

INSTEEL INDUSTRIES INC
 Form 4
 February 20, 2008

FORM 4

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

OMB APPROVAL

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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 *
WOLTZ H O III

(Last) (First) (Middle)
 1373 BOGGS DRIVE
 (Street)

MOUNT AIRY, NC 27030

(City) (State) (Zip)

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

3. Date of Earliest Transaction
 (Month/Day/Year)
 02/19/2008

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)
 President and CEO

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 Indirect Beneficial Ownership (Instr. 4)
				(A) or (D)	Price		
				Code	V	Amount	
Common Stock	11/12/2007		G	V	4,360	D	\$ 0 430,071 D
Common Stock	11/14/2007		G	V	900	D	\$ 0 429,171 D
Common Stock	11/14/2007		G	V	450	D	\$ 0 428,721 D
Common Stock	01/22/2008		G	V	1,500	A	\$ 0 430,221 D
Common Stock	01/22/2008		G	V	4,500	A	\$ 0 82,419 I Custodial Account

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Common Stock	02/19/2008		A	13,452	A	\$ 0	57,133.1128	I	Restricted
Common Stock	11/12/2007		G V	3,270	A	\$ 0	3,270	I	by Children

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

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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 Underlying Security (Instr. 3 and 4)	8. Amount or Number of Shares
Incentive Stock Option (right to buy)	\$ 11.15	02/19/2008 ⁽¹⁾		A	28,791	⁽¹⁾ 02/19/2018	Common Stock	28,791
Incentive Stock Option (right to buy)	\$ 6.89					07/26/2006 07/26/2015	Common Stock	11,111
Incentive Stock Option (right to buy)	\$ 9.12					⁽¹⁾ 03/04/2015	Common Stock	17,111
Incentive Stock Option (right to buy)	\$ 15.64					02/14/2007 02/14/2016	Common Stock	5,111
Incentive Stock Option (right to buy)	\$ 17.11					⁽¹⁾ 02/13/2017	Common Stock	5,111
Incentive Stock Option (right to buy)	\$ 20.26					08/14/2007 08/14/2016	Common Stock	2,111
Incentive Stock Option (right to buy)	\$ 20.27					⁽¹⁾ 08/13/2017	Common Stock	8,111

Non-Qualified Stock Option (right to buy)	\$ 15.64	02/14/2007	02/14/2016	Common Stock	3,
Non-Qualified Stock Option (right to buy)	\$ 17.11	<u>(1)</u>	02/13/2017	Common Stock	9,
Non-Qualified Stock Option (right to buy)	\$ 20.26	08/14/2007	08/14/2016	Common Stock	4,
Non-Qualified Stock Option (right to buy)	\$ 20.27	<u>(1)</u>	08/13/2017	Common Stock	10

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
WOLTZ H O III 1373 BOGGS DRIVE MOUNT AIRY, NC 27030	X		President and CEO	

Signatures

By: James F. Petelle For: H. O. Woltz III
Date: 02/20/2008

__Signature of Reporting Person

Date

Explanation of Responses:

* 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).

(1) options vest 1/3 annually beginning 1 year from grant date

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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