

SECURITIES AND EXCHANGE COMMISSION

FORM 4

Statement of changes in beneficial ownership of securities

Filing Date: **2005-05-02** | Period of Report: **2005-05-02**

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ISSUER

NETGEAR INC

CIK: **1122904** | IRS No.: **770419172** | State of Incorporation: **DE** | Fiscal Year End: **1231**
SIC: **3661** Telephone & telegraph apparatus

Mailing Address
4401 GREAT AMERICAN
PARKWAY
SANTA CLARA CA 95052

Business Address
4401 GREAT AMERICAN
PARKWAY
SANTA CLARA CA 95052
4084955316

REPORTING OWNER

FALCON MICHAEL F

CIK: **1256282**
Type: **4** | Act: **34** | File No.: **000-50350** | Film No.: **05789673**

Business Address
C/O NETGEAR INC
4500 GREAT AMERICAN
PARKWAY
SANTA CLARA CA 95054
4089078000

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

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

1. Name and Address of Reporting Person FALCON MICHAEL F			2. Issuer Name and Ticker or Trading Symbol NETGEAR INC [NTGR]			5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below) Vice President, Operations		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) 05/02/2005					
NETGEAR, INC., 4500 GREAT AMERICA PARKWAY			4. If Amendment, Date Original Filed(Month/Day/Year)			6. Individual or Joint/Group Filing (Check applicable line) <input checked="" type="checkbox"/> Form Filed by One Reporting Person <input type="checkbox"/> Form Filed by More than One Reporting Person		
(Street) SANTA CLARA, CA 95054								
(City)	(State)	(Zip)						

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	(A) or (D)	Price			
Common Stock ⁽¹⁾	05/02/2005		M		2,187	A	\$6	2,187	D	
Common Stock ⁽¹⁾	05/02/2005		D		2,187	D	\$16	0	D	
Common Stock								255	D	

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 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
Employee Stock Option (Right to Buy)	\$6	05/02/2005		M		2,187		(2)	11/04/2012	Common Stock	2,187	\$0	42,252	D	

Employee Stock Option (Right to Buy)	\$16.53							(3)	02/09/2014	Common Stock	20,000		20,000	D
Employee Stock Option (Right to Buy)	\$15.35							(4)	03/11/2015	Common Stock	20,000		20,000	D

Explanation of Responses:

1. This transaction is made pursuant to a Rule 10b5-1 Plan that was adopted in November 2004.
2. This stock option was granted under the NETGEAR, Inc. 2000 Option Plan on November 4, 2002. Such option becomes exercisable at a rate of 1/4th of the option on November 4, 2003 and 1/48th of the shares on each one-month anniversary thereafter.
3. This stock option was granted under the NETGEAR, Inc. 2003 Option Plan on February 9, 2004. Such option becomes exercisable at a rate of 1/4th of the option on February 9, 2005 and 1/48th of the shares on each one-month anniversary thereafter.
4. 100% of this option grant is exercisable on 3/11/05, the grant date. Shares underlying the option are restricted from transfer, with the restriction lapsing with respect to 25% of the shares on each subsequent anniversary of the grant date, so that all underlying shares will be free from transfer restrictions on 3/11/09.

Signatures

/s/ Michael F. Falcon

** Signature of Reporting Person

05/02/2005

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.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.