

Potter Michael G
Form 4
July 29, 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 *
Potter Michael G

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)
07/27/2010

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Chief Financial Officer

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) | Price | | |
| Common Stock | 07/27/2010 | | M | 50,000 | A \$ 1.4 | 50,000 | D |
| Common Stock | 07/27/2010 | | S | 50,000 | D \$ 6.01 | 0 | D |
| Common Stock | 07/27/2010 | | M | 6,250 | A \$ 1.98 | 6,250 | D |
| Common Stock | 07/27/2010 | | S | 6,250 | D \$ 6 | 0 | D |

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

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(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) | \$ 1.4 | 07/27/2010 | | M | 50,000 | 02/17/2010 ⁽¹⁾ 02/17/2016 | Common Stock |
| Non-Qualified Stock Option (right to buy) | \$ 1.98 | 07/27/2010 | | M | 6,250 | 02/03/2010 ⁽²⁾ 11/03/2016 | Common Stock |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Potter Michael G 5555 N.E. MOORE CT. HILLSBORO, OR 97124 | | | Chief Financial Officer | |

Signatures

/s/ Michael G.
Potter 07/28/2010
**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).

- 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
- (1) 2/17/2010. 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 2/16/2016.
 - (2) 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.

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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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