

Milstead Byron Wayne
 Form 4
 February 07, 2011

FORM 4

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

OMB APPROVAL

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

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

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Milstead Byron Wayne

2. Issuer Name and Ticker or Trading Symbol
 LATTICE SEMICONDUCTOR CORP [LSCC]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 5555 N.E. MOORE CT.
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 02/04/2011

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Corp VP and General Counsel

HILLSBORO, OR 97124

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

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

(City) (State) (Zip)

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 (A) or (D) Price | | |
| Common Stock | 02/04/2011 | | M | | 1,400 A \$ 0 ⁽¹⁾ | 5,948 | D |
| Common Stock | 02/04/2011 | | F ⁽²⁾ | | 555 D \$ 6.635 | 5,393 | D |
| Common Stock | 02/07/2011 | | M | | 16,668 ⁽³⁾ A \$ 2.32 | 22,061 | D |
| Common Stock | 02/07/2011 | | S | | 16,668 ⁽³⁾ D \$ 6.7078 ⁽⁴⁾ | 5,393 | D |
| Common Stock | 02/07/2011 | | M | | 8,125 ⁽³⁾ A \$ 1.98 | 13,518 | D |

Edgar Filing: Milstead Byron Wayne - Form 4

Common Stock 02/07/2011 S 8,125⁽³⁾ D \$ 6.6977 5,393 D (5)

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)

| 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 Security (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| Non-Qualified Stock Option (right to buy) | \$ 1.98 | 02/07/2011 | | M | 8,125 ⁽³⁾ | 02/03/2010 ⁽⁶⁾ 11/03/2016 | Common Stock |
| Non-Qualified Stock Option (right to buy) | \$ 2.32 | 02/07/2011 | | M | 16,668 ⁽³⁾ | 08/04/2009 ⁽⁷⁾ 08/04/2015 | Common Stock |
| Restricted Stock Unit (RSU) | <u>(8)</u> | 02/04/2011 | | M | 1,400 | <u>(9)</u> <u>(10)</u> | Common Stock |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-----------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Milstead Byron Wayne 5555 N.E. MOORE CT. HILLSBORO, OR 97124 | | | Corp VP and General Counsel | |

Signatures

/s/ Byron W. Milstead 02/07/2011

**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) Restricted Stock Units - no purchase price for this transaction.
These shares were retained by the Issuer in order to meet the tax withholding obligations of the Reporting Person in connection with the vesting of an installment of the restricted stock units. The amount retained by the Issuer was not in excess of the amount of the tax liability.
- (2) The transaction indicated was conducted under an approved 10b5-1 Plan.
- (3) The price indicated is the weighted average sale price for the shares sold. The individual sale prices for the shares indicated range from \$6.66 to \$6.73.
- (4) The price indicated is the weighted average sale price for the shares sold. The individual sale prices for the shares indicated range from \$6.66 to \$6.71.
- (5) This option to purchase shares of common stock becomes exercisable over a four year period where in 1/16th (6.25%) of the total shares granted vest on each quarterly anniversary of the grant date.
This option to purchase shares of common stock vests as follows: 25% of the total amount of shares subject to the option shall vest on 8/4/2009. 6.25% of the total amount of the shares subject to the option shall vest each three months thereafter until all shares are vested on 8/4/2012.
- (6) Each Restricted Stock Unit (RSU) represents a right to receive one share of the Issuers common shares without payment of specific consideration.
- (7) Grants of Restricted Stock Units (RSUs) vest as follows: 25% of the RSUs will vest on 8/4/2009 and an additional 6.25% of the RSUs vest each three months thereafter until 100% of the RSU grant is vested on 8/4/2012.
- (8) Not applicable.
- (9) Not applicable.
- (10) Not applicable.

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.