

SWOBODA CHARLES M
 Form 4
 November 23, 2010

FORM 4

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

OMB APPROVAL

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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 *
 SWOBODA CHARLES M

(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)
 11/22/2010

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
 CHAIRMAN, PRESIDENT AND CEO

6. Individual or Joint/Group Filing(Check Applicable Line)
 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 Ownership (Instr. 4)
			Code	V	Amount	(D)	Price
COMMON STOCK	11/22/2010		M		5,000	A	\$ 27.47
COMMON STOCK	11/22/2010		S ⁽²⁾		5,000	D	\$ 59.19
							(3)

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

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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 Underlying (Instr. 3 and 4)
NONQUALIFIED STOCK OPTION (RIGHT TO BUY)	\$ 27.47	11/22/2010		M	5,000	09/04/2008 ⁽⁴⁾ 09/04/2014	COMMON STOCK

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SWOBODA CHARLES M C/O CREE, INC. 4600 SILICON DRIVE DURHAM, NC 27703	X		CHAIRMAN, PRESIDENT AND CEO	

Signatures

Tamara Cappelson, As Agent for Charles M. Swoboda
 11/23/2010

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) Includes 77 shares purchased by Mr. Swoboda on October 31, 2010 under the Cree, Inc. 2005 Employee Stock Purchase Plan.
- (2) The sale reported on this Form 4 was effected pursuant to a Rule 10b5-1 trading plan adopted by Mr. Swoboda on December 3, 2009.
The price reported in Column 4 is a weighted average sale price. These shares were sold in multiple transactions at prices ranging from \$59.05 to \$59.25, inclusive. Mr. Swoboda undertakes to provide to Cree, Inc., any security holder of Cree, Inc., or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price within the range set forth in this footnote.
- (4) Option vested as to 25,000 shares on each of September 4, 2008, September 4, 2009 and September 4, 2010.

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.