

IMAGE SENSING SYSTEMS INC
Form SC 13G
February 10, 2004

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

SCHEDULE 13G

**Under the Securities Exchange Act of 1934
(Amendment No.)***

Image Sensing Systems, Inc.

(Name of Issuer)

Common Stock, \$.01 par value

(Title of Class of Securities)

45244C 10 4

(CUSIP Number)

December 31, 2003

(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)

*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 the disclosures provided in a prior cover page.

Edgar Filing: IMAGE SENSING SYSTEMS INC - Form SC 13G

The information required in 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. 45244C 10 4

1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only)
 Walrus Partners, L.L.C.
 41-1863369

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)

(b)

3. SEC Use Only

4. Citizenship or Place of Organization
 Minnesota

Number of
 Shares
 Beneficially
 Owned by
 Each
 Reporting
 Person With

5. Sole Voting Power
 172,740

6. Shared Voting Power
 0

7. Sole Dispositive Power
 172,740

8. Shared Dispositive Power
 0

9. Aggregate Amount Beneficially Owned by Each Reporting Person
 172,740

10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)

11. Percent of Class Represented by Amount in Row (9)
 5.33%

12. Type of Reporting Person (See Instructions)
 IA

Item 1.

- (a) Name of Issuer
The name of the issuer is Image Sensing Systems, Inc.
- (b) Address of Issuer's Principal Executive Offices
The address of the principal executive offices of the Issuer is:
500 Spruce Tree Centre
1600 University Ave. W.
St. Paul, MN 55104

Item 2.

- (a) Name of Person Filing
This statement is being filed by Walrus Partners, L.L.C.
- (b) Address of Principal Business Office or, if none, Residence
The principal address of the Reporting Persons is:
8014 Olson Memorial, #232
Golden Valley, MN 55427
- (c) Citizenship
Minnesota
- (d) Title of Class of Securities
Common Stock, \$.01 par value
- (e) CUSIP Number
45244C 10 4

Item 3.

- If this statement is filed pursuant to §§240.13d-1(b) or 240.13d-2(b) or (c), check whether the person filing is a:**
- (a) Broker or dealer registered under section 15 of the Act (15 U.S.C. 78o).
 - (b) Bank as defined in section 3(a)(6) of the Act (15 U.S.C. 78c).
 - (c) Insurance company as defined in section 3(a)(19) of the Act (15 U.S.C. 78c).
 - (d) Investment company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C 80a-8).
 - (e) An investment adviser in accordance with §240.13d-1(b)(1)(ii)(E);
 - (f) An employee benefit plan or endowment fund in accordance with §240.13d-1(b)(1)(ii)(F);
 - (g) A parent holding company or control person in accordance with § 240.13d-1(b)(1)(ii)(G);
 - (h) A savings associations as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813);
 - (i) A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3);
 - (j) Group, in accordance with §240.13d-1(b)(1)(ii)(J).

Item 4. Ownership

Provide the following information regarding the aggregate number and percentage of the class of securities of the issuer identified in Item 1.

- (a) Amount beneficially owned:

172,740.
- (b) Percent of class:

5.33% based upon 3,240,677 shares of the Issuer outstanding as of October 16, 2003 as reported in its Quarterly Report on Form 10-QSB for the quarter ended September 30, 2003.
- (c) Number of shares as to which the person has:
 - (i) Sole power to vote or to direct the vote
 - (ii) 172,740
Shared power to vote or to direct the vote
 - (iii) 0
Sole power to dispose or to direct the disposition of
 - (iv) 172,740
Shared power to dispose or to direct the disposition of
 - 0

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
Walrus Partners, L.L.C. (Walrus) is an investment adviser registered with the State of Minnesota and as such, it may be deemed to possess sole voting and dispositive power over the securities of the Issuer described in this Schedule 13G held by its investment advisory clients. However, all securities reported in this schedule are owned by Walrus clients. Not more than 5% of the common stock of the Issuer is beneficially owned by any one client whom Walrus advises. Walrus disclaims beneficial ownership of any securities held by its investment advisory clients.

Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company or Control Person
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 acquired and are held in the ordinary course of business and 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.

February 9, 2004

Date

WALRUS PARTNERS, L.L.C.

/s/ R. Russell Last

Signature

R. Russell Last/President

Name/Title