

<b>OMB APPROVAL</b>	
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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

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

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <b>MORGAN JAMES B</b>  (Last) (First) (Middle) <b>331 32ND AVENUE</b> <b>PO BOX 5128</b>  (Street) <b>BROOKINGS SD 57006</b>  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <b>DAKTRONICS INC /SD/ [ DAKT ]</b>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <b>CEO &amp; President</b>
	3. Date of Earliest Transaction (Month/Day/Year) <b>09/20/2006</b>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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			
Daktronics, Inc. Zero Par Value Common Stock	09/20/2006		M		64,000	A	\$1.5313	1,490,890	D	
Daktronics, Inc. Zero Par Value Common Stock	09/20/2006		M		32,000	A	\$2.5625	1,522,890	D	
Daktronics, Inc. Zero Par Value Common Stock								2,320	I	By Child A
Daktronics, Inc. Zero Par Value Common Stock								2,320	I	By Child B
Daktronics, Inc. Zero Par Value Common Stock								37,425.652 <sup>(1)</sup>	I	By Daktronics, Inc. 401(K) Plan

**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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Amount or Number of Shares
Daktronics, Inc. Incentive Stock Option	\$1.5313	09/20/2006		M		64,000		11/19/1999 <sup>(2)</sup>	11/18/2008	Daktronics, Inc. Zero Par Value Common Stock	64,000	\$0	0.0000	D	
Daktronics, Inc. Incentive Stock Option	\$2.5625	09/20/2006		M		32,000		11/18/2000 <sup>(3)</sup>	11/17/2009	Daktronics, Inc. Zero Par Value Common Stock	32,000	\$0	32,000	D	

**Explanation of Responses:**

- The information in this report is based on a plan statement dated as of September 15, 2006.
- 20% vested each year for a total of five years - Vesting schedule - 11/19/00-99%, 11/19/00-20%, 11/19/01-20%, 11/19/02-20%, 11/19/03-20%
- 20% vested each year for a total of five years - Vesting schedule - 11/18/00-20, 11/18/01-20%, 11/18/02-20%, 11/18/03-20%, 11/18/04-20%

**Remarks:**

By: /s/ James B. Morgan 09/21/2006

\*\* Signature of Reporting Person Date

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

\* 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.