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STEAK & SHAKE CO
Form SC 13D/A
November 23, 2007

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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)

(Amendment No. 3) (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)

November 20, 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 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)

(Page 1 of 12 Pages)

(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.

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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. 857873-10-3

13D

 Page 2 of 12 Pages

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1 NAME OF REPORTING PERSONS
 I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

The Lion Fund, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) |X|
 (b) |_|

3 SEC USE ONLY

4 SOURCE OF FUNDS*

WC

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7 SOLE VOTING POWER

- 0 -

NUMBER OF 8 SHARED VOTING POWER
 SHARES
 BENEFICIALLY 2,446,845
 OWNED BY

EACH 9 SOLE DISPOSITIVE POWER

REPORTING PERSON |_|
 WITH

10 SHARED DISPOSITIVE POWER

2,446,845

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,446,845

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

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13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
8.6%

14 TYPE OF REPORTING PERSON*
PN
=====

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 857873-10-3

13D

Page 3 of 12 Pages

1 NAME OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

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 ITEMS 2(d) OF 2(e) |

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Texas

7 SOLE VOTING POWER

- 0 -

NUMBER OF 8 SHARED VOTING POWER
SHARES
BENEFICIALLY 2,446,845
OWNED BY

EACH 9 SOLE DISPOSITIVE POWER

REPORTING 10
PERSON
WITH - 0 -

10 SHARED DISPOSITIVE POWER

2,446,845

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11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,446,845

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

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

8.6%

14 TYPE OF REPORTING PERSON*

CO

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 857873-10-3

13D

Page 4 of 12 Pages

1 NAME OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Sardar Biglari

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 ITEMS 2(d) OF 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

7 SOLE VOTING POWER

- 0 -

NUMBER OF SHARES
BENEFICIALLY OWNED BY

8 SHARED VOTING POWER
2,446,845

EACH REPORTING
9 SOLE DISPOSITIVE POWER

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PERSON - 0 -
WITH -----

10 SHARED DISPOSITIVE POWER
2,446,845

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
2,446,845

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
8.6%

14 TYPE OF REPORTING PERSON*
IN

=====

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 857873-10-3

13D

Page 5 of 12 Pages

=====

1 NAME OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

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 ITEMS 2(d) OF 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

7 SOLE VOTING POWER

- 0 -

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NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH 8 SHARED VOTING POWER 2,446,845 ----- 9 SOLE DISPOSITIVE POWER - 0 - ----- 10 SHARED DISPOSITIVE POWER 2,446,845 -----

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,446,845 -----

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

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

8.6% -----

14 TYPE OF REPORTING PERSON*

CO -----

===== *SEE INSTRUCTIONS BEFORE FILLING OUT! =====

----- CUSIP No. 857873-10-3 -----

13D

----- Page 6 of 12 Pages -----

===== 1 NAME OF REPORTING PERSONS I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

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 ITEMS 2(d) OF 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION -----

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Delaware

7 SOLE VOTING POWER
- 0 -

NUMBER OF 8 SHARED VOTING POWER
SHARES
BENEFICIALLY 2,446,845
OWNED BY
EACH 9 SOLE DISPOSITIVE POWER
REPORTING
PERSON - 0 -
WITH
10 SHARED DISPOSITIVE POWER
2,446,845

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
2,446,845

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

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
8.6%

14 TYPE OF REPORTING PERSON*
PN
=====

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 857873-10-3

13D

Page 7 of 12 Pages

=====

1 NAME OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

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

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PURSUANT TO ITEMS 2(d) OF 2(e)

|_ |

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7 SOLE VOTING POWER

- 0 -

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

8 SHARED VOTING POWER

2,446,845

9 SOLE DISPOSITIVE POWER

- 0 -

10 SHARED DISPOSITIVE POWER

2,446,845

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,446,845

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

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

8.6%

14 TYPE OF REPORTING PERSON*

CO

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 857873-10-3

13D

Page 8 of 12 Pages

1 NAME OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Philip L. Cooley

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a) |X|

(b) |_ |

3 SEC USE ONLY

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4 SOURCE OF FUNDS*

AF, WC, PF

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

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

7 SOLE VOTING POWER

- 0 -

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH

8 SHARED VOTING POWER

2,446,845

9 SOLE DISPOSITIVE POWER

- 0 -

10 SHARED DISPOSITIVE POWER

2,446,845

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,446,845

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

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

8.6%

14 TYPE OF REPORTING PERSON*

IN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP No. 857873-10-3

13D

Page 9 of 12 Pages

The following constitutes Amendment No. 3 ("Amendment No. 3") to the Schedule 13D filed by the undersigned. This Amendment No. 3 amends the Schedule 13D as specifically set forth.

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

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

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The aggregate purchase price of the Shares owned directly by the Lion Fund is \$15,220,138. The aggregate purchase price of the Options owned directly by the Lion Fund is \$50,400. The Securities 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. 3 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 \$12,876,239. The Shares owned directly by Western Acquisitions were acquired with the working capital of Western Acquisitions.

The aggregate purchase price of the Options owned directly by WSC is \$1,630,938. The Securities owned directly by WSC were acquired with the working capital of WSC.

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.

CUSIP No. 857873-10-3

13D

Page 10 of 12 Pages

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

Item 5. Interest in Securities of the Issuer.

(a-e) As of the date hereof, each of the Reporting Persons may be deemed to be the beneficial owner of 2,446,845 Shares or 8.6% of the outstanding Shares of the Issuer, based upon the 28,469,808 Shares outstanding as of July 31, 2007, according to the Issuer's most recent Form 10-Q. The 2,446,845 Shares reported herein as beneficially owned by the Reporting Persons consist of the following: (1) 929,200 Shares held directly by the Lion Fund and 20,000 Shares underlying Options held directly by the Lion Fund, (2) 561,100 Shares underlying Options held directly by WSC, (3) 930,245 Shares held directly by Western Acquisitions, (4) 4,300 Shares held directly by Dr. Cooley, and (5) 2,000 Shares held directly by Dr. Cooley's spouse which Dr. Cooley may also be deemed to beneficially own.

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

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of 2,446,845 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 2,446,845 Shares.

Schedule A annexed hereto lists all transactions in the Securities by the Reporting Persons since the filing of Amendment No. 2 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 Securities 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 Securities reported herein except to the extent of their pecuniary interest therein.

CUSIP No. 857873-10-3

13D

Page 11 of 12 Pages

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: November 23, 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

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/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

13D

Page 12 of 12 Pages

SCHEDULE A

Transactions in the Securities by the Reporting Persons Since the Filing of
Amendment No. 2 to the Schedule 13D

Transactions in Common Stock

| Shares Purchased | Price Per Share (\$) | Date of Purchase |
|---------------------------|----------------------|------------------|
| ----- | ----- | ----- |
| Western Acquisitions L.P. | | |
| ----- | | |
| 29,000 | 14.3012 | 10/19/07 |
| 6,000 | 14.0008 | 10/22/07 |
| 24,500 | 13.0634 | 11/08/07 |
| 5,100 | 12.8735 | 11/15/07 |
| 102,500 | 11.5042 | 11/16/07 |
| 90,800 | 10.4862 | 11/19/07 |
| 52,100 | 10.4588 | 11/20/07 |
| 31,000 | 10.9271 | 11/21/07 |
| 33,900 | 10.9135 | 11/23/07 |

The Lion Fund, L.P.

None

Biglari Capital Corp.

None

Sardar Biglari

None

Western Sizzlin Corp.

None

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Western Investments Inc.

None

Philip L. Cooley

None