

MILLER LLOYD I III
Form SC 13D
November 19, 2008

**SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
SCHEDULE 13D**

(Rule 13d-101)

**INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO RULE 13d-1(a) AND
AMENDMENTS THERETO FILED PURSUANT TO RULE 13d-2(a)**

Silicon Storage Technology, Inc.

(Name of Issuer)
Common Stock

(Title of Class of Securities)
827057100

(CUSIP Number)

Lloyd I. Miller, III, 4550 Gordon Drive, Naples, Florida, 34102 (Tel.) (239) 262-8577

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)
November 19, 2008

(Date of Event which Requires Filing of this
Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box . *Note.* Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. *See* Rule 13d-7 for other parties to whom copies are to be sent.

(Continued on following pages)

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¹ The information required on 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 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. 827057100

13D

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NAME OF REPORTING PERSON

1

Lloyd I. Miller, III

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

2

(a)

(b)

SEC USE ONLY

3

SOURCE OF FUNDS*

4

PF-AF-OO

CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)

5

CITIZENSHIP OR PLACE OF ORGANIZATION

6

United States

SOLE VOTING POWER

7

NUMBER OF 3,538,893

SHARED VOTING POWER

SHARES BENEFICIALLY OWNED BY 8

2,078,100

SOLE DISPOSITIVE POWER

EACH REPORTING 9

PERSON 3,538,893

WITH SHARED DISPOSITIVE POWER

10

2,078,100

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11

5,616,993

CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

12

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

13

5.9%

TYPE OF REPORTING PERSON*

14

IA-IN-OO

***SEE INSTRUCTIONS BEFORE FILLING OUT!**

ORIGINAL REPORT ON SCHEDULE 13D

Item 1. Security and Issuer

This statement relates to the Common Stock, no par value per share (the Shares) of Silicon Storage Technology, Inc. (the Company). The Company's principal executive office is located at 1171 Sonora Court, Sunnyvale, California 94086.

Item 2. Identity and Background

This statement is filed by Lloyd I. Miller, III (Miller or the Reporting Person). Miller's principal business address is 4550 Gordon Drive, Naples, Florida 34102. Miller's principal occupation is investing assets held by or on behalf of his family. During the past five years, Miller has not been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) and has not been a party to civil proceedings of a judicial or administrative body of competent jurisdiction, as a result of which Miller was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws. Miller is a United States citizen.

Item 3. Source and Amount of Funds or Other Considerations

Miller is an investment advisor to the trustee of Trust A-4. Trust A-4 was created pursuant to a Declaratory Judgment, signed by the Honorable Wayne F. Wilke for the Court of Common Pleas, Probate Division, Hamilton County, Ohio, on October 27, 1992, pursuant to which Trust A was split into four separate trusts. Trust A was created pursuant to an Amended and Restated Trust Agreement, dated September 20, 1983 (the Trust Agreement). Miller was named as the advisor to PNC Bank, Ohio, N.A. (formerly The Central Trust Company, N.A., Cincinnati, Ohio), the trustee named in the Trust Agreement. All of the Shares Miller is deemed to beneficially own as the advisor to the trustee of Trust A-4 were purchased with funds generated and held by Trust A-4. The aggregate amount of funds used for the purchase of the Shares in Trust A-4 was \$6,084,347.40.

Miller is the manager of Milfam LLC, an Ohio limited liability company established pursuant to the Operating Agreement of Milfam LLC, dated as of December 10, 1996. Milfam LLC is the general partner of Milfam II L.P., a Georgia limited partnership established pursuant to the Partnership Agreement for Milfam II L.P., dated December 11, 1996. All of the Shares Miller is deemed to beneficially own as the manager of the general partner of Milfam II L.P. were purchased with money contributed to Milfam II L.P. by its partners or money generated and held by Milfam II L.P. The aggregate purchase price for the Shares in Milfam II L.P. was \$6,636,719.85.

All of the Shares held by Miller on his own behalf were purchased with personal funds generated and held by Miller. The purchase price for the Shares purchased by Miller, on his own behalf, was \$3,590,717.70.

Item 4. Purpose of the Transaction

The Shares covered by this Schedule 13D were acquired by the Reporting Person for investment purposes in the ordinary course of his business as an investor. Miller now believes that it would be in his best interest, and those of other stockholders, to attempt to influence the governance and business strategies of the Company. Specifically, the Reporting Person discloses the following:

* Miller believes that the Company should promptly conduct a comprehensive review of all of the Company's assets and lines of business, and focus its financial and management resources accordingly;

* Miller also believes that the Company should divest itself of the equity securities of other companies and adopt a policy against investing any further funds in corporate equities;

* Miller urges the Company's Board of Directors to declare and pay a special dividend of \$1.00 per share; and

* Miller urges the Company's Board of Directors to consider making appropriate changes in governance and leadership in the interest of shareholders.

In addition, Miller intends to recommend Mr. Bryant R. Riley for the position of Chairman of the Board of Directors of the Company, based upon Mr. Riley's depth of experience as a chairman and board member of public companies and his recent successes in returning value to shareholders at Transmeta Corporation and Alliance Semiconductor Corporation.

Miller is examining all of the options that he believes will enhance stockholder value, including encouraging, participating in or leading efforts to appoint individuals to the Company's Board of Directors who would be independent of management and would represent the Company and the holders of the shares.

Except as described above in this Item 4 and herein, the Reporting Person does not have any specific plans or proposals that relate to or would result in any of the actions or events specified in clauses (a) through (j) of Item 4 of Schedule 13D. The Reporting Person reserves the right to change plans and take any and all actions that the Reporting Person may deem appropriate to maximize the value of his investments, including, among other things, purchasing or otherwise acquiring additional securities of the Company, selling or otherwise disposing of any securities of the Company beneficially owned by him, in each case in the open market or in privately negotiated transactions, or formulating other plans or proposals regarding the Company or its securities to the extent deemed advisable by the Reporting Person in light of his general investment policies, market conditions, subsequent developments affecting the Company and the general business and future prospects of the Company. The Reporting Person may take any other action with respect to the Company or any of the Company's debt or equity securities in any manner permitted by applicable law.

Item 5. Interest in Securities of the Issuer

(a) Miller may be deemed to beneficially own 5,616,993 Shares (5.9% of the total number of outstanding Shares, based on 95,492,192 Shares outstanding as reported in the Company's Form 10-Q filed on November 10, 2008). As of the date hereof, 2,078,100 of such beneficially owned Shares are owned of record by Trust A-4; 2,250,811 of such beneficially owned Shares are owned of record by Milfam II L.P.; and 1,288,082 of such beneficially owned Shares are owned of record by Miller directly.

(b) Miller may be deemed to have shared voting and dispositive power for all such shares held of record by Trust A-4. Miller may be deemed to have sole voting and dispositive power for all such shares held of record by Milfam II L.P., and Miller directly.

(c) The following table details the transactions effected by Miller in the past 60 days.

	TRUST A-4	
Date of Transaction	Number of Shares Sold	Price Per Share
October 10, 2008	80,100	\$3.09
	MILFAM II L.P.	
Date of Transaction	Number of Shares Sold	Price Per Share
October 31, 2008	339	\$3.03
November 3, 2008	3,421	\$3.18

(d) Other than Shares held directly by Miller, persons other than Miller have the right to receive and the power to direct the receipt of dividends from, or the proceeds from the sale of, the reported securities.

(e) Not Applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer

Not Applicable.

Item 7. Materials to be Filed as Exhibits:

Not Applicable.

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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.

Dated: November 19, 2008

By: /s/ Lloyd I. Miller, III
Lloyd I. Miller, III