

VEECO INSTRUMENTS INC

Reported by **PEELER JOHN R**

FORM 4

(Statement of Changes in Beneficial Ownership)

Filed 12/10/09 for the Period Ending 12/08/09

Address TERMINAL DRIVE

PLAINVIEW, NY 11803

Telephone 516 677-0200

CIK 0000103145

Symbol VECO

SIC Code 3559 - Special Industry Machinery, Not Elsewhere Classified

Industry Semiconductors

Sector Technology

Fiscal Year 12/31



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

UNITED STATES SECURITIES AND EXCHANGE **COMMISSION**

Washington, D.C. 20549

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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(f) of the Investment Company Act of 1940

1. Name and Address of Reporting Person *				2	2. Issuer Name and Ticker or Trading Symbol							ng Symb		5. Relationship of Reporting Person(s) to Issuer (Check all applicable)				
PEELER JOHN R					VEECO INSTRUMENTS INC [VECO]							NC	X Direc	X Director 10% Own			Owner	
(Last)	(First) (Middle)				3. Date of Earliest Transaction (MM/DD/YYYY)							DD/YYYY	X Office below) CEO				Other (specify	
VEECO INSTRUMENTS INC., TERMINAL DRIVE					12/8/2009								CEO					
					4. If Amendment, Date Original Filed (MM/DD/YYYY)						ed		6. Individual or Joint/Group Filing (Check Applicable Line)					
PLAINVIEW, NY 11803 (City) (State) (Zip)														_ X _ Form filed by One Reporting Person Form filed by More than One Reporting Person				
		Table l	[- Non-]	Deriv	vati	ve Secu	rities .	Ac	quire	d, Di	spo	sed of, o	or Beneficially	y Owned				
1			2. Trans. Date		2A. Deemed Execution Date, if	3. Trans. Code (Instr. 8)		or Disposed of (D			5. Amount of Securities Beneficia Owned Following Reported Trans (Instr. 3 and 4)			6. Ownership Form: Direct (D)	7. Nature of Indirect Beneficial Ownership			
						any	Code	v	Amou	(A) or (D)		Price	(Ilisti: 5 and 4)			or Indirect (I) (Instr. 4)	(Instr. 4)	
Common Stock 12/8				12/8/2	2009		M		25000	A	\$	617.48	263825			D		
Common Stock 12/				12/8/2	2009		s		25000 (1)	D	\$31	.0083 (2)	238825			D		
Tab	le II - Dei	rivative	Securiti	es Be	enef	ficially (Owned	d (e.g. ,]	puts,	cal	lls, warr	ants, options,	, convert	ible secur	ities)		
1. Title of Derivate Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	e	3A. Deemed Execution Date, if any	4. Trans Code (Instr 8)	S	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date						(Instr. 5)	of derivative Securities	Form of Derivative	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	v	(A) (E		Date Exer		Expira Date	tion	Title	Amount or Number of Shares		Transaction (s) (Instr. 4)	4)		
Stock Option (right to purchase)	\$17.48	12/8/2009		M		2500	00		(3)	6/11/2	015	Common Stock	25000	\$0	150000	D		

Explanation of Responses:

- (1) Represents securities sold pursuant to a 10b5-1 sales plan adopted by the reporting person.
- (2) Reflects weighted average sale price. Actual sale price ranged from \$31.00 to \$31.08 per share. The reporting person undertakes to provide, upon request of the SEC staff, the issuer or any security holder of the issuer, full information regarding the number of shares sold at each separate price.
- (3) The option was granted on June 12, 2008 and became exercisable with respect to 1/3 of such shares on each of the first, second and third anniversaries of the date of grant.

Reporting Owners

Paparting Owner Name / A	/ Address	Relationships						
Reporting Owner Name / A		Director	10% Owner	Officer	Other			

PEELER JOHN R VEECO INSTRUMENTS INC.	X	CEO	
TERMINAL DRIVE PLAINVIEW, NY 11803			

Signatures

Gregory A. Robbins, Attorney-in-fact 12/10/2009

** Signature of Reporting Person

Date

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

- * 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).

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.