

VYYO INC
Form 4
September 20, 2007

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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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 *
GOLDMAN SACHS GROUP INC/

2. Issuer Name and Ticker or Trading Symbol
VYYO INC [VYYO]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
85 BROAD ST
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
09/18/2007

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

NEW YORK, NY 10004

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

(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 Ownership (Instr. 4) | |
|---------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------|--------------------------------------------|-----------------------|
| | | | Code | V | Amount (A) or (D) Price | | | |
| Common Stock | 09/18/2007 | | S | | 1,400 D \$ 5.16 | 1,649,986 | I | See Footnotes (1) (2) |
| Common Stock | 09/19/2007 | | P | | 170 A \$ 5.42 | 1,650,156 | I | See Footnotes (1) (2) |
| Common Stock | 09/19/2007 | | P | | 400 A \$ 5.39 | 1,650,556 | I | See Footnotes (1) (2) |
| Common Stock | 09/19/2007 | | P | | 100 A \$ 5.38 | 1,650,656 | I | See Footnotes (1) (2) |

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| | | | | | | | | |
|--------------|------------|---|-----|---|---------|--------------------------|---|-----------------------|
| Common Stock | 09/19/2007 | P | 100 | A | \$ 5.37 | 1,650,756 | I | See Footnotes (1) (2) |
| Common Stock | 09/19/2007 | P | 230 | A | \$ 5.36 | 1,650,986 | I | See Footnotes (1) (2) |
| Common Stock | 09/19/2007 | P | 400 | A | \$ 5.33 | 1,651,386 ⁽³⁾ | I | See Footnotes (1) (2) |

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

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 control number.

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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. Derivative Securities (Instr. 3 and 4) | |
|--------------------------------------------|--------------------------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------------|-------------------------------------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| 5% Convertible Note due March 27, 2012 | \$ 10 | | | | | ⁽⁴⁾ | 03/27/2012 | Common Stock | ⁽⁴⁾ |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---------------------------------------------------------------|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| GOLDMAN SACHS GROUP INC/ 85 BROAD ST NEW YORK, NY 10004 | | X | | |
| | | X | | |

GOLDMAN SACHS & CO
85 BROAD STREET
NEW YORK, NY 10004

Signatures

/s/ Yvette Kusic,
Attorney-in-fact 09/20/2007

__Signature of Reporting Person Date

/s/ Yvette Kusic,
Attorney-in-fact 09/20/2007

__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) This statement is being filed by The Goldman Sachs Group, Inc. ("GS Group") and Goldman, Sachs & Co. ("Goldman Sachs" and, together with GS Group, the "Reporting Persons"). Goldman Sachs is a wholly-owned subsidiary of GS Group.
- (2) The securities reported herein as indirectly purchased and sold were beneficially owned directly by Goldman Sachs. Without admitting any legal obligation, Goldman Sachs will remit appropriate profits, if any, to Vyyo Inc. (the "Company"). The 1,651,386 shares of the Company's common stock, par value \$0.0001 per share (the "Common Stock") reported herein may be deemed to be beneficially owned indirectly by GS Group by reason of the direct ownership of such securities by Goldman Sachs or another wholly-owned subsidiary of GS Group.
- (3) The 1,651,386 shares of Common Stock reported herein reflect changes attributable to exempt transactions.
- (4) Goldman Sachs beneficially owns directly and GS Group may be deemed to beneficially own indirectly \$35,000,000 in aggregate principal amount of the Company's 5% Convertible Note due March 27, 2012 ("Convertible Note"). The Convertible Note is convertible at any time at the holder's option into shares of Common Stock determined by dividing the aggregate principal amount by a conversion price of \$10.00 per share, subject to adjustment. Pursuant to the terms of the Convertible Note, the holder of the Convertible Note shall not have the right to convert any portion of the Convertible Note into Common Stock to the extent that after giving effect to such conversion and taking into account all other shares of Common Stock beneficially owned by the holder, such holder would beneficially own in excess of 14.8% of the Common Stock outstanding.

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.