

STEAK & SHAKE CO
Form SC 13D/A
December 27, 2007

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

**SCHEDULE 13D
(Rule 13d-101)**

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO § 240.13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO
§ 240.13d-2(a)

(Amendment No. 5)¹

The Steak n Shake Company
(Name of Issuer)

Common Stock, \$.50 Par Value
(Title of Class of Securities)

857873-10-3
(CUSIP Number)

STEVEN WOLOSKY, ESQ.
OLSHAN GRUNDMAN FROME ROSENZWEIG & WOLOSKY LLP
Park Avenue Tower
65 East 55th Street
New York, New York 10022
(212) 451-2300

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

December 22, 2007
(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 §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-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 § 240.13d-7 for other parties to whom copies are to be sent.

¹ The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

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 (“Act”) 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. 857873-10-3

1 NAME OF REPORTING PERSON

The Lion Fund, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A (a) x
GROUP (b) o

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

| | | |
|--------------|----|--------------------------|
| NUMBER OF | 7 | SOLE VOTING POWER |
| SHARES | | |
| BENEFICIALLY | | - 0 - |
| OWNED BY | 8 | SHARED VOTING POWER |
| EACH | | |
| REPORTING | | 2,275,945 |
| PERSON WITH | 9 | SOLE DISPOSITIVE POWER |
| | | |
| | 10 | - 0 - |
| | | SHARED DISPOSITIVE POWER |
| | | |
| | | 2,275,945 |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,275,945

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

8.0%

14 TYPE OF REPORTING PERSON

PN

CUSIP NO. 857873-10-3

1 NAME OF REPORTING PERSON

Biglari Capital Corp.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF, WC

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Texas

| | | |
|---|----|-------------------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7 | SOLE VOTING POWER |
| | 8 | - 0 - SHARED VOTING POWER |
| | 9 | 2,275,945 SOLE DISPOSITIVE POWER |
| | 10 | - 0 - SHARED DISPOSITIVE POWER |
| | | 2,275,945 |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,275,945

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

8.0%

14 TYPE OF REPORTING PERSON

CO

CUSIP NO. 857873-10-3

1 NAME OF REPORTING PERSON

Sardar Biglari

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A (a) x
GROUP (b) o

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF, WC

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

| | | |
|--------------|----|--------------------------|
| NUMBER OF | 7 | SOLE VOTING POWER |
| SHARES | | |
| BENEFICIALLY | | - 0 - |
| OWNED BY | 8 | SHARED VOTING POWER |
| EACH | | |
| REPORTING | | 2,275,945 |
| PERSON WITH | 9 | SOLE DISPOSITIVE POWER |
| | | |
| | 10 | - 0 - |
| | | SHARED DISPOSITIVE POWER |
| | | |
| | | 2,275,945 |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,275,945

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

8.0%

14 TYPE OF REPORTING PERSON

IN

CUSIP NO. 857873-10-3

1 NAME OF REPORTING PERSON

Western Sizzlin Corp.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

| | | |
|---|----|-------------------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7 | SOLE VOTING POWER |
| | 8 | - 0 - SHARED VOTING POWER |
| | 9 | 2,275,945 SOLE DISPOSITIVE POWER |
| | 10 | - 0 - SHARED DISPOSITIVE POWER |
| | | 2,275,945 |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,275,945

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

8.0%

14 TYPE OF REPORTING PERSON

CO

CUSIP NO. 857873-10-3

1 NAME OF REPORTING PERSON

Western Acquisitions L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

| | | |
|---|----|--------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7 | SOLE VOTING POWER |
| | | - 0 - |
| | 8 | SHARED VOTING POWER |
| | | 2,275,945 |
| | 9 | SOLE DISPOSITIVE POWER |
| | | - 0 - |
| | 10 | SHARED DISPOSITIVE POWER |
| | | 2,275,945 |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,275,945

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

8.0%

14 TYPE OF REPORTING PERSON

PN

CUSIP NO. 857873-10-3

1 NAME OF REPORTING PERSON

Western Investments Inc.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF, WC

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

| | | |
|---|----|--------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7 | SOLE VOTING POWER |
| | | - 0 - |
| | 8 | SHARED VOTING POWER |
| | | 2,275,945 |
| | 9 | SOLE DISPOSITIVE POWER |
| | | - 0 - |
| | 10 | SHARED DISPOSITIVE POWER |
| | | 2,275,945 |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,275,945

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

8.0%

14 TYPE OF REPORTING PERSON

CO

CUSIP NO. 857873-10-3

1 NAME OF REPORTING PERSON

Philip L. Cooley

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A (a) x
GROUP (b) o

3 SEC USE ONLY

4 SOURCE OF FUNDS

AF, WC, PF

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

| | | |
|---|----|-------------------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7 | SOLE VOTING POWER |
| | 8 | - 0 - SHARED VOTING POWER |
| | 9 | 2,275,945 SOLE DISPOSITIVE POWER |
| | 10 | - 0 - SHARED DISPOSITIVE POWER |
| | | 2,275,945 |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,275,945

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

8.0%

14 TYPE OF REPORTING PERSON

IN

CUSIP NO. 857873-10-3

The following constitutes Amendment No. 5 (“Amendment No. 5”) to the Schedule 13D filed by the undersigned. This Amendment No. 5 amends the Schedule 13D as specifically set forth.

Item 1 is hereby amended and restated to read as follows:

Item 1. Security and Issuer.

This statement relates to shares of the Common Stock, par value \$.50 (the “Shares”), of The Steak n Shake Company (the “Issuer”). The address of the principal executive offices of the Issuer is 36 S. Pennsylvania Street, Suite 500, Indianapolis, Indiana 46204.

Item 3 is hereby amended and restated to read as follows:

Item 3. Source and Amount of Funds or Other Consideration.

The aggregate purchase price of the Shares owned directly by the Lion Fund is \$15,220,138. The Shares owned directly by the Lion Fund were acquired with the working capital of the Lion Fund.

Certain of the Shares reported in this Amendment No. 5 as owned by Western Acquisitions were acquired by way of an internal contribution from WSC. Western Acquisitions acquired from WSC an aggregate of 299,945 Shares on September 7, 2007 at a per Share price of \$15.58, equal to the last reported sales price on the New York Stock Exchange on the date the transaction was completed, or an aggregate purchase price of approximately \$4,673,143. The total of 299,945 Shares transferred by WSC to Western Acquisitions were initially acquired by WSC for an aggregate purchase price of approximately \$4,581,977.

The aggregate purchase price of the Shares owned directly by Western Acquisitions is approximately \$17,465,505. The Shares owned directly by Western Acquisitions were acquired with the working capital of Western Acquisitions.

The aggregate purchase price of the Shares owned directly by Dr. Cooley and owned directly by Dr. Cooley’s spouse, Sandy Cooley who shares the same business address as Dr. Cooley, which he may also be deemed to beneficially own is \$93,297. Of the 6,300 Shares beneficially owned by Dr. Cooley, 3,800 Shares were acquired with Dr. Cooley’s personal funds, 2,000 Shares were acquired with his spouse’s personal funds and 500 Shares were acquired with the working capital of BCC and subsequently gifted to Dr. Cooley.

The Lion Fund, WSC and Western Acquisitions effect purchases of securities primarily through margin accounts maintained for them with prime brokers, which may extend margin credit to them as and when required to open or carry positions in the margin accounts, subject to applicable federal margin regulations, stock exchange rules and the prime brokers’ credit policies. In such instances, the positions held in the margin accounts are pledged as collateral security for the repayment of debit balances in the accounts.

Item 5 is hereby amended and restated to read as follows:

CUSIP NO. 857873-10-3

Item 5.

Interest in Securities of the Issuer.

(a-e) As of the close of business on December 26, 2007, each of the Reporting Persons may be deemed to be the beneficial owner of 2,275,945 Shares or approximately 8.0% of the outstanding Shares of the Issuer, based upon the 28,388,014 Shares outstanding as of December 6, 2007, according to the Issuer's most recent Form 10-K. The 2,275,945 Shares reported herein as beneficially owned by the Reporting Persons consist of the following: (1) 929,200 Shares held directly by the Lion Fund, (2) 1,340,445 Shares held directly by Western Acquisitions, (3) 4,300 Shares held directly by Dr. Cooley, and (4) 2,000 Shares held directly by Dr. Cooley's spouse which Dr. Cooley may also be deemed to beneficially own.

Certain of the Reporting Persons owned American-style call options ("Options") to purchase an aggregate of 581,100 Shares that were immediately exercisable. The Options expired on December 22, 2007 without being exercised.

Each of the Reporting Persons may be deemed to have the sole power to vote or direct the vote of 0 Shares and the shared power to vote or direct the vote of 2,275,945 Shares.

Each of the Reporting Persons may be deemed to have the sole power to dispose or direct the disposition of 0 Shares and the shared power to dispose or direct the disposition of 2,275,945 Shares.

Schedule A annexed hereto lists all transactions in the securities of the Issuer by the Reporting Persons since the filing of Amendment No. 4 to the Schedule 13D. All of such transactions were effected in the open market.

No person other than the Reporting Persons is known to have the right to receive, or the power to direct the receipt of dividends from, or proceeds from the sale of, the Shares except for Dr. Cooley's spouse with respect to the 2,000 Shares she owns directly. The Reporting Persons specifically disclaim beneficial ownership of the Shares reported herein except to the extent of their pecuniary interest therein.

CUSIP NO. 857873-10-3

SIGNATURES

After reasonable inquiry and to the best of his knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: December 27, 2007

THE LION FUND, L.P.

By: Biglari Capital Corp.
General Partner

By: /s/ Sardar Biglari
Sardar Biglari, Chief Executive Officer

BIGLARI CAPITAL CORP.

By: /s/ Sardar Biglari
Sardar Biglari, Chief Executive Officer

WESTERN ACQUISITIONS L.P.

By: Western Investments Inc.
General Partner

By: /s/ Sardar Biglari
Sardar Biglari, Chief Executive Officer

WESTERN INVESTMENTS INC.

By: /s/ Sardar Biglari
Sardar Biglari, Chief Executive Officer

/s/ Sardar Biglari
SARDAR BIGLARI

WESTERN SIZZLIN CORP.

By: /s/ Sardar Biglari
Sardar Biglari, Chief Executive Officer

/s/ Sardar Biglari
SARDAR BIGLARI
As Attorney In Fact for Philip L. Cooley

CUSIP NO. 857873-10-3

SCHEDULE A**Transactions in the Shares by the Reporting Persons Since the Filing of Amendment No. 4 to the Schedule 13D****Transactions in Common Stock**

| <u>Shares Purchased</u> | <u>Price Per Share (\$)</u> | <u>Date of Purchase</u> |
|---|-----------------------------|-------------------------|
| <u>Western Acquisitions L.P.</u> | | |
| 17,000 | 11.0464 | 12/14/07 |
| 16,100 | 10.7205 | 12/17/07 |
| 44,000 | 10.5629 | 12/18/07 |
| 13,600 | 10.4701 | 12/19/07 |
| 22,000 | 10.4970 | 12/20/07 |

The Lion Fund, L.P.

None

Biglari Capital Corp.

None

Sardar Biglari

None

Western Sizzlin Corp.

None

Western Investments Inc.

None

Philip L. Cooley

None