

ESTEE LAUDER COMPANIES INC
 Form 4
 September 03, 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 *
GEDEON HARVEY

(Last) (First) (Middle)

THE ESTEE LAUDER COMPANIES INC., 767 FIFTH AVENUE

(Street)

NEW YORK, NY 10153

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
ESTEE LAUDER COMPANIES INC [EL]

3. Date of Earliest Transaction (Month/Day/Year)
09/01/2010

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)
 EVP - R&D and Prod Innovation

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount (A) or (D) Price | | |
| Class A Common Stock | 09/01/2010 | | A ⁽¹⁾ | | 2,210 (1) \$ 0 | D | |
| Class A Common Stock | 09/01/2010 | | F ⁽²⁾ | | 906 \$ 57.5 | D | |

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

SEC 1474 (9-02)

displays a currently valid OMB control number.

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) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Option (Right to Buy) | \$ 58.08 | 09/01/2010 | | A | 38,307 | (3) | 09/01/2020 | Class A Common Stock | 38,307 |
| Restricted Stock Units (Share Payout) | \$ 0 | 09/01/2010 | | A | 6,642 | (4) | (4) | Class A Common Stock | 6,642 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-------------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| GEDEON HARVEY THE ESTEE LAUDER COMPANIES INC. 767 FIFTH AVENUE NEW YORK, NY 10153 | | | EVP - R&D and Prod Innovation | |

Signatures

Harvey Gedeon, by Spencer G. Smul,
attorney-in-fact

09/03/2010

__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).
- (1) Reflects payout of performance share units ("PSUs") granted to Reporting Person on September 21, 2007. Aggregate target payout for the opportunities was 2,210 shares of Class A Common Stock.
 - (2) Reflects payout of performance share units ("PSUs") granted to Reporting Person on September 20, 2006. Aggregate target payout for the opportunities was 4,578 shares of Class A Common Stock.
 - (3)

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Stock options granted pursuant to Fiscal 2002 Share Incentive Plan in respect of 12,769 shares exercisable from and after January 1, 2012; 12,769 shares exercisable from and after January 1, 2013; and 12,769 shares exercisable from and after January 1, 2014.

- Assuming continued employment, the restricted stock units granted on September 1, 2010 will vest and be paid out as follows: 2,214 on October 31, 2011, 2,214 on October 31, 2012, and 2,214 on October 31, 2013, or in each case the first day thereafter that shares may be sold pursuant to company policy. Assuming continued employment, the restricted stock units held by the Reporting Person will vest and
- (4) be paid out as follows: 5,572 on November 1, 2010, 7,590 on October 31, 2011, 3,951 on October 31, 2012 and 2,214 on October 31, 2013, or in each case the first day thereafter that shares may be sold pursuant to company policy. Upon payout, shares will be withheld to cover minimum statutory tax obligations. Restricted stock units are accompanied by dividend equivalent rights that will be payable in cash at the time of payout of the related shares.

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.