

Schmidt Steven Mark
 Form 4
 April 28, 2009

FORM 4

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

OMB APPROVAL

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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 *
 Schmidt Steven Mark

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)
 36 S. PENNSYLVANIA, SUITE 500
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 04/24/2009

Director 10% Owner
 Officer (give title below) Other (specify below)

INDIANAPOLIS, IN 46204

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| Common Stock | 04/24/2009 | | D | 250 ⁽⁴⁾ D | \$ 0 4,321 ⁽²⁾ | D | |

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

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SEC 1474 (9-02)

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

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| 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) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Option | \$ 18.89 | | | | | 05/11/2005 ⁽³⁾ | 05/11/2010 ⁽³⁾ | Common Stock | 5,000 |
| Option | \$ 17.72 | | | | | 02/06/2008 ⁽¹⁾ | 02/06/2012 ⁽¹⁾ | Common Stock | 5,000 |
| Option | \$ 19.22 | | | | | 11/08/2005 ⁽¹⁾ | 11/08/2010 ⁽¹⁾ | Common Stock | 5,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| Schmidt Steven Mark 36 S. PENNSYLVANIA SUITE 500 INDIANAPOLIS, IN 46204 | X | | | |

Signatures

Barry C. Paige, Attorney in Fact 04/28/2009
**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).
- (1) These options vest at a rate of 25% on the first anniversary of the grant and 25% each year thereafter until fully vested. This vesting schedule survives Mr. Schmidt's 4-24-09 retirement from the Board.

The restricted shares granted on 10-20-08 (2062 shares) and on 2-13-09 (1509 shares) vested immediately upon Mr. Schmidt's 4-24-09 retirement from the Board of Directors. These shares were granted as payment of the Board retainer fees under the Company's 2008 Incentive Equity Plan, a plan approved by the Company's shareholders.
- (2) These options vest at a rate of 20% per year beginning on the date of grant. This vesting schedule survives Mr. Schmidt's 4-24-09 retirement from the Board.
- (3) Pursuant to the Company's 2007 Non-Employee Director Restricted Stock Plan, upon his 4-24-09 retirement from the Board, Mr. Schmidt received a pro-rata share (75%, i.e. 750 shares) of the 1000 shares of restricted stock the Company granted him in February

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2007; accordingly, after forfeiting 250 shares, Mr. Schmidt holds a total of 4321 shares.

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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