

BIGLARI, SARDAR  
Form 4  
January 11, 2010

**FORM 4**

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

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).

**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 \*  
**BIGLARI, SARDAR**

2. Issuer Name and Ticker or Trading Symbol  
**STEAK & SHAKE CO [SNS]**

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
**C/O THE LION FUND, L.P., 9311  
SAN PEDRO AVENUE, SUITE  
1440**

3. Date of Earliest Transaction  
(Month/Day/Year)  
**01/07/2010**

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
**Chairman and CEO**

(Street)  
**SAN ANTONIO, TX 78216**

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

(City) (State) (Zip)

**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   |  |   |
| Common Stock, par value \$.50   | 01/07/2010                           |  | P                              | 400   | A \$ 289.58   | 75,821   | I <sup>(1)</sup> By The Lion Fund, L.P.               |
| Common Stock, par value \$.50   | 01/08/2010                           |  | P                              | 600   | A \$ 289.92   | 76,421   | I <sup>(1)</sup> By The Lion Fund, L.P.               |
| Common Stock, par value \$.50   |                                      |  |                                |   |   | 7,250  | I <sup>(2)</sup> By Mustang Capital Partners I, LP    |

|                                     |       |                  |   |
|-------------------------------------|-------|------------------|---|
| Common<br>Stock, par<br>value \$.50 | 1,500 | I <sup>(3)</sup> | By Mustang<br>Capital<br>Partners II,<br>LP |
| Common<br>Stock, par<br>value \$.50 | 5,704 | I <sup>(4)</sup> | By Western<br>Acquisitions<br>L.P.          |

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

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of<br>Derivative<br>Security<br>(Instr. 3) | 2. Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 4. Transaction<br>Code<br>(Instr. 8) | 5. Number<br>of<br>Derivative<br>Securities<br>Acquired<br>(A) or<br>Disposed<br>of (D)<br>(Instr. 3,<br>4, and 5) | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) | 7. Title and<br>Amount of<br>Underlying<br>Securities<br>(Instr. 3 and 4) | 8. Price of<br>Derivative<br>Security<br>(Instr. 5) | 9. Nu<br>Deriv<br>Secur<br>Bene<br>Own<br>Follo<br>Repor<br>Trans<br>(Instr |
|---|--|---|---|--------------------------------------|--|--|---|---|---|
|---|--|---|---|--------------------------------------|--|--|---|---|---|

  

| Date<br>Exercisable | Expiration<br>Date | Title | Amount<br>or<br>Number<br>of<br>Shares |
|---------------------|--------------------|-------|--|
|---------------------|--------------------|-------|--|

  

| Code | V | (A) | (D) |
|------|---|-----|-----|
|------|---|-----|-----|

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |                     |       |
|--|---------------|-----------|---------------------|-------|
|  | Director      | 10% Owner | Officer             | Other |
| BIGLARI, SARDAR<br>C/O THE LION FUND, L.P.<br>9311 SAN PEDRO AVENUE, SUITE 1440<br>SAN ANTONIO, TX 78216 | X             |           | Chairman<br>and CEO |       |

## Signatures

/s/ Biglari,  
Sardar

01/11/2010

\*\*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) Shares owned directly by the Lion Fund, L.P. ("Lion Fund"). Sardar Biglari is the Chairman and Chief Executive Officer of Biglari Capital Corp., the general partner of the Lion Fund. Accordingly, Sardar Biglari may be deemed to beneficially own the shares held directly by the Lion Fund. Sardar Biglari disclaims beneficial ownership of the shares held directly by the Lion Fund except to the extent of his pecuniary interest therein.

(2) Shares owned directly by Mustang Capital Partners I, LP ("MCPI"). Sardar Biglari is the Chairman of the Board and Chief Executive Officer of Western Sizzlin Corp. ("Western Sizzlin") and has been delegated investment discretion over the securities owned by Western Sizzlin. Western Sizzlin owns a controlling interest in the investment manager to and general partner of MCPI. Accordingly, Sardar Biglari may be deemed to beneficially own the shares held directly by MCPI. Sardar Biglari disclaims beneficial ownership of the shares held directly by MCPI except to the extent of his pecuniary interest therein.

(3) Shares owned directly by Mustang Capital Partners II, LP ("MCPII"). Sardar Biglari is the Chairman of the Board and Chief Executive Officer of Western Sizzlin and has been delegated investment discretion over the securities owned by Western Sizzlin. Western Sizzlin owns a controlling interest in the investment manager to and general partner of MCPII. Accordingly, Sardar Biglari may be deemed to beneficially own the shares held directly by MCPII. Sardar Biglari disclaims beneficial ownership of the shares held directly by MCPII except to the extent of his pecuniary interest therein.

(4) Shares owned directly by Western Acquisitions L.P. ("Western Acquisitions"). Sardar Biglari is the Chairman of the Board and Chief Executive Officer of Western Investments Inc., a wholly owned subsidiary of Western Sizzlin and the general partner of Western Acquisitions. Accordingly, Sardar Biglari may be deemed to beneficially own the shares held directly by Western Acquisitions. Sardar Biglari disclaims beneficial ownership of the shares held directly by Western Acquisitions except to the extent of his pecuniary interest therein.

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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