March 23, 2007

Mr. Ronald J. Fior Chief Financial Officer and Vice President, Finance Callidus Software Inc. 160 West Santa Clara Street, Suite 1500 San Jose, CA 95113

Re: Callidus Software Inc.

Form 10-K for Fiscal Year Ended December 31, 2005

File No. 000-50463

Dear Mr. Fior:

We have completed our review of your Form 10-K for the year ended December 31, 2005 and have no further comments at this time.

Very truly yours,

Mark Kronforst Accounting Branch Chief