

Taft Timothy P
Form 4
April 17, 2009

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 *
Taft Timothy P

(Last) (First) (Middle)

C/O THE LION FUND, L.P., 9311
SAN PEDRO AVENUE, SUITE
1440

(Street)

SAN ANTONIO, TX 78216

(City) (State) (Zip)

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

3. Date of Earliest Transaction
(Month/Day/Year)
03/18/2009

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, par value \$.50 | 03/18/2009 | | S | | 10,000 | D | 7.8637 | 34,450 | D (2) |
| | | | | | | | (1) | | |
| Common Stock, par value \$.50 | 03/20/2009 | | S | | 34,450 | D | 7.4048 | 0 | D (2) |
| | | | | | | | (3) | | |

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

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number.

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. Number of Derivative Securities Beneficially Owned Following Reported Transaction (Instr. 5) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|---|
| | | | | 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 |
| Taft Timothy P C/O THE LION FUND, L.P. 9311 SAN PEDRO AVENUE, SUITE 1440 SAN ANTONIO, TX 78216 | | X | | |

Signatures

/s/ Taft,
Timothy P. 04/17/2009

__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).
- The price reported represents the weighted average price of shares sold. Shares were sold at varying prices in the range of \$7.8500 -
- (1) \$7.9300. The Reporting Person hereby undertakes, upon request of the Staff, the Issuer or a security holder of the Issuer, to provide full information regarding the number of shares sold at each separate price.
- The Reporting Person is a member of a Section 13(d) group with respect to the securities of the Issuer that beneficially owns in excess of
- (2) 10% of the Issuer's outstanding shares of Common Stock. The Reporting Person disclaims beneficial ownership of the securities beneficially owned by the other members of the group except to the extent of his pecuniary interest therein.
- The price reported represents the weighted average price of shares sold. Shares were sold at varying prices in the range of \$7.3100 -
- (3) \$7.5100. The Reporting Person hereby undertakes, upon request of the Staff, the Issuer or a security holder of the Issuer, to provide full information regarding the number of shares sold at each separate price.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.