

ITERIS, INC.
Form 4
February 22, 2007

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 *
RILEY BRYANT R

(Last) (First) (Middle)

11100 SANTA MONICA BLVD
STE 810,

(Street)

LOS ANGELES, CA 90025

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
ITERIS, INC. [ITI]

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

02/21/2007

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

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

___ Form filed by One Reporting Person
X 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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V Amount (A) or (D) Price | | | |
| Common Stock | 02/21/2007 | | P | 3,301 A \$ 2.4 | 2,963,783 | I | Footnote (1) |
| Common Stock | | | | | 41,667 | I | Footnote (2) |
| Common Stock | | | | | 50,000 | I | Footnote (3) |
| Common Stock | | | | | 33,333 | D (4) | |

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

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(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. 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 Securities (Instr. 3 and 4) | 8. Amount or Number of Shares | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Warrant to Purchase Common Stock | \$ 3.86 | | | | | 05/19/2004 | 05/18/2009 | Common Stock | 80,875 |
| Warrant to Purchase Common Stock | \$ 4.03 | | | | | 05/19/2004 | 05/18/2009 | Common Stock | 77,505 |
| Warrant to Purchase Common Stock | \$ 3.61 | | | | | 05/19/2004 | 05/18/2009 | Common Stock | 15,506 |
| Warrant to Purchase Common Stock | \$ 3.86 | | | | | 05/19/2004 | 05/18/2009 | Common Stock | 21,998 |
| Warrant to Purchase Common Stock | \$ 4.03 | | | | | 05/19/2004 | 05/18/2009 | Common Stock | 21,081 |
| 6% Convertible Debenture | \$ 3.61 | | | | | 05/19/2004 | 05/19/2009 | Common Stock | 88,644 (6) |
| Warrant to Purchase Common Stock | \$ 3.86 | | | | | 05/19/2004 | 05/18/2009 | Common Stock | 10,352 |

Stock

Warrant to

Purchase \$ 4.03

Common
Stock

05/19/2004 05/18/2009 Common Stock 9,920

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| RILEY BRYANT R 11100 SANTA MONICA BLVD STE 810 LOS ANGELES, CA 90025 | | X | | |
| Riley Investment Management LLC 11100 SANTA MONICA BLVD. SUITE 810 LOS ANGELES, CA 90025 | | X | | |
| Riley Investment Partners Master Fund, L.P. 11100 SANTA MONICA BOULEVARD SUITE 810 LOS ANGELES, CA 90025 | | X | | |

Signatures

/s/ Bryant Riley 02/22/2007

**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) Sole equity owner of Riley Investment Management LLC, General Partner of Riley Investment Partners Master Fund, L.P.
- (2) Bryant Riley, as controlling shareholder of B. Riley and Co. Inc.
- (3) Bryant Riley, as trustee of the B. Riley & Co. Retirement Trust
- (4) Bryant Riley, as holder of a joint account with his spouse.
- (5) Bryant Riley, as custodian for his children. Reporting Persons disclaim beneficial ownership of these securities.
- (6) As converted to common stock basis.

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.