

HUMMER WINBLAD EQUITY PARTNERS III LLC

Form 4

June 30, 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 *
HUMMER WINBLAD EQUITY PARTNERS III LLC

(Last) (First) (Middle)

2 SOUTH PARK, 2ND FLOOR,

(Street)

SAN FRANCISCO, CA 94107

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)
06/29/2005

4. If Amendment, Date Original Filed (Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___X___ 10% Owner
___ Officer (give title below) ___ Other (specify below)

6. Individual or Joint/Group Filing (Check Applicable Line)
___ Form filed by One Reporting Person
X 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 Ownership (Instr. 4) | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|----------------------|
| | | | Code | V | Amount | (A) or (D) | Price | |
| Common Stock | 06/29/2005 | | S | | 2,274,299 | D | \$ 6.1 0 | Held by HWVP III (1) |
| Common Stock | 06/29/2005 | | S | | 119,701 | D | \$ 6.1 0 | Held by HWTF III (2) |

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 Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| HUMMER WINBLAD EQUITY PARTNERS III LLC 2 SOUTH PARK, 2ND FLOOR SAN FRANCISCO, CA 94107 | | X | | |
| WINBLAD ANN L C/O HUMMER WINBLAD VENTURE PARTNERS 2 SOUTH PARK, 2ND FLOOR SAN FRANCISCO, CA 94107 | X | X | | |

Signatures

/s/ Charles J. Robel,
attorney-in-fact

06/30/2005

**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).

Shares are owned directly by Hummer Winblad Venture Partners III, L.P. ("HWVP III"). The Designated Filer is the general partner of HWVP III, and Ann Winblad ("Winblad") is a managing member of the Designated Filer. The Designated Filer and Winblad may be

(1) deemed the beneficial owners of the reported shares, but each disclaims beneficial ownership in the shares held by the partnership, except to the extent of any indirect pecuniary interest therein. The sales reported in this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the Designated Filer.

Shares are owned directly by Hummer Winblad Technology Fund III, L.P. ("HWTF III"). The Designated Filer is the general partner of HWTF III, and Winblad is a managing member of the Designated Filer. The Designated Filer and Winblad may be deemed the beneficial

(2) owners of the reported shares, but each disclaims beneficial ownership in the shares held by the partnership, except to the extent of any indirect pecuniary interest therein. The sales reported in this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the Designated Filer.

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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