

BIGLARI, SARDAR  
Form 4  
August 21, 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 \*  
**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)  
**08/19/2009**

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

(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 Ownership (Instr. 4)
				(A) or (D) Code V Amount (D) Price			
Common Stock, par value \$0.50	08/19/2009		P	20,000 A \$ 10.3096	20,000	I	By Mustang Capital Partners I, LP <sup>(1)</sup>
Common Stock, par value \$0.50	08/20/2009		P	50,000 A \$ 10.0603	70,000	I	By Mustang Capital Partners I, LP <sup>(1)</sup>
Common Stock, par value	08/21/2009		P	10,000 A \$ 10.1453	80,000	I	By Mustang Capital Partners I,

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\$ .50									LP <sup>(1)</sup>
Common Stock, par value \$ .50	08/19/2009	P	5,000	A	\$ 10.3096	5,000	I		By Mustang Capital Partners II, LP <sup>(2)</sup>
Common Stock, par value \$ .50	08/20/2009	P	6,300	A	\$ 10.0603	11,300	I		By Mustang Capital Partners II, LP <sup>(2)</sup>
Common Stock, par value \$ .50	08/21/2009	P	8,700	A	\$ 10.1453	20,000	I		By Mustang Capital Partners II, LP <sup>(2)</sup>
Common Stock, par value \$ .50	08/19/2009	P	4,500	A	\$ 10.29	988,700	I		By The Lion Fund, L.P. <sup>(3)</sup>
Common Stock, par value \$ .50	08/21/2009	P	3,000	A	\$ 10.1095	991,700	I		By The Lion Fund, L.P. <sup>(3)</sup>
Common Stock, par value \$ .50						1,553,545	I		By Western Acquisitions L.P. <sup>(4)</sup>

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 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. 6)		
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BIGLARI, SARDAR C/O THE LION FUND, L.P. 9311 SAN PEDRO AVENUE, SUITE 1440 SAN ANTONIO, TX 78216	X		Chief Executive Officer	

## Signatures

/s/ Biglari,  
Sardar

08/21/2009

\*\*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) Shares owned directly by Mustang Capital Partners I, LP ("MCPI"). Mr. 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, Mr. Biglari may be deemed to beneficially own the shares held directly by MCPI. Mr. Biglari disclaims beneficial ownership of the shares held directly by MCPI except to the extent of his pecuniary interest therein.

(2) Shares owned directly by Mustang Capital Partners II, LP ("MCPII"). Mr. Biglari is the Chairman of the Board and Chief Executive Officer of Western Sizzlin Corp. 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, Mr. Biglari may be deemed to beneficially own the shares held directly by MCPII. Mr. Biglari disclaims beneficial ownership of the shares held directly by MCPII except to the extent of his pecuniary interest therein.

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

(4) Shares owned directly by Western Acquisitions L.P. ("Western Acquisitions"). Mr. 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, Mr. Biglari may be deemed to beneficially own the shares held directly by Western Acquisitions. Mr. 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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