

LITHIA MOTORS INC
Form 4
March 14, 2006

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 *
GRAY R BRADFORD

(Last) (First) (Middle)
360 E. JACKSON ST.

(Street)

MEDFORD, OR 97501

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
LITHIA MOTORS INC [LAD]

3. Date of Earliest Transaction
(Month/Day/Year)
03/10/2006

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
Executive Vice President

6. Individual or Joint/Group Filing(Check Applicable Line)
 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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------|
| Class A Common | | | | (A) or (D) | 45,712 | D | |

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

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SEC 1474 (9-02)

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) | 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) | | | |
|--------------------------------------------|--------------------------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------|-----|---------------------------------------------------------------|-----------------|----------------|----------------------------|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount of Number of Shares |
| Stock Option (right to buy) | \$ 31.67 | 03/10/2006 | | A | | 14,000 | | 03/10/2011 | 03/10/2012 | Class A Common | 14,000 |
| Class B Common | \$ 0 | | | | | | | <u>(1)</u> | <u>(1)</u> | Class A Common | 278,978 |
| Stock Option (1999) (ISO) (right to buy) | \$ 16.5 | | | | | | | 01/01/2004 | 01/01/2009 | Class A Common | 6,060 |
| Stock Option (1999b) (ISO) (right to buy) | \$ 16.5 | | | | | | | 01/01/2005 | 01/01/2009 | Class A Common | 1,940 |
| Stock Option (2000) (NQ) (right to buy) | \$ 16.75 | | | | | | | 01/06/2005 | 01/06/2010 | Class A Common | 3,941 |
| Stock Option (2000b) (ISO) (right to buy) | \$ 16.75 | | | | | | | <u>(2)</u> | 01/06/2010 | Class A Common | 15,949 |
| Stock Option (2000c) (NQ) (right to buy) | \$ 16.75 | | | | | | | <u>(3)</u> | 01/06/2010 | Class A Common | 8,110 |

| | | | | | |
|-----------------------------------------|----------|------------|------------|----------------|--------|
| Stock Option (2001iso) (right to buy) | \$ 19.24 | 12/26/2006 | 12/26/2011 | Class A Common | 5,197 |
| Stock Option (2002iso) (right to buy) | \$ 15.13 | 12/26/2007 | 12/26/2012 | Class A Common | 6,609 |
| Stock Option (2002nq) (right to buy) | \$ 15.13 | 12/26/2007 | 12/26/2012 | Class A Common | 5,391 |
| Stock Option (right to buy) | \$ 29.42 | 03/11/2009 | 03/11/2010 | Class A Common | 12,000 |
| Stock Option (right to buy) | \$ 27.58 | 02/09/2010 | 02/09/2011 | Class A Common | 14,001 |
| Stock Option (2001) (NQ) (right to buy) | \$ 1 | 12/26/2005 | 12/26/2010 | Class A Common | 12,000 |
| Stock Option (2001nq) (right to buy) | \$ 19.24 | 12/26/2006 | 12/26/2011 | Class A Common | 6,803 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|------------------------------------------------------------|---------------|-----------|--------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| GRAY R BRADFORD 360 E. JACKSON ST. MEDFORD, OR 97501 | X | | Executive Vice President | |

Signatures

By: Cliff E. Spencer, Attorney in
Fact for

03/13/2006

__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) Class B Common converts to Class A Common on a 1:1 ratio at holder's discretion.
- (2) The options vest as follows: 3,498 on 12/31/00; 3,498 on 1/6/01; and 4,894 on 1/6/02.
- (3) The options vest as to 50% of total grant on 3rd anniversary of grant date and remaining 50% on 4th anniversary date.

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.