

McNary Douglas F
Form 4
June 23, 2005

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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 *
McNary Douglas F

(Last) (First) (Middle)
12515 RESEARCH BLVD., BUILDING 5
(Street)

AUSTIN, TX 78759

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
MOTIVE INC [MOTV]

3. Date of Earliest Transaction (Month/Day/Year)
06/22/2005

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)
EVP of Corporate Development

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 or Price		
Common Stock	06/22/2005		M		13,500 A \$ 5	224,172	D
Common Stock	06/22/2005		S ⁽³⁾		13,500 D \$ 10.01	210,672	D
Common Stock	06/22/2005		M		9,000 A \$ 5	219,672	D
Common Stock	06/22/2005		S ⁽³⁾		9,000 D \$ 10.01	210,672	D
Common Stock	06/22/2005		M		52,500 A \$ 5	263,172	D

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Common Stock	06/22/2005	S ⁽³⁾	52,000	D	\$ 10	211,172	D
Common Stock	06/22/2005	S ⁽³⁾	500	D	\$ 10.01	210,672	D

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)

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 Security (Instr. 3 and 4)	Amount or Number of Shares
Employee Stock Option (right to buy)	\$ 5	06/22/2005		M	13,500	03/21/2003 ⁽¹⁾ 03/20/2010	Common Stock	13,500
Employee Stock Option (right to buy)	\$ 5	06/22/2005		M	9,000	03/21/2003 ⁽¹⁾ 03/20/2010	Common Stock	9,000
Employee Stock Option (right to buy)	\$ 5	06/22/2005		M	52,500	11/10/2003 ⁽²⁾ 11/09/2010	Common Stock	52,500

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
McNary Douglas F 12515 RESEARCH BLVD.			EVP of Corporate Development	

BUILDING 5
AUSTIN, TX 78759

Signatures

James Wesley Jones,
Attorney-In-Fact

06/23/2005

__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) 20% of the shares became vested and exercisable after 1 year from date of grant. The remaining shares vest quarterly over the following 4 years.
- (2) 25% of the shares became vested and exercisable after 1 year from date of grant. The remaining shares vest quarterly over the following 3 years.
- (3) This sale was effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person.

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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