Bitstream Inc. Form 4 January 11, 2011

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB

OMB APPROVAL

Number:

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Check this box

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

1(b).

(Print or Type Responses)

See Instruction

1. Name and Address of Reporting Person * Columbia Pacific Opportunity Fund, L.P.

> (Last) (First) (Middle)

1910 FAIRVIEW AVENUE EAST, STE 500

(Street)

(State)

(Zin)

2. Issuer Name and Ticker or Trading Symbol

Bitstream Inc. [BITS]

3. Date of Earliest Transaction (Month/Day/Year) 01/07/2011

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_X__ 10% Owner Director __ Other (specify Officer (give title below)

6. Individual or Joint/Group Filing(Check Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting

Seattle, WA 98102-3698

(City)

(City)	(State)	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. Transactic Code (Instr. 8)	4. Securion(A) or D (Instr. 3,	ispose 4 and (A) or	ed of (D)	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)	
Class A Common Stock	01/07/2011		P	139	A	\$ 7.16	1,750,524	D		
Class A Common Stock	01/10/2011		P	700	A	\$ 7.1386	1,751,224	D		
Class A Common Stock	01/11/2011		P	3,100	A	\$ 7.1552	1,754,324	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)

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. Transactio Code (Instr. 8)	5. orNumber of Derivative Securities Acquired (A) or Disposed of (D)	3	ate Year)	7. Title Amour Underl Securit (Instr.	nt of ying	8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Owne Follo Repo Trans (Instr
				Code V	(Instr. 3, 4, and 5) (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

Columbia Pacific Opportunity Fund, L.P. 1910 FAIRVIEW AVENUE EAST STE 500 Seattle, WA 98102-3698

X

Signatures

Alexander B. 01/11/2011 Washburn

**Signature of Reporting Date
Person

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).

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.

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