

Shaw Robert W
Form 4
February 25, 2009

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 *
Shaw Robert W

2. Issuer Name and Ticker or Trading Symbol
ArcSight Inc [ARST]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
02/23/2009

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

C/O ARCSIGHT, INC., 5 RESULTS WAY

(Street)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

CUPERTINO, CA 95014

(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)
				(A) or (D) Code V Amount (D) Price			
Common Stock	02/23/2009		M ⁽¹⁾	27,500 A \$ 0.24	1,677,500 ⁽²⁾	I	By Shaw Family Trust ⁽²⁾
Common Stock	02/23/2009		S ⁽¹⁾	27,500 D \$ 8.2634 ⁽³⁾	1,650,000	I	By Shaw Family Trust
Common Stock	02/24/2009		M ⁽¹⁾	17,500 A \$ 0.24	1,667,500 ⁽²⁾	I	By Shaw Family Trust ⁽²⁾
Common Stock	02/24/2009		S ⁽¹⁾	17,500 D \$ 8.4766	1,650,000	I	By Shaw Family

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) This transaction was effected pursuant to a Rule 10b5-1 plan adopted by the reporting person.

(2) Includes 1,650,000 shares held by the Shaw Family Trust U/A/D 11/22/99. The remaining shares are held by the reporting person.

Represents a weighted average sales price per share. The prices actually received ranged from \$8.19 to \$8.38. The reporting person has provided to the issuer, and will provide to the SEC staff or any security holder of the issuer, information regarding the number of shares sold at each price within the range.

Represents a weighted average sales price per share. The prices actually received ranged from \$8.33 to \$8.59. The reporting person has provided to the issuer, and will provide to the SEC staff or any security holder of the issuer, information regarding the number of shares sold at each price within the range.

(5) The option is 100% vested and exercisable.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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