

FRIENDLY ICE CREAM CORP  
 Form 4  
 July 09, 2007

**FORM 4**

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

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).

**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 \*  
**BIGLARI, SARDAR**

2. Issuer Name and Ticker or Trading Symbol  
**FRIENDLY ICE CREAM CORP [FRN]**

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)

(Last) (First) (Middle)  
**C/O THE LION FUND L.P., 9311 SAN PEDRO AVENUE, SUITE 1440**

3. Date of Earliest Transaction (Month/Day/Year)  
**07/05/2007**

\_\_\_\_ Director  
 \_\_\_\_ Officer (give title below)  
 10% Owner  
 \_\_\_\_ Other (specify below)

(Street)  
**SAN ANTONIO, TX 78216**

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 Indirect Ownership (Instr. 4) |         |              |                                     |
|--|--------------------------------------|--|--------------------------------|---|---|--|--|---------|--------------|-------------------------------------|
|  |                                      |  | Code                           | V   | Amount  | (A) or (D)   | Price                                      |         |              |                                     |
| Common Stock, \$.01 par value <u>(1)</u> | 07/05/2007                           |  | S                              |   | 130,214 <u>(1)</u>  | D  | \$ 15.3                                    | 520,856 | I <u>(2)</u> | By The Lion Fund L.P. <u>(2)</u>    |
| Common Stock, \$.01 par value <u>(1)</u> | 07/05/2007                           |  | S                              |   | 106,263 <u>(1)</u>  | D  | \$ 15.3                                    | 425,055 | I <u>(3)</u> | By Western Sizzlin Corp. <u>(3)</u> |

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 Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Beneficially Owned (Instr. 5) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title                                      | Amount or Number of Shares                                       |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |         |                              |
|---|---------------|-----------|---------|------------------------------|
|   | Director      | 10% Owner | Officer | Other                        |
| BIGLARI, SARDAR<br>C/O THE LION FUND L.P.<br>9311 SAN PEDRO AVENUE, SUITE 1440<br>SAN ANTONIO, TX 78216 |               | X         |         |                              |
| BIGLARI CAPITAL CORP.<br>9311 SAN PEDRO AVENUE<br>SUITE 1440<br>SAN ANTONIO, TX 78216                   |               |           |         | See Explanation of Responses |
| LION FUND, L.P.<br>9311 SAN PEDRO AVENUE<br>SUITE 1440<br>SAN ANTONIO, TX 78216                         |               |           |         | See Explanation of Responses |
| WESTERN SIZZLIN CORP<br>317 KIMBALL AVENUE NW<br>ROANOKE, VA 24016                                      |               |           |         | See Explanation of Responses |

## Signatures

By: /s/ Sardar Biglari

07/09/2007

\_\_Signature of Reporting Person

Date

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By: Biglari Capital Corp., By: /s/ Sardar Biglari, Chief Executive Officer

07/09/2007

\_\_Signature of Reporting Person

Date

By: The Lion Fund L.P., By: Biglari Capital Corp., its General Partner, By: /s/ Sardar Biglari, Chief Executive Officer

07/09/2007

\_\_Signature of Reporting Person

Date

By: Western Sizzlin Corp., By: /s/ Sardar Biglari, as Attorney-In-Fact for Western Sizzlin Corp.

07/09/2007

\_\_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).

This Form 4 is filed jointly by The Lion Fund L.P. ("Lion Fund"), Western Sizzlin Corp. ("WSC"), Biglari Capital Corp. ("BCC") and Sardar Biglari (collectively, the "Reporting Persons"). Mr. Biglari is the Chairman and Chief Executive Officer of BCC and the Chairman of the Board of WSC. BCC is the general partner to the Lion Fund. The Reporting Persons, together with Philip Cooley, are members of a Section 13(d) group with respect to securities of the Issuer, which beneficially owns an aggregate of 946,011 shares, consisting of

(1) 520,856 shares owned directly by the Lion Fund, 425,055 shares owned directly by WSC and 100 shares owned directly by Philip Cooley. Each of the Reporting Persons disclaims beneficial ownership of these securities except to the extent of his or its pecuniary interest therein, and this report shall not be deemed to be an admission that any Reporting Person is the beneficial owner of these securities for purposes of Section 16 or for any other purpose.

Shares owned directly by the Lion Fund. BCC, as the general partner of the Lion Fund, may be deemed to beneficially own the shares owned by the Lion Fund. Mr. Biglari, as the Chairman and Chief Executive Officer of BCC, may be deemed to beneficially own the shares owned by the Lion Fund. Each of Mr. Biglari and BCC disclaims beneficial ownership of the shares owned by the Lion Fund except to the extent of his or its pecuniary interest therein.

(2)

Shares owned directly by WSC. Mr. Biglari, as the Chairman of the Board of WSC, may be deemed to beneficially own the shares owned by WSC. Mr. Biglari disclaims beneficial ownership of the shares owned by WSC except to the extent of his pecuniary interest therein.

(3)

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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