

CALLAWAY GOLF CO
Form 4
January 16, 2008

FORM 4

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

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 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 *
FELLOWS GEORGE

2. Issuer Name and Ticker or Trading Symbol
CALLAWAY GOLF CO [ELY]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
01/14/2008

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

President and CEO

2180 RUTHERFORD ROAD

(Street)

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

CARLSBAD, CA 92008

(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				(A) or (D) Price	183,558 ⁽¹⁾	D	

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

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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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 Security (Instr. 3 and 4)	8. Amount of Shares Acquired or Disposed of (Instr. 3, 4, and 5)
Non-Qualified Stock Option (right to buy)	\$ 14.92	01/14/2008		A	267,805	(2) 01/14/2018	Common Stock	267,805
Restricted Stock Units	(3)	01/14/2008		A	71,493	(4) (4)	Common Stock	71,493

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
FELLOWS GEORGE 2180 RUTHERFORD ROAD CARLSBAD, CA 92008	X		President and CEO	

Signatures

/s/ Brian P. Lynch Attorney-in-Fact for George Fellows under a Limited Power of Attorney dated August 1, 2005.

01/16/2008

__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) The additional 3,558 shares of common stock acquired by the reporting person since such holdings were last reported reflect exempt acquisitions under the Company's employee stock purchase plan and through dividend reinvestment.

(2) This stock option is scheduled to vest as follows: 89,269 shares on 01/14/2009; 89,268 shares on 01/14/2010; and 89,268 shares on 01/14/2011.

(3) Each restricted stock unit represents a contingent right to receive one share of common stock.

(4) The restricted stock units vest on the third anniversary of the grant date.

The number of restricted stock units owned following the reported transaction includes 74,229 restricted stock units previously granted on January 16, 2007 plus an additional 1,225.82 restricted stock units accrued as a result of dividend equivalent rights paid by the Company.

(5) Of the total number of restricted stock units beneficially owned by the reporting person, 75,454.82 restricted stock units are scheduled to vest on January 16, 2010 and 71,493 restricted stock units are scheduled to vest on January 14, 2011.

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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