

Edgar Filing: ITERIS HOLDINGS INC - Form SC 13D/A

Austin W. Marxe and David M. Greenhouse

2. Check the Appropriate Box if a Member of a Group (See Instructions):
- (a) Not Applicable
- (b)
3. SEC Use Only
4. Source of Funds (See Instructions): 00
5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e):
- Not Applicable
6. Citizenship or Place of Organization: United States
- Number of Shares Beneficially Owned by Each Reporting Person With 4,930,253*
7. Sole Voting Power: 0*
8. Shared Voting Power:
9. Sole Dispositive Power: 0*
10. Shared Dispositive Power:
11. Aggregate Amount Beneficially Owned by Each Reporting Person: 4,930,253 *
12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions): Not Applicable
13. Percent of Class Represented by Amount in Row (11): 21.9% *
14. Type of Reporting Person (See Instructions): IA, IN

* This is a joint filing by Austin W. Marxe (?Marxe?) and David M. Greenhouse (?Greenhouse?). Marxe and Greenhouse share sole voting and investment power over 632,853 shares of Common Stock and 208,300 Warrants owned by Special Situations Cayman Fund, L.P., 2,120,250 shares of Common Stock and 708,350 Warrants owned by Special Situations Fund III, L.P., and 927,150 shares of Common Stock and 333,350 Warrants owned by Special Situations Private Equity Fund, L.P., See Items 2 and 5 of this Schedule 13D for additional information.

Item 1. Security and Issuer.

This schedule related to the common stock and warrants of Iteris Holdings, Inc. (the ?Issuer?). The Issuer?s principal executive officers are located at 1515 South Manchester Avenue, Anaheim, CA 92802.

Item 2. Identity and Background.

The persons filing this report are Austin W. Marxe (?Marxe?) and David M. Greenhouse (?Greenhouse?), who are the controlling principals of AWM Investment Company, Inc. (?AWM?), the general partner of and investment adviser to Special Situations Cayman Fund, L.P. (?Cayman?). AWM also serves as the general partner of MGP Advisers Limited Partnership (?MGP?), the general partner of and investment adviser to Special Situations Fund III, L.P. (?SSF3?). Marxe and Greenhouse are

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also members of MG Advisers L.L.C. (?MG?), the general partner of and investment adviser to Special Situations Private Equity Fund, L.P. (?SSPE?). (SSF3, Cayman and SSPE will hereafter be referred to as, the ?Funds?).

The principal office and business address of the Reporting Persons, is 153 East 53rd Street, 55th Floor, New York NY 10022.

The principal business of each Fund is to invest in equity and equity-related securities and other securities of any kind or nature.

Mr. Marxe and Mr. Greenhouse have never been convicted in any criminal proceeding (excluding traffic violations or similar misdemeanors), nor have either of them been a party to any civil proceeding commenced before a judicial or administrative body of competent jurisdiction as a result of which he was or is now subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws. Mr. Marxe and Mr. Greenhouse are citizens of the United States.

Item 3. Source and Amount of Funds or Other Consideration.

Each Fund utilized its own available net assets to purchase the securities referred to in this Schedule.

Item 4. Purpose of Transaction.

The securities referred to in this Schedule have been acquired by each of the Funds for investment purposes and not with the purpose or effect of changing or influencing control of the Issuer. Each Fund acquired the securities in the ordinary course of business and is holding the securities for the benefit of its investors.

Item 5. Interest in Securities of the Issuer.

Cayman owns 632,853 shares of Common Stock and 208,300 Warrants, or 3.9% of the shares outstanding, SSF3 owns 2,120,250 shares of Common Stock and 708,350 Warrants, or 12.9% of the shares outstanding and SSPE owns 927,150 shares of Common Stock and 333,350 Warrants, or 5.8% of the outstanding shares. Messrs. Marxe and Greenhouse share the power to vote and direct the disposition of all shares of Common Stock owned by each of, the Funds. Messrs. Marxe and Greenhouse are deemed to beneficially own a total of 3,680,253 shares of Common Stock and 1,250,000 Warrants or 21.9% of the outstanding shares.

The following table reflects the acquisitions and dispositions by each of the Funds during the sixty days preceding the date of the event that requires the filing of this statement (each of which were effected in ordinary brokers transactions):

A. Special Situations Cayman Fund, L.P.

Date	Quantity	Average Price
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(Purchases)

During March 2004
From warrants
208,300
\$1.35
Exercise price

Date
Quantity
Average Price

(Sales)

During February 2004
10,000
\$3.48
During March 2004
58,000
\$3.49
During March 2004
(exercised wts)
208,300 wts

B. Special Situations Private Equity Fund, L.P.

Date
Quantity
Average Price

(Purchases)

During March 2004
From warrants
333,350
\$1.35
Exercise price

Date

Quantity

Average Price

(Sales)

During February 2004
13,300
\$3.48
During March 2004
84,000
\$3.49
During March 2004
(exercised wts)
333,350 wts

C. Special Situations Fund III, L.P.

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Date
Quantity
Average Price

(Purchases)

During March 2004
From warrants
708,350
\$1.35
Exercise price

Date

Quantity

Average Price

(Sales)

During February 2004
29,200
\$3.48
During March 2004
188,500
\$3.51
During March 2004
(exercised wts)
708,350 wts

Item 6. Contracts, Arrangements, Understandings or Relationships
With Respect to Securities of the Issuer.

No contracts, arrangements, understandings or similar
relationships exist with respect to the securities of the Company
between Messrs. Marxe and Greenhouse and any other individual or entity.

Item 7. Material to be Filed as Exhibits.

Joint Filing Agreement.

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.

April 8, 2004

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/s/_Austin W. Marxe
Austin W. Marxe

/s/_David M. Greenhouse
David M. Greenhouse

Attention: Intentional misstatements or omissions of fact constitute
Federal criminal violations (See 18 U.S.C. 1001).

JOINT FILING AGREEMENT

Austin W. Marxe and David M. Greenhouse hereby agree that the
Schedule 13D to which this agreement is attached is filed on behalf of
each of them.

/s/_Austin W. Marxe
Austin W. Marxe

/s/_David M. Greenhouse
David M. Greenhouse

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