

OSHAMAN TRUST DATED 7 10 1979
 Form 4
 March 18, 2008

FORM 4

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

OMB APPROVAL

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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 *
 OSHMAN M KENNETH

(Last) (First) (Middle)
 550 MERIDIAN AVE,
 (Street)

SAN JOSE, CA 95126

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 ECHELON CORP [ELON]

3. Date of Earliest Transaction
 (Month/Day/Year)
 02/25/2008

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)

Chairman of the Board & CEO

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 Ownership (Instr. 4) | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|---|------------------|
| | | | Code | V | Amount | (A) or (D) | Price | | |
| Common Stock | 02/25/2008 | | G | V | 125,222 | D | \$ 0 0 | I | See footnote (1) |
| Common Stock | 02/25/2008 | | G | V | 125,222 | D | \$ 0 0 | I | See footnote (2) |
| Common Stock | | | | | | | | I | See footnote (3) |
| Common Stock | | | | | | | 175,706 | I | See footnote (3) |
| Common Stock | | | | | | | 175,706 | I | See footnote |

| | | | | (4) |
|--------------|--|-----------|---|------------------|
| Common Stock | | 299,072 | I | See footnote (5) |
| Common Stock | | 299,072 | I | See footnote (6) |
| Common Stock | | 3,543,434 | I | See footnote (7) |
| Common Stock | | 488,428 | I | See footnote (8) |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(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. Number of Derivative Securities Owned Following Transaction (Instr. 6) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|---|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-----------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| OSHRMAN M KENNETH 550 MERIDIAN AVE SAN JOSE, CA 95126 | X | X | Chairman of the Board & CEO | |
| | | X | | |

OSHMAN TRUST DATED 7 10 1979
C/O M KENNETH OSHMAN
ECHELON CORP., 550 MERIDIAN AVE
SAN JOSE, CA 95126

O S VENTURES
C/O M KENNETH OSHMAN
ECHELON CORP., 550 MERIDIAN AVE
SAN JOSE, CA 95126

X

Signatures

/s/ Oliver R. Stanfield, attorney-in-fact for M. Kenneth
Oshman

03/18/2008

__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) These shares were held by the M. Kenneth Oshman Annuity Trust dated February 14, 2006 (the "K. Oshman 2006 Annuity Trust").
- (2) These shares were held by the Barbara S. Oshman Annuity Trust dated February 14, 2006 (the "B. Oshman 2006 Annuity Trust").
- (3) These shares are held by the M. Kenneth Oshman Annuity Trust II dated February 15, 2007 (the "K. Oshman 2007 Annuity Trust").
- (4) These shares are held by the Barbara S. Oshman Annuity Trust II dated February 15, 2007 (the "B. Oshman 2007 Annuity Trust").

These shares are held by the M. Kenneth Oshman 2008 Annuity Trust dated February 19, 2008 (the "K. Oshman 2008 Annuity Trust"). 208,439 shares previously reported as indirectly beneficially owned by the K. Oshman 2006 Annuity Trust were transferred from the K.

- (5) Oshman 2006 Annuity Trust to the K. Oshman 2008 Annuity Trust on February 19, 2008. 90,633 shares previously reported as indirectly beneficially owned by the K. Oshman 2007 Annuity Trust were transferred from the K. Oshman 2007 Annuity Trust to the K. Oshman 2008 Annuity Trust on February 19, 2008.

These shares are held by the Barbara S. Oshman 2008 Annuity Trust dated February 19, 2008 (the "B. Oshman 2008 Annuity Trust"). 208,439 shares previously reported as indirectly beneficially owned by the B. Oshman 2006 Annuity Trust were transferred from the B.

- (6) Oshman 2006 Annuity Trust to the B. Oshman 2008 Annuity Trust on February 19, 2008. 90,633 shares previously reported as indirectly beneficially owned by the B. Oshman 2007 Annuity Trust were transferred from the B. Oshman 2007 Annuity Trust to the B. Oshman 2008 Annuity Trust on February 19, 2008.
- (7) These shares are held by the Oshman Trust dated July 10, 1979, of which the Reporting Person and his spouse, Barbara S. Oshman, serve as co-trustees.
- (8) These shares are held by O-S Ventures, a general partnership, of which the Reporting Person is general partner.

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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