

**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**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934  
 or Section 30(h) of the Investment Company Act of 1940

|   |  |   |
|---|--|---|
| <b>1. Name and Address of Reporting Person*</b><br><u>RILEY BRYANT R</u><br><br>(Last) (First) (Middle)<br><u>11100 SANTA MONICA BLVD., SUITE 810</u><br><br>(Street)<br><u>LOS ANGELES CA US 90025</u><br><br>(City) (State) (Zip) | <b>2. Issuer Name and Ticker or Trading Symbol</b><br><u>ITERIS, INC. [ ITI ]</u><br><br><b>3. Date of Earliest Transaction (Month/Day/Year)</b><br><u>03/30/2007</u><br><br><b>4. If Amendment, Date of Original Filed (Month/Day/Year)</b> | <b>5. Relationship of Reporting Person(s) to Issuer</b><br>(Check all applicable)<br>Director <input checked="" type="checkbox"/> 10% Owner<br>Officer (give title below) Other (specify below)<br><br><b>6. Individual or Joint/Group Filing (Check Applicable Line)</b><br>Form filed by One Reporting Person<br><input checked="" type="checkbox"/> 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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|--------|------------|---|--|-----------|---|--|---|
|                                 |                                      |  | Code                           | V | Amount | (A) or (D) | Price   |  |           |   |  |   |
| Common Stock                    | 03/30/2007                           |  | P                              |   | 9,330  | A          | \$2.3   |  | 2,973,113 | I   |  | Footnote 1 <sup>(1)</sup>                             |
| Common Stock                    |                                      |  |                                |   |        |            |   |  | 41,667    | I   |  | Footnote 2 <sup>(2)</sup>                             |
| Common Stock                    |                                      |  |                                |   |        |            |   |  | 50,000    | I   |  | Footnote 3 <sup>(3)</sup>                             |
| Common Stock                    |                                      |  |                                |   |        |            |   |  | 33,333    | I   |  | Footnote 4 <sup>(4)</sup>                             |

**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 Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|--------------------------------------|--|--------------------------------|--|---|-----|-----|--|-----------------|---|--|--|---|--|
|  |  |                                      |  |                                | Code   | V | (A) | (D) | Date Exercisable   | Expiration Date |   |  |  |   |  |
| Warrant to Purchase Common Stock           | \$3.86   |                                      |  |                                |  |   |     |     | 05/19/2004   | 05/18/2009      | Common Stock  | 80,875                                     | 80,875   | I   | Footnote 1 <sup>(1)</sup>                              |
| Warrant to Purchase Common Stock           | \$4.03   |                                      |  |                                |  |   |     |     | 05/19/2004   | 05/18/2009      | Common Stock  | 77,505                                     | 77,505   | I   | Footnote 1 <sup>(1)</sup>                              |
| Warrant to Purchase Common Stock           | \$3.61   |                                      |  |                                |  |   |     |     | 05/19/2004   | 05/18/2009      | Common Stock  | 15,506                                     | 15,506   | I   | Footnote 2 <sup>(2)</sup>                              |
| Warrant to Purchase Common Stock           | \$3.86   |                                      |  |                                |  |   |     |     | 05/19/2004   | 05/18/2009      | Common Stock  | 21,998                                     | 21,998   | D <sup>(4)</sup>  |  |
| Warrant to Purchase Common Stock           | \$4.03   |                                      |  |                                |  |   |     |     | 05/19/2004   | 05/18/2009      | Common Stock  | 21,081                                     | 21,081   | D <sup>(4)</sup>  |  |

**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 Securities Underlying Derivative Security (Instr. 3 and 4) |                            | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----|--|-----------------|---|----------------------------|--|--|---|--|
|  |  |                                      |  | Code                           | V | (A)  | (D) | Date Exercisable   | Expiration Date | Title   | Amount or Number of Shares |  |  |   |  |
|  |  |                                      |  |                                |   |  |     |  |                 |   |                            |  |  |   |  |
| 6% Convertible Debenture                   | \$3.61   |                                      |  |                                |   |  |     | 05/19/2004   | 05/19/2009      | Common Stock  | 88,644                     |  | 88,644 <sup>(6)</sup>  | I   | Footnote 5 <sup>(5)</sup>                              |
| Warrant to Purchase Common Stock           | \$3.86   |                                      |  |                                |   |  |     | 05/19/2004   | 05/18/2009      | Common Stock  | 10,352                     |  | 10,352   | I   | Footnote 5 <sup>(5)</sup>                              |
| Warrant to Purchase Common Stock           | \$4.03   |                                      |  |                                |   |  |     | 05/19/2004   | 05/18/2009      | Common Stock  | 9,920                      |  | 9,920  | I   | Footnote 5 <sup>(5)</sup>                              |

1. Name and Address of Reporting Person \*

[RILEY BRYANT R](#)

(Last) (First) (Middle)

11100 SANTA MONICA BLVD., SUITE 810

(Street)

LOS ANGELES CA US 90025

(City) (State) (Zip)

1. Name and Address of Reporting Person \*

[Riley Investment Partners Master Fund, L.P.](#)

(Last) (First) (Middle)

11100 SANTA MONICA BLVD., SUITE 810

(Street)

LOS ANGELES CA US 90025

(City) (State) (Zip)

1. Name and Address of Reporting Person \*

[Riley Investment Management LLC](#)

(Last) (First) (Middle)

11100 SANTA MONICA BLVD., SUITE 810

(Street)

LOS ANGELES CA US 90025

(City) (State) (Zip)

**Explanation of Responses:**

- Sole equity owner of Riley Investment Management, LLC, General Partner of Riley Investment Partners Master Fund, L.P.
- Bryant Riley, as controlling shareholder of B. Riley and Co. Inc.
- Bryant Riley, as trustee of the B. Riley and Co. Retirement Trust.
- 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.

/s/ Bryant Riley

04/03/2007

\*\* Signature of Reporting Person      Date

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

\* 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).

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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