FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

OMB APP	ROVAL								
OMB Number:	3235-0287								
Estimated average b	ourden								
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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

Name and Address of Reporting Person* ALLEY ALLEN H						2. Issuer Name and Ticker or Trading Symbol PIXELWORKS INC [PXLW]									Relationship of Reporting Person(s) to Issuer (Check all applicable) X Director 10% Owner							
(Last) 8100 SV	•	ŕ	(Middle)			3. Date of Earliest Transaction (Month/Day/Year) $07/30/2004$										Officer below)	(give title	Chie	Other (below)	specify		
(Street)	ΓIN O	R !	97062		4. If A	Amer	ndmer	nt, Date	e of Original	Filed	d (Month	/Day/Yo	ear)		Indi ne) X	Form f	iled by One	e Rep	orting Pers	on		
(City)	(S					tive Securities Acquired, Disposed of, or Benefic										Person						
1. Title of	Security (Ins	(First) (Middle) YBERG RD. I OR 97062 (State) (Zip) Table I - Non-Do Eurity (Instr. 3) Table II - Der (Month Date (Month/Day/Year) Exercise ce of invivative Eurity \$0.26 \$16.5		2. Transac	ction	2A. Deemed Execution D		ed Date,	3. Transact Code (In	3. Transaction Code (Instr.		4. Securities Acquired (Disposed Of (D) (Instr. 3 and 5)			A) or 5. Amo Securit Benefic Owned		unt of es ially	6. Ownership Form: Direct (D) or Indirect (I)		7. Nature of Indirect Beneficial Ownership		
Common Stock ⁽¹⁾ 07/3(Code	v	Amoun	it (A) or D)	Price		Followi Reporte Transac (Instr. 3	ed ction(s)	(Insi	tr. 4)	(Instr. 4)		
Common	Title of 2. 3. Transaction 3A. Deemed					ecu	ritie	s Acc	j ⁽²⁾ quired, Di	spc	1,56 sed o		A Benef	\$8.3		<u> </u>	9,868		D			
1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	Date	Executi if any	emed ion Date,	4. Transac Code (Ir	tion	5. Num of Deri Secu Acqu	vative urities uired or oosed 0)	S, Option: 6. Date Exer Expiration I (Month/Day	rcisa Date	ble and	7. Title of Sec Under Deriva (Instr.	and Aurities lying tive Se	curity	t 8.		derivative Ownershi ive Securities Form: y Beneficially Direct (D)		Beneficial Ownership			
					Code	v	(A)	(D)	Date Exercisable		oiration te	Title	or Nu	nount mber Share:								
Incentive Stock Option (right to buy)	\$0.26								(3)	01/	20/2009	Comm		3,750			33,750)	D			
Incentive Stock Option (right to buy)	\$16.5								(4)	01/	02/2012	Comm Stock		,164			7,164		D			
Incentive Stock Option (right to buy)	\$22.063								(5)	01/	02/2011	Comm Stock		9,589			19,589)	D			
Non- Qualified Stock Option (right to buy)	\$7.57								(6)	01/	31/2013	Comm Stock		0,00)		100,00	0	D			
Non- Qualified Stock Option (right to buy)	\$15.41								(7)	03/	09/2014	Comm Stock		0,000			100,00	0	D			
																		10% Owner title Other (specify below) ad Chief Executive roup Filing (Check Applicable One Reporting Person More than One Reporting 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) D 10. Ownership Form: Direct (I) (Instr. 4) D 11. Nature of Indirect Beneficial Ownership (Instr. 4) 12. Ownership Form: Direct (D) or Indirect Beneficial Ownership (Instr. 4) 13. Nature of Indirect Beneficial Ownership (Instr. 4) 14. Ownership Form: Direct (D) or Indirect Beneficial Ownership (Instr. 4) 15. Nature of Indirect Beneficial Ownership (Instr. 4) 16. Ownership Form: Direct (D) or Indirect Beneficial Ownership (Instr. 4) 17. Nature of Indirect Beneficial Ownership (Instr. 4) 18. Nature of Indirect Beneficial Ownership (Instr. 4) 19. Nature of Indirect Beneficial Ownership (Instr. 4) 19. Nature of Indirect Beneficial Ownership (Instr. 4) 19. Nature of Indirect Beneficial Ownership (Instr. 4)				

	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)			. 5. Num			6. Date Exer Expiration D (Month/Day/	ate	of Securi Underlyii	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)	Beneficial Ownership
				Code	v	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Non- Qualified Stock Option (right to buy)	\$16.5							(4)	01/02/2012	Common Stock	92,836		92,836	D	
Non- Qualified Stock Option (right to buy)	\$22.063							(5)	01/02/2011	Common Stock	30,411		30,411	D	

Explanation of Responses:

- 1. The number of Securities Beneficially Owned Following Reported Transactions has been decreased by 50,000 to correct an error on a previous Form 4.
- 2. Shares acquired through Employee Stock Purchase Plan.
- 3. The options become exercisable over a 4-year period which commenced on January 31, 2000, as follows: 8,438 shares exercisable as of January 31, 2000, 703 shares exercisable every month thereafter for 35 months and 707 shares exercisable on January 31, 2003.
- 4. The options become exercisable on a monthly basis over a 4-year period which commenced on January 31, 2002, as follows: 10% exercisable as of January 31, 2003, 20% exercisable as of January 31, 2004, 30% exercisable as of January 31, 2005 and 40% exercisable as of January 31, 2006.
- 5. The options become exercisable on a monthly basis over a 4-year period which commenced on January 31, 2001, as follows: 10% exercisable as of January 31, 2002, 20% exercisable as of January 31, 2003, 30% exercisable as of January 31, 2004 and 40% exercisable as of January 31, 2005.
- 6. The options become exercisable on a monthly basis over a 4-year period which commenced on January 31, 2002, as follows: 10% exercisable as of January 31, 2003, 20% exercisable as of January 31, 2004, 30% exercisable as of January 31, 2005 and 40% exercisable as of January 31, 2006.
- 7. The option becomes exercisable on a monthly basis over a four year period which commences on March 31, 2004 as follows: 10% exercisable as of March 31, 2005, 20% exercisable as of March 31, 2006, 30% exercisable as of March 31, 2007, and 40% exercisable as of March 31, 2008.

By: Michele Javernick For: Allen H Alley 08/02/2004

** 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.

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.