STEAK & SHAKE CO

Form 4

October 02, 2006

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB APPROVAL OMB

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Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, obligations Section 17(a) of the Public Utility Holding Company Act of 1935 or Section may continue. 30(h) of the Investment Company Act of 1940 See Instruction

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * 5. Relationship of Reporting Person(s) to 2. Issuer Name and Ticker or Trading **WALKER GARY** Issuer Symbol STEAK & SHAKE CO [SNS] (Check all applicable) (Last) (First) (Middle) 3. Date of Earliest Transaction (Month/Day/Year) Director 10% Owner X_ Officer (give title _ Other (specify 36 S. PENNSYLVANIA, SUITE 500 09/29/2006 below) below) **SVP** (Street) 4. If Amendment, Date Original 6. Individual or Joint/Group Filing(Check Filed(Month/Day/Year) Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting **INDIANAPOLIS, IN 46204** Person

	(City)	(State) (Zip) Table	e I - Non-D	erivative	Secur	ities Acq	uired, Disposed of	, or Beneficiall	y Owned
5	Title of Security Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. 4. Securities Acquired Transaction(A) or Disposed of (D) Code (Instr. 3, 4 and 5) (Instr. 8) (A) or Code V Amount (D) Price		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)		
	Common Stock							300	I	Held by Minor Children
	Common Stock	09/29/2006		F	2,536	D	\$ 17.17	43,107	D	
	Common Stock	09/29/2006		M	4,400	A	\$ 9.9	47,507	D	

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

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displays a currently valid OMB control 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 ionDerivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amo Underlying Secu (Instr. 3 and 4)	
				Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	Ar or Nu of
Option	\$ 17.14						08/04/2004(1)	08/04/2009(1)	Common Stock	1
Option	\$ 19.75						09/14/2005(1)	09/14/2010(1)	Common Stock	1:
option	\$ 9.9	09/29/2006		M		4,400	10/01/2001(1)	10/01/2006(1)	Common Stock	4
option	\$ 17.17	09/29/2006		A	2,536		09/29/2006	09/29/2011	common stock	2
option	\$ 17.47						02/08/2007(2)	02/08/2017(2)	common stock	1′

Reporting Owners

Reporting Owner Name / Address	Relationships
Reporting Owner Name / Address	

Director 10% Owner Officer Other

WALKER GARY 36 S. PENNSYLVANIA SUITE 500 INDIANAPOLIS, IN 46204

SVP

Signatures

David C. Milne, Attorney in Fact

10/02/2006

**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) These options vest over a five year period, with 20% vesting on the date of grant and the remainder vesting each anniversary thereafter, at a rate of 20% each year.

Reporting Owners 2

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(2) These options vest over a five-year period, with 25% vesting on the first anniversary of the date of grant and the remainder vesting on subsequent anniversaries.

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.