

ITERIS, INC.
Form SC 13G
August 06, 2008

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

**SCHEDULE 13G
(Rule 13d-102)
INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO RULES 13d-1(b) (c) AND (d) AND AMENDMENTS THERETO FILED
PURSUANT TO RULE 13d-2(b)
(Amendment No. __)*
Iteris, Inc.**

(Name of Issuer)
Common Stock

(Title of Class of Securities)
46564T107

(CUSIP Number)
July 30, 2008

(Date of Event which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

- Rule 13d-1(b)
- Rule 13d-1(c)
- Rule 13d-1(d)

Page 1 of 5

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 (Act) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No. 46564T107

SCHEDULE 13 G

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1 NAME OF REPORTING PERSON
Lloyd I. Miller, III

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP *

2
(a)
(b)

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION
United States

5 SOLE VOTING POWER
NUMBER OF 1,187,899

6 SHARED VOTING POWER
SHARES BENEFICIALLY OWNED BY 688,969

7 SOLE DISPOSITIVE POWER
EACH REPORTING PERSON 1,187,899

8 SHARED DISPOSITIVE POWER
WITH 688,969

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,876,868

* The shares reported herein consist of (i) 315,261 shares of common stock; (ii) \$5,180,000.00 face

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amount of 6% Convertible Debentures due May 18, 2009 convertible into common stock with a conversion price of \$3.61 per share and (iii) 126,704 warrants to purchase common stock at an exercise price of either \$3.86 per share or \$4.03 per share

CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES *

10

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

11

5.3%

TYPE OF REPORTING PERSON

12

IN-IA-OO **

* SEE INSTRUCTIONS BEFORE FILLING OUT!

** See Item 4

Item 1(a). Name of Issuer: Iteris, Inc.

Item 1(b). Address of Issuer's Principal Executive Offices: 1700 Carnegie Avenue
Suite 100
Santa Ana, CA 92705

Item 2(a). Name of Person Filing: Lloyd I. Miller, III

Item 2(b). Address of Principal Business Office or, if None, Residence: 4550 Gordon Drive, Naples, Florida
34102

Item 2(c). Citizenship: U.S.A.

Item 2(d). Title of Class of Securities: Common Stock

Item 2(e). CUSIP Number: 46564T107

Item 3. IF THIS STATEMENT IS FILED PURSUANT TO RULE 13d-1(b) OR 13d-2(b) or (c), CHECK WHETHER THE PERSON FILING IS A:

Not Applicable, this statement is filed pursuant to 13d-1(c)

Item 4. OWNERSHIP: The reporting person has shared dispositive and voting power with respect to 688,969 shares of the reported securities as an investment advisor to the trustee of certain family trusts. The reporting person has sole dispositive and voting power with respect to 1,187,899 of the reported securities as (i) a manager of a limited liability company that is the general partner of certain limited partnerships and (ii) an individual. Of the 1,876,868 reported securities herein, such amount takes into account the conversion into common stock of 6% Convertible Debentures due May 18, 2009 issued by the Issuer pursuant to that certain Debenture and Warrant Purchase Agreement dated May 19, 2004 (the Debenture and Warrant Purchase Agreement) and certain warrants to purchase common stock with an expiration date of May 18, 2009 issued pursuant to the Debenture and Warrant Purchase Agreement. The reporting person beneficially owns (i) \$5,180,000.00 face amount of 6% Convertible Debentures due May 18, 2009 issued pursuant to the Debenture and Warrant Purchase Agreement and (ii) rights to purchase 126,704 of the Issuer's common stock pursuant to certain warrants that were issued in connection with the Debenture and Warrant Purchase Agreement.

(a) 1,876,868

(b) 5.3%

(c) (i) sole voting power: 1,187,899
(ii) shared voting power: 688,969

(iii) sole dispositive power: 1,187,899

(iv) shared dispositive power: 688,969

Item 5. OWNERSHIP OF FIVE PERCENT OR LESS OF A CLASS:

Not Applicable

Item 6. OWNERSHIP OF MORE THAN FIVE PERCENT ON BEHALF OF ANOTHER PERSON:

Other than shares held directly by Lloyd I. Miller, III, persons other than Lloyd I. Miller, III have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, the reported securities.

Item 7. IDENTIFICATION AND CLASSIFICATION OF THE SUBSIDIARY WHICH ACQUIRED THE SECURITY BEING REPORTED ON BY THE PARENT HOLDING COMPANY:

Not Applicable

Item 8. IDENTIFICATION AND CLASSIFICATION OF MEMBERS OF THE GROUP:

Not Applicable

Item 9. NOTICE OF DISSOLUTION OF GROUP:

Not Applicable

Item 10. CERTIFICATION:

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: August 6, 2008

/s/ Lloyd I. Miller, III

Lloyd I. Miller, III