

VMWARE, INC.
Reported by
ESCHENBACH CARL M.

FORM 4
(Statement of Changes in Beneficial Ownership)

Filed 07/28/08 for the Period Ending 07/24/08

Address 3401 HILLVIEW AVENUE
PALO ALTO, CA, 94304
Telephone (650) 427-5000
CIK 0001124610
Symbol VMW
SIC Code 7372 - Services-Prepackaged Software
Industry IT Services & Consulting
Sector Technology
Fiscal Year 01/31

FORM 4

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 or
Section 30(h) 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)		
Eschenbach Carl M.			VMWARE, INC. [VMW]			<input type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below) EVP Worldwide Field Operations		
(Last) (First) (Middle)			3. Date of Earliest Transaction (MM/DD/YYYY)					
3401 HILLVIEW AVE.			7/24/2008					
(Street)			4. If Amendment, Date Original Filed (MM/DD/YYYY)			6. Individual or Joint/Group Filing (Check Applicable Line)		
PALO ALTO, CA 94304						<input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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			
Class A Clommon Stock	7/24/2008		M		25000	A	\$23.00	0	D	
Class A Clommon Stock	7/24/2008		S		5000	D	\$35.75	0	D	
Class A Clommon Stock	7/24/2008		S		5100	D	\$35.70	0	D	
Class A Clommon Stock	7/24/2008		S		10000	D	\$35.60	0	D	
Class A Clommon Stock	7/24/2008		S		1066	D	\$35.62	0	D	
Class A Clommon Stock	7/24/2008		S		3834	D	\$35.55	25645 (1)	D	
Class A Clommon Stock	7/28/2008		M		25000	A	\$23.00	0	D	
Class A Clommon Stock	7/28/2008		S		200	D	\$33.19	0	D	
Class A Clommon Stock	7/28/2008		S		3600	D	\$33.20	0	D	
Class A Clommon Stock	7/28/2008		S		700	D	\$33.21	0	D	
Class A Clommon Stock	7/28/2008		S		200	D	\$33.22	0	D	
Class A Clommon Stock	7/28/2008		S		200	D	\$33.23	0	D	
Class A Clommon Stock	7/28/2008		S		8900	D	\$33.25	0	D	
Class A Clommon Stock	7/28/2008		S		400	D	\$33.26	0	D	
Class A Clommon Stock	7/28/2008		S		300	D	\$33.27	0	D	
Class A Clommon Stock	7/28/2008		S		200	D	\$33.28	0	D	
Class A Clommon Stock	7/28/2008		S		9600	D	\$33.30	0	D	
Class A Clommon Stock	7/28/2008		S		500	D	\$33.31	0	D	
Class A Clommon Stock	7/28/2008		S		100	D	\$33.32	0	D	
Class A Clommon Stock	7/28/2008		S		100	D	\$33.33	25645 (1)	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				
Employee Stock Option (right to buy)	\$23.00	7/24/2008		M		25000		6/8/2008	6/8/2013	Class A Common Stock	25000	\$0	325000	D	
Employee Stock Option (right to buy)	\$23.00	7/28/2008		M		25000		6/8/2008	6/8/2013	Class A Common Stock	25000	\$0	300000	D	

Explanation of Responses:

(1) Includes 163 shares acquired under the VMware, Inc. 2007 Employee Stock Purchase Plan in June 2008.

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Eschenbach Carl M. 3401 HILLVIEW AVE. PALO ALTO, CA 94304			EVP Worldwide Field Operations	

Signatures

/s/ Rashmi Garde, attorney-in-fact

7/28/2008

**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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