VON ARX DOLPH W

Form 4

September 02, 2010

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB APPROVAL OMB

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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

See Instruction

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * VON ARX DOLPH W			2. Issuer Name and Ticker or Trading Symbol CREE INC [CREE]	5. Relationship of Reporting Person(s) to Issuer		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction	(Check all applicable)		
3663 RUM R	ROW		(Month/Day/Year) 09/01/2010	_X_ Director 10% Owner Officer (give title below) Other (specify below)		
	(Street)		4. If Amendment, Date Original Filed(Month/Day/Year)	6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person		
NAPLES, FL 34102				Form filed by More than One Reporting Person		
(City)	(State)	(Zip)	Table I - Non-Derivative Securities Acc	quired, Disposed of, or Beneficially Owned		

(City)	(State) (Zij	Table I	- Non-	Der	ivative Se	curitie	es Acqu	nred, Disposed of	f, or Beneficial	ly 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 on Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		5. Amount of Securities Beneficially Owned Following	6. Ownership Form: Direct (D) or Indirect (I)	7. Nature of Indirect Beneficial Ownership (Instr. 4)		
			Code	V	Amount	(A) or (D)	Price	Reported Transaction(s) (Instr. 3 and 4)	(Instr. 4)		
COMMON STOCK	06/30/2010		G	V	800	D	\$0	499,635	D		
COMMON STOCK	09/01/2010		A(1)		5,000	A	\$0	504,635	D (2)		

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)

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	4. Transactic Code (Instr. 8)	5. Number proof Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisab Expiration Date (Month/Day/Year		7. Title and Underlying (Instr. 3 and
					Date Exercisable	Expiration Date	Title
			Code V	(A) (D)			
NONQUALIFIED STOCK OPTION (RIGHT TO BUY)	\$ 55.3	09/01/2010	A	5,000	12/31/2010(3)	09/01/2017	COMMO

Reporting Owners

Reporting Owner Name / Address	Relationships						
•	Director	10% Owner	Officer	Other			
VON ARX DOLPH W 3663 RUM ROW NAPLES, FL 34102	X						

Signatures

Dolph W. von
Arx

**Signature of Reporting Person

Dolph W. von

O9/01/2010

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) Restricted stock award vesting September 1, 2011.
- Of the 504,635 shares reported, (1) 63,500 shares are held directly; (2) 411,135 shares are held indirectly in a revocable living trust for the benefit of Mr. von Arx; (3) 15,000 shares are held indirectly in a revocable living trust for the benefit of Mr. von Arx's spouse; and (4) 15,000 shares are held indirectly in a family trust. Mr. von Arx disclaims beneficial ownership of the 15,000 shares held by the family trust.
- Option vests as to one-fourth of the shares on December 31, 2010, March 31, 2011, June 30, 2011 and September 30, 2011 or, if earlier, upon the election of directors at the 2011 Annual Meeting of Shareholders.

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.

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