

ITERIS, INC.
Form 4
February 23, 2007

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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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 *
MCKHANN GREG

(Last) (First) (Middle)
1515 S. MANCHESTER AVE
(Street)

ANAHEIM, CA 92802

(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 ___ 10% Owner
 Officer (give title below) ___ Other (specify below)
Vice President

6. Individual or Joint/Group Filing(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 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 | | X | | 6,250 A \$ 0.54 | 48,300 | D |
| Common Stock | 02/21/2007 | | S | | 1,350 (1) D \$ 2.48 | 46,950 | D |
| Common Stock | 02/21/2007 | | S | | 1,200 (1) D \$ 2.46 | 45,750 | D |
| Common Stock | 02/21/2007 | | S | | 100 (1) D \$ 2.4 | 45,650 | D |
| Common Stock | 02/21/2007 | | S | | 3,100 (1) D \$ 2.45 | 42,550 | D |

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- (1) The sale was effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person dated November 29, 2006
- (2) The option shall become exercisable for the option shares in a series of four successive equal annual installments measured from the vesting commencement date.

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