VITAL IMAGES INC
Form 4
November 07, 2007

FORM 4

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

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person *
MORGAN STANLEY

(Last) (First) (Middle)

1585 BROADWAY

(Street)

NEW YORK, NY 10036

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
VITAL IMAGES INC [VTAL]

3. Date of Earliest Transaction (Month/Day/Year)
09/12/2007

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director __X__ 10% Owner
_____ Officer (give title below) _____ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ 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)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	09/12/2007		P		7,170	A	$ 19.35	1,724,410	I	By Subsidiary (1)
Common Stock	09/14/2007		P		8,168	A	$ 19.29	1,732,578	I	By Subsidiary (1)
Common Stock	09/17/2007		P		27,197	A	$ 19.06	1,759,775	I	By Subsidiary (1)
Common Stock	09/17/2007		P		40,000	A	$ 19.17	1,799,775	I	By Subsidiary (1)

Common Stock	09/18/2007		P	10,000	A	$ 18.91	1,809,775	I	By Subsidiary (1)
Common Stock	09/20/2007		P	4,923	A	$ 18.95	1,814,698	I	By Subsidiary (1)
Common Stock	09/20/2007		P	10,000	A	$ 19	1,824,698	I	By Subsidiary (1)
Common Stock	10/01/2007		S	16,700	D	$ 19.83	1,807,998	I	By Subsidiary (1)
Common Stock	10/01/2007		P	38,500	A	$ 19.86	1,846,498	I	By Subsidiary (1)

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 Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Owne Follo Repo Trans (Instr
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MORGAN STANLEY 1585 BROADWAY NEW YORK, NY 10036		X		

Signatures

/s/ Dennine Bullard, Authorized Signatory	11/07/2007
**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) The reported securities are held directly by certain funds (each, a "Fund" and collectively, the "Funds") managed by indirect subsidiaries of the reporting person. Frontpoint Partners LLC, an [indirect] wholly owned subsidiary of the reporting person ("FPP") is the parent company of each entity that is the investment manager of one or more of the Funds. This form is filed without prejudice to the reporting person's position that none of the Funds nor FPP or any of its subsidiaries, nor the reporting person, individually or in aggregate, are required to file beneficial ownership reports under Section 16(a) of the Securities Exchange Act of 1934, and should not be construed or interpreted as a concession or admission that such reports are required.

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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