

PHOENIX TECHNOLOGIES LTD
 Form 4
 September 14, 2006

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

OMB APPROVAL

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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 *
 MARXE AUSTIN W &
 GREENHOUSE DAVID M

(Last) (First) (Middle)

C/O SPECIAL SITUATIONS
 FUNDS, 527 MADISON AVENUE,
 SUITE 2600

(Street)

NEW YORK, NY 10022

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 PHOENIX TECHNOLOGIES LTD
 [PTEC]

3. Date of Earliest Transaction
 (Month/Day/Year)
 09/07/2006

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 ____ Form filed by More than One Reporting Person

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | | (A) or (D) | Price | | |
| Common Stock | 09/07/2006 | | P | 7,700 | \$ 5 | I | By Limited Partnerships |
| Common Stock | 09/07/2006 | | P | 60,749 | \$ 5.0396 | I | By Limited Partnerships |
| Common Stock | 09/08/2006 | | P | 200 | \$ 5 | I | By Limited Partnerships |
| Common Stock | 09/12/2006 | | P | 200 ⁽¹⁾ | \$ 5.03 | I ⁽¹⁾ | By Limited Partnerships ⁽¹⁾ |

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Stock are held by QP, 222,399 shares of Common Stock are held by Cayman, 259,999 shares of Common Stock are held by Tech and 1,513,282 shares of Common Stock are held by Tech II. The interest of Marx and Greenhouse in the shares of Common Stock owned by QP, Cayman, Tech and Tech II is limited to the extent of his pecuniary interest.

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