SWEET DAVID E Form 4 March 04, 2008

## FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

**SECURITIES** 

**OMB** Number:

3235-0287

Expires:

January 31, 2005

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response...

subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction

Check this box

if no longer

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

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person \* **SWEET DAVID E** 

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to

Issuer

below)

ELOYALTY CORP [ELOY]

02/29/2008

(Check all applicable)

(Last)

(Middle)

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

Director Officer (give title

\_X\_\_ 10% Owner \_\_ Other (specify

755 PAGE MILL ROAD, SUITE

(First)

(Street)

4. If Amendment, Date Original

A-200

Filed(Month/Day/Year)

Applicable Line)

\_X\_ Form filed by One Reporting Person Form filed by More than One Reporting

6. Individual or Joint/Group Filing(Check

PALO ALTO, CA 943041005

| (City)                               | (State)                              | (Zip) Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned |   |                                       |                              |                   |  |  |   |
|--------------------------------------|--------------------------------------|--|---|---------------------------------------|------------------------------|-------------------|--|--|---|
| 1.Title of<br>Security<br>(Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year)                            | 3.<br>Transaction<br>Code<br>(Instr. 8) | 4. Securi<br>our Dispos<br>(Instr. 3, | sed of<br>4 and<br>(A)<br>or |                   | 5. Amount of<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s)<br>(Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of<br>Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |
| Common<br>Stock                      | 02/29/2008                           |  | P                                       | 4,298                                 | A                            | \$ 10.1375<br>(1) | 743,817  | I  | By Ltd<br>Partnership<br>(SHV) (2)                                |
| Common<br>Stock                      | 03/03/2008                           |  | P                                       | 5,538                                 | A                            | \$ 9.9999<br>(1)  | 749,355  | I  | By Ltd<br>Partnership<br>(SHV) (2)                                |
| Common<br>Stock                      | 03/03/2008                           |  | P                                       | 37                                    | A                            | \$ 9.9999<br>(1)  | 4,775  | I  | By Profit<br>Sharing<br>Plan Trust                                |
| Common                               |                                      |  |   |                                       |                              |                   | 5,853  | I  | By Ltd  |

#### Edgar Filing: SWEET DAVID E - Form 4

| Stock           |        |   | Partnership (SHAI) (4)              |
|-----------------|--------|---|-------------------------------------|
| Common<br>Stock | 14,847 | I | By Ltd<br>Partnership<br>(SHQP) (5) |
| Common<br>Stock | 2,219  | I | By Trust (Trustees)                 |

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.

SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of<br>Derivative<br>Security<br>(Instr. 3) | 2.<br>Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction Date (Month/Day/Year) | 4.<br>Transactic<br>Code<br>(Instr. 8) | 5. orNumber of Derivative Securities Acquired (A) or Disposed |                     | ate             | 7. Title<br>Amou<br>Under<br>Securi<br>(Instr. | nt of<br>lying | 8. Price of<br>Derivative<br>Security<br>(Instr. 5) | 9. Nu Deriv Secur Bene Owne Follo Repo Trans |
|---|---|--------------------------------------|--|---|---------------------|-----------------|--|----------------|---|--|
|   |   |                                      |  | of (D)  |                     |                 |  |                |   | (Instr                                       |
|   |   |                                      |  | (Instr. 3, 4, and 5)  |                     |                 |  |                |   |  |
|   |   |                                      |  |   |                     |                 |  | Amount         |   |  |
|   |   |                                      |  |   | Date<br>Exercisable | Expiration Date | Title  | Number<br>of   |   |  |
|   |   |                                      | Code V                                 | (A) (D)   |                     |                 |  | Shares         |   |  |

# **Reporting Owners**

\*\*Signature of Reporting Person

attorney

| Reporting Owner Name / Address  | Relationships |           |         |       |  |  |
|---|---------------|-----------|---------|-------|--|--|
| <b></b>   | Director      | 10% Owner | Officer | Other |  |  |
| SWEET DAVID E<br>755 PAGE MILL ROAD, SUITE A-200<br>PALO ALTO, CA 943041005 |               | X         |         |       |  |  |
| Signatures  |               |           |         |       |  |  |
| By: Robert Yin, by power of   | 03/04/20      | nne       |         |       |  |  |

Reporting Owners 2

03/04/2008

Date

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### **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 represents the weighted average sales price.
- 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) Shares held by SHV Profit Sharing Plan, a retirement trust, for the benefit of the reporting person.
  - 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'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.