FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

OMB APPROVAL										
OMB Number: 3235-028										
Estimated average burden										
hours per response:	0.5									

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person*						2. Issuer Name and Ticker or Trading Symbol PIXELWORKS, INC [PXLW]									5. Relationship of Reporting Person(s) to Issuer (Check all applicable)					
Hess Damon M					_										Director 10% Owner					
(Last)	(Fi	rst) (3. Date of Earliest Transaction (Month/Day/Year) 03/05/2007										(give title		Other (s below)	pecify			
8100 SV	NYBERG	RD.												Vice Presi	dent	Sales				
	- 4. If A	men	ndment, E	ate	of Original I	Filed	(Month/D	ay/Year)				Joint/Group	Filin	g (Check Ap	plicable					
(Street)										Line		led by One	Reno	ortina Perso	.n					
TUALA	_											X Form filed by One Reporting Person Form filed by More than One Reporting								
(City)	(St	tate) (Person						
		Tah	ا م ا م	on-Deriv	vative 9	Sec	uritias	Δα	quired, D	lier	need o	f or Re	nof	iciall	v Owned					
1 Title of	Security (Ins		10 1 - 10	2. Transa			Deemed	70	3.	136		ities Acqu			5. Amou		6. Ov	vnership 7	7. Nature	
i. iide oi	occurry (ma			Date (Month/D		Execution ar) if any		ate,	Transacti Code (Ins		Disposed Of (D) (Instr. and 5)				Securitie Benefici	ırities		n: Direct	of Indirect Beneficial	
				(. ,		Month/Day/Year)								Owned Followin	.		ect (I)	Ownership Instr. 4)	
									Code	v	Amount	(A) o	or	Price	Reported Transaction(s)					
												(5)	4		1	3 and 4)				
Common	Stock															117		D		
			Tabl						uired, Dis , options,						vned					
1. Title of Derivative				A. Deemed xecution Date,		tion	5. Number		6. Date Exercisable and Figure 1					8. Price of	9. Numbe		10. Ownership	11. Nature of Indirect		
Security (Instr. 3)	or Exercise Price of	ercise (Month/Day/Year)	if any	Day/Year)	Transact				(Month/Da					Derivativ Security		Securities Beneficially		Form: Direct (D)	Beneficial Ownership	
(1113111 0)	Derivative Security		(Duy, rear,	"					Derivative s			e Se		(Instr. 5)	Owned Following	•	or Indirect	(Instr. 4)	
	occurry						Disposed of (D)					(111541.0	unu -	•,		Reported				
								(Instr. 3, 4 and 5)								(Instr. 4)	(-,			
												Amount								
									D-4-					mber						
					Code	v	(A)	(D)	Date Exercisabl		xpiration ate	Title	of Sha	ares						
Non- Qualified																				
Stock Option	\$1.86	03/05/2007			Α		100,000		(1)	0	3/05/2017	Common Stock	100	0,000	\$1.86	100,00	0	D		
(right to buy)																				
Non-						Н				╁			\vdash							
Qualified Stock	02.02								(1)		2/12/2017	Common		000		22.00				
Option (right to	\$2.03								(1)	ľ	2/12/2017	Stock	22	,000		22,000)	D		
buy)						L				┵			L							
Non- Qualified																				
Stock Option	\$2.49								(2)	1	2/04/2013	Common Stock	13	,175		13,17	5	D		
(right to buy)																				
Non-						\vdash				十			\vdash							
Qualified Stock	\$4.65								(3)		2/08/2016	Common	1 20	,000		30,000	,	D		
Option (right to	9 4.03									ľ	2/08/2010	Stock	30	,000		30,000	,			
buy)						_				4			\vdash							
Non- Qualified																				
Stock Option	\$6.46								(3)	0	7/23/2013	Common Stock	5,	000		5,000		D		
(right to buy)																				
		,							,										,	

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)															
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)	Code (Instr.				6. Date Exerc Expiration D (Month/Day/	ate	7. Title ar Amount of Securities Underlyir Derivative (Instr. 3 a	of s ng e Security	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	v	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Non- Qualified Stock Option (right to buy)	\$8.249							(3)	06/03/2012	Common Stock	4,000		4,000	D	
Non- Qualified Stock Option (right to buy)	\$8.5							(3)	04/02/2011	Common Stock	10,000		10,000	D	

Explanation of Responses:

- 1. Becomes exercisable on a monthly basis over 3 years, commencing the last day of the month of the date of grant.
- 2. 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.
- 3. 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.

By: Alice Myton For: Damon 03/07/2007 <u>Hess</u>

** Signature of Reporting Person

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

- * 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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 Number.