ELOYALTY CORP

Form 4 August 17, 2007

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB

OMB APPROVAL

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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

may continue. 30(h) of the Investment Company Act of 1940 See Instruction

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * SWEET DAVID E			2. Issuer Name and Ticker or Trading Symbol ELOYALTY CORP [ELOY]	5. Relationship of Reporting Person(s) to Issuer			
(Last) (First) (Mide		(Middle)	3. Date of Earliest Transaction	(Check all applicable)			
			(Month/Day/Year)	DirectorX 10% Owner			
755 PAGE MILL ROAD, SUITE A-200			08/15/2007	Officer (give title Other (specify below)			
(Street)			4. If Amendment, Date Original	6. Individual or Joint/Group Filing(Check			
D. V. O. LV TTO . G. L. O. L. O. Z.			Filed(Month/Day/Year)	Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting			

Person

PALO ALTO, CA 943041005

(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. 4. Securities Acquired (A) Transaction Disposed of (D) Code (Instr. 3, 4 and 5) (Instr. 8) (A) or Code V Amount (D) Price		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)			
Common	08/15/2007		P	124	A	\$ 14.1	3,920	I	By Profit Sharing Plan Trust	
Common	08/15/2007		P	18,668	A	\$ 14.1	610,455	I	By Shares Held By Ltd Partnership (SHV) (2)	
Common	08/16/2007		P	42	A	\$ 12.8801 (3)	3,962	I	By Profit Sharing Plan Trust	

								<u>(1)</u>
Common	08/16/2007	P	6,273	A	\$ 12.8801 (3)	616,728	I	By Shares Held By Ltd Partnership (SHV) (2)
Common	08/17/2007	P	42	A	\$ 13.4006 (3)	4,004	I	By Profit Sharing Plan Trust
Common	08/17/2007	P	6,273	A	\$ 13.4006 (3)	623,001	I	By Shares Held By Ltd Partnership (SHV) (2)
Common						5,853	I	By Shares Held By Ltd Partnership (SHAI) (4)
Common						14,847	I	By Shares Held By Ltd Partnership (SHQP) (5)
Common						2,219	I	By Trust (Trustees)

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	2.	3. Transaction Date		4.	5.	6. Date Exercisable and	7. Title and	8. Price of	9. Nu
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transacti		Expiration Date	Amount of	Derivative	Deriv
Security	or Exercise		any	Code	of	(Month/Day/Year)	Underlying	Security	Secui
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)	Derivativ	e	Securities	(Instr. 5)	Bene
	Derivative				Securities	S	(Instr. 3 and 4)		Own
	Security				Acquired				Follo
					(A) or				Repo
					Disposed				Trans
					of (D)				(Instr
					(Instr. 3,				
					4, and 5)				

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Date Expiration Or Number Of Shares

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

X

SWEET DAVID E

755 PAGE MILL ROAD, SUITE A-200

PALO ALTO, CA 943041005

Signatures

By: Robert Yin, by power of attorney 08/17/2007

**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) Shares held by SHV Profit Sharing Plan, a retirement trust, for the benefit of the reporting person.
- Shares held by Sutter Hill Ventures, A California Limited Partnership. The reporting person is a Managing Director of the General
- (2) Partner of Sutter Hill Ventures, A California Limited Partnership. The reporting person disclaims beneficial ownership in these shares except as to the reporting person's pecuniary interest in the partnership.
- (3) This represents the weighted average sales price.
- Shares held by Sutter Hill Entrepreneurs Fund (AI), L.P. The reporting person is a Managing Director of the General Partner of Sutter
- (4) Hill Entrepreneurs Fund (AI), L.P. The reporting person disclaims beneficial ownership in these shares except as to the reporting person's pecuniary interest in the partnership.
- Shares held by Sutter Hill Entrepreneurs Fund (QP), L.P. The reporting person is a Managing Director of the General Partner of Sutter (5). Hill Entrepreneurs Fund (QP), L.P. The reporting person disclaims beneficial ownership in these shares except as to the reporting person
- (5) Hill Entrepreneurs Fund (QP), L.P. The reporting person disclaims beneficial ownership in these shares except as to the reporting person's pecuniary interest in the partnership.
- (6) Shares held by a trust of which the reporting person is a trustee. The reporting person disclaims beneficial ownership in these shares except as to the reporting person's pecuniary interest in the trust.

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.

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