ELOYALTY CORP

Form 4

November 15, 2007

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

0.5

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may continue.

See Instruction

Check this box

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 * ANDERSON DAVID L

755 PAGE MILL ROAD, SUITE

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to

Issuer

(Middle)

ELOYALTY CORP [ELOY]

(Check all applicable)

(Last)

(First)

(Street)

3. Date of Earliest Transaction

(Month/Day/Year)

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

6. Individual or Joint/Group Filing(Check

11/14/2007

A-200

4. If Amendment, Date Original

Filed(Month/Day/Year)

Applicable Line) _X_ Form filed by One Reporting Person

Form filed by More than One Reporting

PALO ALTO, CA 943041005

(City)	(State)	(Zip)	Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned
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1.Title of	2. Transaction Date		3.	4. Securiti		•	5. Amount of	6.	7. Nature of Indirect
Security	(Month/Day/Year)	Execution Date, if		on(A) or Dis		` ′	Securities	Ownership	Beneficial Ownership
(Instr. 3)		any (Month/Doy/Voor)	(Instr. 8)	Code (Instr. 3, 4 and 5)			Beneficially Owned	Form: Direct (D)	(Instr. 4)
		(Month/Day/Year)	(IIISII. 0)				Following	or Indirect	
							Reported	(I)	
				(A)			Transaction(s)	(Instr. 4)	
			Code V	Amount	or (D)	Price	(Instr. 3 and 4)		
Common	11/14/2007		P	1,135	A	\$	14,592 (1)	I	By Profit Sharing
(1)	11/14/2007		1	1,133	А	13.05	14,392 <u>~</u>	1	Plan Trust (2)
~						4			By Shares Held By
Common	11/14/2007		P	57,500	A	\$	1,651,054	I	Ltd Partnership
(3)						13.05	(3)		(SHV) (4)
									Dy Charas Hald Dy
Common							14,707 (5)	I	By Shares Held By Ltd Partnership
(5)							14,707 (9)	1	(SHAI) (6)
									(SIIAI) <u>(*)</u>
Common									By Shares Held By
<u>(7)</u>							37,265 <u>(7)</u>	I	Ltd Partnership
<u> </u>									(SHQP) (8)

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Common (9)	37,433 <u>(9)</u> I	By Shares Held By Ltd Partnership (ANV) (10)
Common (11)	66,049 <u>(11)</u> I	By Shares Held By Ltd Partnership(ACRUX)

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

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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 2.	3. Transaction Date	3A. Deemed	4.	5.	6. Date Exer	cisable and	7. Titl	e and	8. Price of	9. Nu
Derivati	ve Conversion	(Month/Day/Year)	Execution Date, if	Transacti	orNumber	Expiration D	ate	Amou	int of	Derivative	Deriv
Security	or Exercise		any	Code	of	(Month/Day/	/Year)	Under	lying	Security	Secui
(Instr. 3)) Price of		(Month/Day/Year)	(Instr. 8)	Derivative	e		Securi	ities	(Instr. 5)	Bene
	Derivative				Securities	3		(Instr.	3 and 4)		Own
	Security				Acquired						Follo
					(A) or						Repo
					Disposed						Trans
					of (D)						(Instr
					(Instr. 3,						
					4, and 5)						
									Amount		
						Date	Expiration	Title			
						Exercisable	Date	Title			
				Code V	(A) (D)						
				Code V	(A) (D)		•	Title	Amount or Number of Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships						
1	Director	10% Owner	Officer	Other			
ANDERSON DAVID L 755 PAGE MILL ROAD, SUITE A-200 PALO ALTO, CA 943041005		X					
Signatures							
By: Robert Yin, by power of attorney	11/15/2007						
**Signature of Reporting Person	Date						

Reporting Owners 2

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) Includes 4,559 shares of Series B Preferred Stock that are currently convertible on a one-for-one basis into shares of Common Stock.
- (2) Shares held by SHV Profit Sharing Plan, a retirement trust, for the benefit of the reporting person.
- (3) Includes 938,952 shares of Series B Preferred Stock that are currently convertible on a one-for-one basis into shares of Common Stock.
 - Shares held by Sutter Hill Ventures, A California Limited Partnership. The reporting person is a Managing Director of the General
- (4) 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.
- (5) Includes 8,854 shares of Series B Preferred Stock that are currently convertible on a one-for-one basis into shares of Common Stock
 - Shares held by Sutter Hill Entrepreneurs Fund (AI), L.P. The reporting person is a Managing Director of the General Partner of Sutter
- (6) 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.
- (7) Includes 22,418 shares of Series B Preferred Stock that are currently convertible on a one-for-one basis into shares of Common Stock
 - Shares held by Sutter Hill Entrepreneurs Fund (QP), L.P. The reporting person is a Managing Director of the General Partner of Sutter
- (8) 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.
- (9) Includes 28,020 shares of Series B Preferred Stock that are currently convertible on a one-for-one basis into shares of Common Stock.
- Shares held by a limited partnership of which the reporting person is the General Partner. The reporting person disclaims beneficial ownership in these shares except as to the reporting person's pecuniary interest in the partnership.
- (11) Includes 42,309 shares of Series B Preferred Stock that are currently convertible on a one-for-one basis into shares of Common Stock.
- Shares held by a limited partnership of which the reporting person is the trustee of a trust which is the General Partner. The reporting person disclaims beneficial ownership in these shares except as to the reporting person's pecuniary interest therein.

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.