ 17.54	05/23/2007		M	1,234	⁽³⁾ 02/28/2011	Series A Common Stock	1,234

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Stock Option (right to buy)	\$ 17.54	05/23/2007	M	1,800	<u>(3)</u>	02/28/2011	Series A Common Stock	1,800
Stock Option (right to buy)	\$ 17.54	05/23/2007	M	21,092	<u>(3)</u>	02/28/2011	Series A Common Stock	21,092
Stock Option (right to buy)	\$ 17.54	05/23/2007	M	4,004	<u>(3)</u>	02/28/2011	Series A Common Stock	4,004
Stock Option (right to buy)	\$ 17.54	05/23/2007	M	5,212	<u>(3)</u>	02/28/2011	Series A Common Stock	5,212
Stock Option (right to buy)	\$ 17.54	05/23/2007	M	4,690	<u>(3)</u>	02/28/2011	Series A Common Stock	4,690
Stock Option (right to buy)	\$ 17.54	05/23/2007	M	7,300	<u>(3)</u>	02/28/2011	Series A Common Stock	7,300
Stock Option (right to buy)	\$ 17.54	05/23/2007	M	3,768	<u>(3)</u>	02/28/2011	Series A Common Stock	3,768
Stock Option (right to buy)	\$ 17.54	05/23/2007	M	300	<u>(3)</u>	02/28/2011	Series A Common Stock	300
Stock Option (right to buy)	\$ 17.54	05/23/2007	M	400	<u>(3)</u>	02/28/2011	Series A Common Stock	400

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
TANABE CHARLES Y 12300 LIBERTY BLVD. ENGLEWOOD, CO 80112			Senior Vice President	

Signatures

/s/ Charles Y.
Tanabe

05/24/2007

__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) The Reporting Person disclaims beneficial ownership of these shares owned by his Spouse.

(2) The number of shares represents equivalent shares based on the fair market value of the shares of the Issuer's Series A common stock held by the unitized stock fund under the Liberty Media Corporation 401(k) Savings Plan based on a report from the Plan Administrator dated as of April 30, 2007. The Reporting Person has an interest in the unitized fund, which holds shares of the Issuer's Series A common stock and short-term investments.

(3) The option vested as to 30% on February 28, 2002 and 17.5% on February 28, 2003, 2004, 2005, and 2006.

Remarks:

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

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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