

STEAK & SHAKE CO  
Form DFAN14A  
March 03, 2008

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

SCHEDULE 14A  
(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

(Amendment No. )

Filed by the Registrant ..

Filed by a Party other than the Registrant x

Check the appropriate box:

- .. Preliminary Proxy Statement
- .. Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- .. Definitive Proxy Statement
- x Definitive Additional Materials
- o Soliciting Material Under Rule 14a-12

THE STEAK N SHAKE COMPANY  
(Name of Registrant as Specified in Its Charter)

THE LION FUND L.P.  
BIGLARI CAPITAL CORP.  
WESTERN SIZZLIN CORP.  
WESTERN ACQUISITIONS L.P.  
WESTERN INVESTMENTS INC.  
SARDAR BIGLARI  
PHILIP L. COOLEY

(Name of Persons(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- x No fee required.
- .. Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.



(1) Title of each class of securities to which transaction applies:

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(2) Aggregate number of securities to which transaction applies:

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(4) Proposed maximum aggregate value of transaction:

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(5) Total fee paid:

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.. Fee paid previously with preliminary materials:

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.. Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

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(1) Amount previously paid:

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(2) Form, Schedule or Registration Statement No.:

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(3) Filing Party:

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(4) Date Filed:

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The Lion Fund L.P. (“Lion Fund”) and Western Sizzlin Corp. (“Western Sizzlin”), together with the other participants named herein, are filing materials contained in this Schedule 14A with the Securities and Exchange Commission (“SEC”) in connection with the solicitation of proxies for the election of two nominees as directors at the next annual meeting of stockholders (the “Annual Meeting”) of The Steak n Shake Company (the “Company”). Lion Fund and Western Sizzlin have filed a definitive proxy statement with the SEC with regard to the Annual Meeting.

Item 1. Press release issued on March 3, 2008 and posted on [www.enhancesteaknshake.com](http://www.enhancesteaknshake.com):

Press Release

**PROXY GOVERNANCE, INC. RECOMMENDS STEAK N SHAKE STOCKHOLDERS VOTE TO ELECT SARDAR BIGLARI AND PHILIP COOLEY TO THE BOARD**

Monday March 3, 9:03 am ET

SAN ANTONIO, March 3 /PRNewswire-FirstCall/ — Sardar Biglari, Chairman and Chief Executive Officer of Western Sizzlin Corporation (Nasdaq: WEST - News) and The Lion Fund, L.P., announced today that PROXY Governance, Inc., a proxy advisory firm, has recommended that stockholders of The Steak n Shake Company (NYSE: SNS - News) vote the GOLD proxy card to elect Sardar Biglari and Philip L. Cooley to the Steak n Shake board at the annual meeting of stockholders scheduled to take place on March 7, 2008.

The PROXY Governance report continues a wave of endorsements issued during the past week from other proxy advisory firms such as Institutional Shareholder Services and Glass Lewis. In its report, PROXY Governance stated: “We support the dissident proxy because we believe the dissident nominees will bring a new, and sorely-needed, accountability to the company, and the dissidents’ plan represents the better alternative for reversing the long decline in shareholder value.”

Commenting on the Lion Fund’s charges of Steak n Shake’s poor performance and erosion of shareholder wealth, the report continued: “It is difficult to rebut the dissidents’ central charge — that the company’s performance over the past decade has destroyed significant shareholder value, and the strategies and operating practices it continues to pursue are ill-suited to a corporate revitalization.”

The report also questioned the motives behind the current board’s recent amendment of the company’s bylaws to require 80% shareholder support to call a special meeting, terming the measure “a nearly prohibitive hurdle, which effectively diminishes shareholder rights.”

In its report, PROXY Governance concluded that “the dissident nominees not only have the necessary business acumen to contribute meaningfully but will also be committed to stewardship of shareholder interests.”

Sardar Biglari, in response to the report, asserted, “We are pleased with PROXY Governance’s endorsement of Phil Cooley and me, particularly its recognition of our superior plan and our enduring commitment to serving the interests of all shareholders.”

Source: Western Sizzlin Corporation

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Or

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