

INSTEEL INDUSTRIES INC
Form 5
October 25, 2007

FORM 5

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

OMB APPROVAL

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Form 3 Holdings Reported Form 4 Transactions Reported

ANNUAL 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

1. Name and Address of Reporting Person *
VAUGHN RICHARD C

(Last) (First) (Middle)

1373 BOGGS DR

(Street)

MT AIRY, NC 27030

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
INSTEEL INDUSTRIES INC [IIN]

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)
09/29/2007

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Reporting

(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 at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
Common Stock	12/06/2006	^	G	5,017 D \$ 0	31,269	D	^
Common Stock	06/06/2007	^	G	5,477 D \$ 0	27,720	D	^
Common Stock	^	^	^	^ ^ ^ ^	2,345	I	Restricted

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

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