

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): December 20, 2004

SEACHANGE INTERNATIONAL, INC.

(Exact Name of Registrant as Specified in its Charter)

DELAWARE

(State or Other Jurisdiction of Incorporation or
Organization)

0-21393

(Commission File Number)

04-3197974

(I.R.S. Employer Identification No.)

124 Acton Street, Maynard, MA

(Address of Principal Executive Offices)

01754

(Zip Code)

Registrant's telephone number including area code: (978) 897-0100

No change since last report

(Former Name or Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions
(see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into a Material Definitive Agreement.

On December 20, 2004, an amendment was entered into with respect to that certain Amended and Restated Subscription and Shareholders' Agreement, by and among The ON Demand Group Limited, SeaChange International, Inc. and the other parties thereto. Pursuant to the terms of the amendment, SeaChange's contingent obligation to provide debt financing to The ON Demand Group Limited pursuant to the terms of the Amended and Restated Subscription and Shareholders' Agreement was terminated. A copy of the amendment is filed herewith as Exhibit 10.1. As previously disclosed in SeaChange's public filings, SeaChange is a stockholder of The ON Demand Group Limited.

Item 1.02. Termination of a Material Definitive Agreement.

See Item 1.01 above.

Item 9.01. Financial Statements and Exhibits**(c) Exhibits**

<u>Exhibit No.</u>	<u>Description</u>
10.1	Variation Agreement, dated as of December 20, 2004, to that certain Subscription and Shareholders' Agreement, dated as of October 16, 2003, by and among the ON Demand Group Limited, SeaChange International, Inc. and the other parties set forth on the signature pages thereto

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

SEACHANGE INTERNATIONAL, INC.

By: /s/ William L. Fiedler

William L. Fiedler
Chief Financial Officer, Treasurer, Secretary
and Senior Vice President, Finance and Administration

Dated: December 23, 2004

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
10.1	Variation Agreement, dated as of December 20, 2004, to that certain Subscription and Shareholders' Agreement, dated as of October 16, 2003, by and among the ON Demand Group Limited, SeaChange International, Inc. and the other parties set forth on the signature pages thereto

20 DECEMBER 2004

ON DEMAND GROUP LIMITED
ANTHONY KELLY, ANDREW BIRCHALL AND OTHERS
SEACHANGE INTERNATIONAL, INC.

VARIATION AGREEMENT
IN RELATION TO THE
SUBSCRIPTION AND SHAREHOLDERS AGREEMENT

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THIS AGREEMENT is made on 20 December 2004

BETWEEN:

- (1) **ON DEMAND GROUP LIMITED**, a company incorporated in England and Wales (registered no. 4094951), whose registered office is at 253 Grays Inn Road, London WC1X 8QT (the “**Company**”);
- (2) **THE PERSONS** whose names and addresses are set out in Schedule 1 (the “**Existing Shareholders**” and each an “**Existing Shareholder**”); and
- (3) **SEACHANGE INTERNATIONAL, INC.**, a company incorporated under the laws of the state of Massachusetts whose registered office is at 124 Acton Street, Maynard, MA 01754, USA (the “**Investor**”).

WHEREAS:

- (A) The parties have entered into an Amended and Restated Subscription and Shareholders Agreement (the “**Shareholders Agreement**”) dated 16 October 2003.
- (B) The parties wish to vary the terms of the Shareholders Agreement.
- (C) Save as set out herein, the parties wish the Shareholders Agreement to remain in full force and effect.

IT IS AGREED as follows:

1. **INTERPRETATION**

Words and phrases defined in the Shareholders Agreement shall have the same meanings in this Agreement and this Agreement shall be interpreted in accordance with clause 1 of the Shareholders Agreement.

2. **Variation of the shareholders Agreement**

The parties agree that the Shareholders Agreement shall from the date of this Agreement be amended such that Section 4 (Loans) is of no further force and effect.

3. **CONSTRUCTION**

Subject to the amendments set out in this Agreement the Shareholders Agreement shall remain in full force and effect and shall be read and construed as supplemented and amended by this Agreement.

4. **COUNTERPARTS**

- 4.1 This Agreement may be executed in any number of counterparts, and by the parties on separate counterparts, but shall not be effective until each party has executed at least one counterpart.
- 4.2 Each counterpart shall constitute an original of this Agreement, but the counterparts shall together constitute but one and the same instrument.

5. **GOVERNING LAW**

This Agreement is governed by, and shall be construed in accordance with, English law.

6. **JURISDICTION**

- 6.1 Each party agrees that the courts of England are to have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement. Any proceeding, suit or action arising out of or in connection with this Agreement (“**Proceedings**”) must therefore be brought in the English courts. Each party agrees that this jurisdiction agreement is irrevocable and that it is for the benefit of each of the other parties.
- 6.2 Each party irrevocably waives (and irrevocably agrees not to raise) any objection, on the ground of forum non conveniens or on any other ground, to the taking of Proceedings in any court referred to in this clause. Each party also irrevocably agrees that a judgement against it in Proceedings brought in any jurisdiction referred to in this clause shall be conclusive and binding upon it and may be enforced in any other jurisdiction.

IN WITNESS OF WHICH this Agreement has been executed by the parties on the above date.

SCHEDULE 1

THE EXISTING SHAREHOLDERS

Name and Address:

Andrew Birchall
Weir Water,
Admirals Bridge Lane,
East Grinstead,
RH19 4NN

Annabelle Birchall
Weir Water,
Admirals Bridge Lane,
East Grinstead,
RH19 4NN

Anthony Kelly
29 Beauchamp Road,
East Molesey,
KT8 0PA

Judith Kelly
29 Beauchamp Road,
East Molesey,
KT8 0PA

Michael Kelly
Threeways,
Tranwell Woods,
Morpeh,
NE61 6AQ

EXECUTED by the parties:

Signed by
Anthony Kelly
for and on behalf of
On Demand Group Limited

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)
)

/s/ Anthony Kelly

Signed by
Andrew Birchall

)
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/s/ Andrew Birchall

Signed by
Annabelle Birchall

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/s/ Annabelle Birchall

Signed by
Anthony Kelly

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)

/s/ Anthony Kelly

Signed by
Judith Kelly

)
)

/s/ Judith Kelly

Signed by
Michael Kelly

)
)

/s/ Michael Kelly

Signed by
William L Fiedler
for and on behalf of
SeaChange International Inc.

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)
)

/s/ William L. Fiedler