CADENCE DESIGN SYSTEMS INC
Form 4
October 17, 2006

FORM 4

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

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

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).

(Print or Type Responses)

1. Name and Address of Reporting Person *
PORTER WILLIAM

(Last) (First) (Middle)

2655 SEELY AVENUE, BLDG. 5

(Street)

SAN JOSE, CA 95134

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
CADENCE DESIGN SYSTEMS INC [CDNS]

3. Date of Earliest Transaction (Month/Day/Year)
10/16/2006

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
EVP, Chief Financial Officer

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ 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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	10/16/2006(1)		M		50,000	A	$ 10.105	315,187	D	
Common Stock	10/16/2006(1)		S		2,300	D	$ 17.71	312,887	D	
Comon Stock	10/16/2006(1)		S		5,000	D	$ 17.7	307,887	D	
Common Stock	10/16/2006(1)		S		4,800	D	$ 17.7053	303,087	D	
Common Stock	10/16/2006(1)		S		2,400	D	$ 17.6948	300,687	D	

Common Stock	10/16/2006[(1)]		S	5,500	D	$ 17.7012	295,187	D
Coomon Stock	10/16/2006[(1)]		S	3,600	D	$ 17.7305	291,587	D
Common Stock	10/16/2006[(1)]		S	6,400	D	$ 17.7398	285,187	D
Comomn Stock	10/16/2006[(1)]		S	6,000	D	$ 17.7713	279,187	D
Common Stock	10/16/2006[(1)]		S	4,000	D	$ 17.7283	275,187	D
Common Stock	10/16/2006[(1)]		S	5,000	D	$ 17.7656	270,187	D
Common Stock	10/16/2006[(1)]		S	5,000	D	$ 17.822	265,187	D

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

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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 Underlying Securiti (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amou or Numb of Sha
Non-qualified Stock Option (right to buy)	$ 10.105	10/16/2006		M			50,000	[(2)]	01/29/2013	Common Stock	50,0

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
PORTER WILLIAM 2655 SEELY AVENUE, BLDG. 5			EVP, Chief Financial Officer	

SAN JOSE, CA 95134

Signatures

William Porter	10/16/2006
**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) The transaction reported in this Form 4 was effected pursuant to Rule 10b5-1 Trading Plan adopted by reporting person on November 30, 2005.

(2) Option was granted on January 29, 2003 and vests at the rate of 1/48th per month commencing on the date of the grant.

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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