

SEACHANGE INTERNATIONAL INC  
 Form 4  
 July 31, 2006

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 2005  
 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 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 \*  
 Kelly Anthony W

2. Issuer Name and Ticker or Trading Symbol  
 SEACHANGE INTERNATIONAL INC [SEAC]

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)

(Last) (First) (Middle)  
 29 BEAUCHAMP ROAD  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 06/30/2006

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
 Senior Vice President

EAST MOLESEY  
 SURREY, X0 KT8 0PA

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)
Common Stock	06/30/2006		A <sup>(1)</sup>	V Amount \$ 95,581 (D) 6.7	95,581	D	
Common Stock	06/30/2006		A <sup>(1)</sup>	V Amount \$ 29,767 (D) 6.7	29,767	I <sup>(2)</sup>	spouse
Common Stock	06/30/2006		A <sup>(1)</sup>	V Amount \$ 45,333 (D) 6.7	45,333	I <sup>(3)</sup>	son

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

**Persons who respond to the collection of information contained in this form are not required to respond unless the form**

SEC 1474 (9-02)

displays a currently valid OMB control number.

**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 Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned Beneficially (Instr. 5)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Kelly Anthony W 29 BEAUCHAMP ROAD EAST MOLESEY SURREY, X0 KT8 0PA			Senior Vice President	

## Signatures

/s/ Anthony William Kelly  
07/31/2006  
\*\*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) As disclosed in the Company's Form 8-K filed July 6, 2006, on June 30, 2006 the reporting person and his immediate family members as to which indirect ownership is indicated on this Form 4 received 170,681 shares of the Company's common stock as the second earnout payment pursuant to the Agreement for the Sale and Purchase of Share Capital of On Demand Group Limited, dated as of September 23, 2005, by and among the Company, Andrew Thomas Birchall, Anthony William Kelly and certain other stockholders of ODG (as amended, the "Purchase Agreement"). Pursuant to the terms of the Purchase Agreement, the number of shares of the Company's common stock received was based on the five day trading average immediately prior to June 30, 2006, which was \$6.70 per share.
- (2) These shares are owned by Ms. Judith Kelly. Mr. Anthony Kelly disclaims beneficial ownership of these shares.
- (3) These shares are owned by Michael Kelly. Mr. Anthony Kelly disclaims beneficial ownership of these shares.

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.