#### **ELOYALTY CORP**

Form 4

September 07, 2007

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

**SECURITIES** 

**OMB** 

**OMB APPROVAL** 

Number:

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0.5

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obligations

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

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to

Issuer

(Last)

(First)

(Street)

(Middle)

ELOYALTY CORP [ELOY]

(Check all applicable)

755 PAGE MILL ROAD, SUITE A-200

3. Date of Earliest Transaction

(Month/Day/Year) 09/05/2007

\_X\_\_ 10% Owner Director \_ Other (specify Officer (give title below)

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

6. Individual or Joint/Group Filing(Check

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								
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transactic Code (Instr. 8)		sed of	` '	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 (1)	09/05/2007		P	144	A	\$ 15.0884 (2)	13,457 (1)	I	By Profit Sharing Plan Trust (3)	
Common (4)	09/05/2007		P	7,319	A	\$ 15.0884 (2)	1,593,554 (4)	I	By Shares Held By Ltd Partnership (SHV) (5)	
Common (6)							37,433 (6)	I	By Shares Held By Ltd Partnership (ANV) (7)	
Common (8)							14,707 (8)	I	By Shares Held By Ltd Partnership	

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(SHAI) (9) By Shares Held By Common 37,265 (10) Ltd Partnership (10)(SHQP) (11) By Shares Held By Common Ltd 66,049 (12) Partnership(ACRUX) (13)

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

Persons who respond to the collection of SEC 1474 information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

(9-02)

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

1. Title of Derivative	2. Conversion	3. Transaction Date (Month/Day/Year)		4. Transact	5. orNumber	6. Date Exerc Expiration D		7. Title Amount		8. Price of Derivative	9. Nu Deriv
Security	or Exercise		any	Code	of	(Month/Day/	Year)	Underly	ing	Security	Secui
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)	Derivativ	e		Securiti	es	(Instr. 5)	Bene
	Derivative				Securities			(Instr. 3	and 4)		Own
	Security				Acquired						Follo
					(A) or						Repo
					Disposed						Trans
					of (D)						(Instr
					(Instr. 3,						
					4, and 5)						
								Δ	Amount		
								0			
							Expiration Date		Number		
								0			
				Code V	(A) (D)				hares		

# **Reporting Owners**

\*\*Signature of Reporting Person

attorney

Reporting Owner Name / Address	Relationships						
Topotting of the Figure 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	00/07/20	007					

2 Reporting Owners

09/07/2007

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) 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) This represents the weighted average sales price.
- (3) Shares held by SHV Profit Sharing Plan, a retirement trust, for the benefit of the reporting person.
- (4) 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
- (5) 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.
- (6) Includes 28,020 shares of Series B Preferred Stock that are currently convertible on a one-for-one basis into shares of Common Stock.
- (7) 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.
- (8) 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
- (9) 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.
- (10) 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
- (11) 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.
- (12) Includes 42,309 shares of Series B Preferred Stock that are currently convertible on a one-for-one basis into shares of Common Stock.
- (13) 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.