

Woodall Neil D.
Form 4
July 30, 2012

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 *
Woodall Neil D.

2. Issuer Name and Ticker or Trading Symbol
PIXELWORKS, INC [PXLW]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
224 AIRPORT PARKWAY, SUITE 400

3. Date of Earliest Transaction (Month/Day/Year)
07/26/2012

____ Director
 Officer (give title below) _____ Other (specify below)
VP DSP Eng. & Chief Architect

(Street)
SAN JOSE, CA 95110

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) Price | | | |
| Common Stock | 07/26/2012 | | A | 8,000 A | 12,548 | D | |

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)

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| 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) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Non-Qualified Stock Option (right to buy) | \$ 1.13 | | | | | <u>(2)</u> | 10/06/2018 | Common Stock | 5,000 |
| Non-Qualified Stock Option (right to buy) | \$ 2.28 | | | | | <u>(2)</u> | 02/05/2018 | Common Stock | 2,000 |
| Non-Qualified Stock Option (right to buy) | \$ 2.36 | | | | | <u>(2)</u> | 02/09/2018 | Common Stock | 25,000 |
| Non-Qualified Stock Option (right to buy) | \$ 3.26 | | | | | <u>(2)</u> | 07/28/2016 | Common Stock | 15,000 |
| Non-Qualified Stock Option (right to buy) | \$ 3.38 | | | | | <u>(2)</u> | 09/30/2015 | Common Stock | 15,000 |
| Non-Qualified Stock Option (right to buy) | \$ 6.09 | | | | | <u>(2)</u> | 02/12/2017 | Common Stock | 2,333 |
| Non-Qualified Stock Option (right to buy) | \$ 7.47 | | | | | <u>(3)</u> | 12/04/2013 | Common Stock | 6,048 |
| Non-Qualified Stock Option (right to buy) | \$ 13.95 | | | | | <u>(4)</u> | 02/08/2016 | Common Stock | 5,333 |
| Non-Qualified Stock Option (right to buy) | \$ 21.06 | | | | | <u>(5)</u> | 07/16/2012 | Common Stock | 13,064 |
| Non-Qualified Stock Option (right to buy) | \$ 21.06 | | | | | <u>(6)</u> | 09/23/2013 | Common Stock | 16,666 |
| Non-Qualified Stock Option | \$ 27.45 | | | | | <u>(5)</u> | 07/28/2014 | Common Stock | 25,000 |

(right to buy)

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Woodall Neil D. 224 AIRPORT PARKWAY SUITE 400 SAN JOSE, CA 95110 | | | VP DSP Eng. & Chief Architect | |

Signatures

By: Andrew P. Bates For: Neil D.
Woodall

07/30/2012

__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) Each restricted stock unit represents a contingent right to receive one share of the registrant's common stock. The restricted stock units will vest 50% on the first anniversary of the grant date and 50% on the second anniversary of the grant date.
- (2) Becomes exercisable on a monthly basis over 3 years, commencing the last day of the month of the date of grant.
- (3) Options become exercisable over 18 months as follows: 33.3% on June 30, 2007 and 66.7% becoming exercisable at a rate of 5.56% on a monthly basis thereafter over 12 months, or through June 30, 2008.
- (4) The options become exercisable on a monthly basis at a rate of 10% in year 1, 20% in year 2, 30% in year 3 and 40% in year 4, which commences on the last day of the month the option is granted.
- (5) 25% vest on the last day of the month of the first anniversary of the date of grant, with the remaining 75% vesting ratably on a monthly basis thereafter over three years.
- (6) The option became exercisable on the grant date.

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.