LEE SARA CORP
Form 4
October 03, 2006

FORM 4

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

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

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person *
KOELLNER LAURETTE T

(Last) (First) (Middle)

THE BOEING COMPANY, 1200 WILSON BOULEVARD

(Street)

ARLINGTON, VA 22209

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
LEE SARA CORP [SLE]

3. Date of Earliest Transaction (Month/Day/Year)
09/29/2006

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
_____ Officer (give title below) _____ Other (specify below)

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			

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	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. De Se

(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)								(In
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		
phantom stock	$ 0 (1)	09/29/2006	A		812.813 (2)		(3)	(3)	common stock	812.813		$

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KOELLNER LAURETTE T THE BOEING COMPANY 1200 WILSON BOULEVARD ARLINGTON, VA 22209	X			

Signatures

/s/ Helen N. Kaminski For Laurette T. Koellner pursuant to power of attorney previously filed.	10/03/2006
**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 phantom stock units will convert into shares of Sara Lee common stock on a one-for-one basis.

(2) Represents director fees deferred and dividend reinvestment credits accrued in the reporting person's account in the Sara Lee Corporation Non-Employee Director Compensation Program. Of this amount, 331.824 shares units were acquired on September 29, 2006 at a price of $16.01 per share. The remaining share units were acquired at various times as dividend reinvestment credits and as an adjustment resulting from the spin off (as described in footnote 4 below).

(3) The reporting person will receive shares of Sara Lee common stock, on a one-for-one basis, at a future date(s) specified by her pursuant to the deferred compensation plan.

(4) On September 5, 2006, Sara Lee Corporation ("Sara Lee") distributed, as a pro rata stock dividend, all of the shares of its wholly-owned subsidiary, Hanesbrands Inc. ("Hanesbrands"), to holders of record of Sara Lee common stock as of the close of business on August 18, 2006 (the "spin off"). Effective upon completion of the spin off, the Compensation and Employee Benefits Committee of Sara Lee?s Board of Directors adjusted all outstanding Sara Lee equity awards (including phantom stock units) to preserve their pre-spin off intrinsic value. As a result, on September 6, 2006 the reporting person received additional share units, which are reflected in this total.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
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