FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

OMB APPROVAL OMB Number: Estimated average burden hours per response: 0.5

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

| 1. Name and Address of Reporting Person* BAGLEY EDWARD D | | | | | | 2. Issuer Name and Ticker or Trading Symbol CLEARONE COMMUNICATIONS INC | | | | | | | | Relationship of Reporting Person(s) to Issuer (Check all applicable) X Director X 10% Owner | | | | | |
|--|---|--|--|--|---|---|--|--------|--|--------|---|--|---|---|--|---|--|--|--|
| (Last) (First) (Middle) 1825 RESEARCH WAY | | | | 3. [| CLRO] 3. Date of Earliest Transaction (Month/Day/Year) 03/24/2004 | | | | | | | | | Officer below) | (give title | | Other (s below) | pecify | |
| (Street) SALT LAKE CITY UT | | 84119 | 4.1 | 4. If Amendment, Date of Original Filed (Month/Day/Year) 6. Indiv. Line) X | | | | | | | | | Form filed by One Reporting Person Form filed by More than One Reporting Person | | | | | | |
| (City) (State) (Zip) | | (Zip) | | | | | | | | | | | | | | | | | |
| Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned | | | | | | | | | | | | | | | | | | | |
| 1. Title of Security (Instr. 3) 2. Transat Date (Month/Date) | | | | | ear) | Execution if any | A. Deemed Execution Date, fany Month/Day/Year) | | Transaction Disposed Code (Instr. 5) | | ties Acquired (A) or d Of (D) (Instr. 3, 4 a | | | 5. Amour Securitie Beneficia Owned F Reported | es Formally (D) (Sollowing (I) (I | | : Direct Indirect str. 4) | 7. Nature of Indirect Beneficial Ownership | |
| | | | | | | | | Code V | | Amount | t (A) or (D) | | ice | Transact (Instr. 3 a | ion(s) | | | (Instr. 4) | |
| 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. Deeme Execution I if any (Month/Day | Date, | 4. Transa Code (8) | | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | | 6. Date Exercisab Expiration Date (Month/Day/Year) | | | and 7. Title and An of Securities Underlying Derivative Sec (Instr. 3 and 4) | | | 3. Price of Derivative Security Instr. 5) | 9. Number derivative Securities Beneficial Owned Following Reported Transactio (Instr. 4) | ve es ally ig d tion(s) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
| | | | | | Code | v | (A) | (D) | Date Exercisable | | opiration | Title | Amo or Num of Shar | ber | | | | | |
| Stock Option (right to buy) | \$6.4 | 03/24/2004 | | | A | | 18,000 | | (1) | 03 | 3/24/2014 | Common Stock | 18,0 | 000 | \$0 | 170,00 | 0 | D | |

Explanation of Responses:

1. One-third of the options granted will vest on the first anniversary of the stock option grant. The remaining options will vest in equal monthly increments over the subsequent twenty-four month period.

Dedward Dallin Bagley 03/24/2004

** Signature of Reporting Person

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.