

OMB APPROVAL	
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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* <u>Woodall Neil D.</u>  (Last) (First) (Middle) 224 AIRPORT PARKWAY SUITE 400  (Street) SAN JOSE CA 95110  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>PIXELWORKS, INC [ PXLW ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)  Director 10% Owner  <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>VP DSP Eng. &amp; Chief Architect</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>07/26/2012</u>	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

**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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	07/26/2012		A		8,000	A	(1)	12,548	D	

**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)	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 Securities Underlying Derivative Security (Instr. 3 and 4)	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					
Non-Qualified Stock Option (right to buy)	\$1.13							(2)	10/06/2018	Common Stock	5,000	5,000	D	
Non-Qualified Stock Option (right to buy)	\$2.28							(2)	02/05/2018	Common Stock	2,000	2,000	D	
Non-Qualified Stock Option (right to buy)	\$2.36							(2)	02/09/2018	Common Stock	25,000	25,000	D	
Non-Qualified Stock Option (right to buy)	\$3.26							(2)	07/28/2016	Common Stock	15,000	15,000	D	

**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)	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 Securities Underlying Derivative Security (Instr. 3 and 4)		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)	\$3.38							(2)	09/30/2015	Common Stock	15,000		15,000	D	
Non-Qualified Stock Option (right to buy)	\$6.09							(2)	02/12/2017	Common Stock	2,333		2,333	D	
Non-Qualified Stock Option (right to buy)	\$7.47							(3)	12/04/2013	Common Stock	6,048		6,048	D	
Non-Qualified Stock Option (right to buy)	\$13.95							(4)	02/08/2016	Common Stock	5,333		5,333	D	
Non-Qualified Stock Option (right to buy)	\$21.06							(5)	07/16/2012	Common Stock	13,064		13,064	D	
Non-Qualified Stock Option (right to buy)	\$21.06							(6)	09/23/2013	Common Stock	16,666		16,666	D	
Non-Qualified Stock Option (right to buy)	\$27.45							(5)	07/28/2014	Common Stock	25,000		25,000	D	

**Explanation of Responses:**

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

By: Andrew P. Bates For: Neil D. Woodall 07/30/2012

\*\* Signature of Reporting Person      Date

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.

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