

Kelley Stephen Douglas
Form 4
January 25, 2010

FORM 4

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

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

OMB APPROVAL

OMB
Number: 3235-0287
Expires: January 31,
2005
Estimated average
burden hours per
response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person *
Kelley Stephen Douglas

(Last) (First) (Middle)

C/O CREE, INC., 4600 SILICON
DRIVE

(Street)

DURHAM, NC 27703

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
CREE INC [CREE]

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

01/21/2010

4. If Amendment, Date Original
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director _____ 10% Owner
____X____ Officer (give title _____ Other (specify
below) below)
EXECUTIVE VICE PRESIDENT, COO

6. Individual or Joint/Group Filing(Check
Applicable Line)
____X____ Form filed by One Reporting Person
____ Form filed by More than One Reporting
Person

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 Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
COMMON STOCK	01/21/2010		M		26,667	A	\$ 22.9	51,807	D	
COMMON STOCK	01/21/2010		S ⁽¹⁾		1,000	D	\$ 62.05	50,807	D	
COMMON STOCK	01/21/2010		S ⁽¹⁾		1,000	D	\$ 62.1	49,807	D	
COMMON STOCK	01/21/2010		S ⁽¹⁾		600	D	\$ 62.24	49,207	D	
COMMON STOCK	01/21/2010		S ⁽¹⁾		2,400	D	\$ 62.25	46,807	D	

Edgar Filing: Kelley Stephen Douglas - Form 4

COMMON STOCK	01/21/2010	<u>S</u> (1)	1,000	D	\$ 62.26	45,807	D
COMMON STOCK	01/21/2010	<u>S</u> (1)	1,000	D	\$ 62.27	44,807	D
COMMON STOCK	01/21/2010	<u>S</u> (1)	2,000	D	\$ 62.33	42,807	D
COMMON STOCK	01/21/2010	<u>S</u> (1)	3,437	D	\$ 62.35	39,370	D
COMMON STOCK	01/21/2010	<u>S</u> (1)	2,000	D	\$ 62.36	37,370	D
COMMON STOCK	01/21/2010	<u>S</u> (1)	1,000	D	\$ 62.3994	36,370	D
COMMON STOCK	01/21/2010	<u>S</u> (1)	3,000	D	\$ 62.4	33,370	D
COMMON STOCK	01/21/2010	<u>S</u> (1)	1,000	D	\$ 62.401	32,370	D
COMMON STOCK	01/21/2010	<u>S</u> (1)	1,000	D	\$ 62.42	31,370	D
COMMON STOCK	01/21/2010	<u>S</u> (1)	1,000	D	\$ 62.4239	30,370	D
COMMON STOCK	01/21/2010	<u>S</u> (1)	1,000	D	\$ 62.45	29,370	D
COMMON STOCK	01/21/2010	<u>S</u> (1)	1,000	D	\$ 62.4514	28,370	D
COMMON STOCK	01/21/2010	<u>S</u> (1)	1,000	D	\$ 62.4588	27,370	D
COMMON STOCK	01/21/2010	<u>S</u> (1)	230	D	\$ 62.4913	27,140	D
COMMON STOCK	01/21/2010	<u>S</u> (1)	1,000	D	\$ 62.5016	26,140	D
COMMON STOCK	01/21/2010	<u>S</u> (1)	1,000	D	\$ 62.5025	25,140	D

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474
(9-02)

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

Edgar Filing: Kelley Stephen Douglas - Form 4

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 Underlying (Instr. 3 and 4)
NONQUALIFIED STOCK OPTION (RIGHT TO BUY)	\$ 22.9	01/21/2010		M	26,667	09/02/2009 ⁽²⁾ 09/02/2015	COMMON STOCK

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Kelley Stephen Douglas C/O CREE, INC. 4600 SILICON DRIVE DURHAM, NC 27703			EXECUTIVE VICE PRESIDENT, COO	

Signatures

Stephen D. Kelley
01/22/2010

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) The sales reported on this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by Mr. Kelley on December 4, 2009.

(2) Option vests as to 26,667 shares on September 2, 2009 and September 2, 2010 and as to 26,666 shares on September 2, 2011.

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.