

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported)

December 14, 2006

Lattice Semiconductor Corporation

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

000-18032
(Commission File Number)

93-0835214
(IRS Employer
Identification No.)

5555 N. E. Moore Court
Hillsboro, Oregon 97124-6421
(Address of principal executive offices, including zip code)

(503) 268-8000
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 7.01. Regulation FD Disclosure.

On December 14, 2006, Lattice Semiconductor Corporation posted on its website a business update for the fourth quarter of the fiscal year 2006. A copy of the business update is furnished as Exhibit 99.1 to this report.

The information in this Item 7.01 and in Exhibit 99.1 shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Business Update dated December 14, 2006 (furnished, not filed, herewith)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

LATTICE SEMICONDUCTOR CORPORATION

Date: December 14, 2006

By: /s/ Jan Johannessen
Jan Johannessen
Senior Vice President and Chief Financial Officer

EXHIBIT INDEX

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99.1	Business Update dated December 14, 2006 (furnished, not filed, herewith)



News Release

For more information contact:
 Jan Johannessen
 Chief Financial Officer
 Lattice Semiconductor Corporation
 (503) 268-8000

**LATTICE SEMICONDUCTOR ANNOUNCES
 BUSINESS UPDATE FOR FOURTH QUARTER**

HILLSBORO, OR - December 14, 2006 - Lattice Semiconductor (NASDAQ: LSCC) today announced its business update for the fourth quarter of 2006.

The updated guidance is as follows:

- The Company now expects fourth quarter revenue to be 2% - 4% lower than the third quarter of 2006 due to weaker than anticipated turns business in the fourth quarter, particularly from the Company's major communications customers. This is a revision of previous guidance of 0% to up 4% sequentially.
- Total operating expenses are now expected to be in the range of \$35 - \$36 million, including an estimated \$1.1 million of stock-based compensation. This is a revision of previous guidance of \$36 million.

All other guidance remains unchanged.

No conference call will be held in conjunction with this guidance update.

The foregoing business update contains forward-looking statements. Lattice believes the factors identified below in connection with each such statement could cause actual results to differ materially from the forward-looking statements.

Estimates of future revenue are inherently uncertain due to the high percentage of quarterly "turns" business, as well as such factors as pricing pressures, competitive actions, the demand for our products, and our ability to supply products to customers in a timely manner.

In addition to the foregoing, other factors that may cause actual results to differ materially from the forward-looking statements herein include the Company's dependencies on its silicon wafer suppliers, technological and product development risks, and other risks that are described from time to time in our filings with the Securities and Exchange Commission. The Company does not intend to update or revise any forward-looking statements, whether as a result of events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

About Lattice Semiconductor

Lattice Semiconductor Corporation provides the industry's broadest range of Field Programmable Gate Arrays (FPGA) and Programmable Logic Devices (PLD), including Field Programmable System Chips (FPSC), Complex Programmable Logic Devices (CPLD), Programmable Mixed-Signal Products (ispPAC[®]) and Programmable Digital Interconnect Devices (ispGDX[®]). Lattice also offers industry leading SERDES products.

Lattice continues to deliver "More of the Best" to its customers with comprehensive solutions for system design, including an unequalled portfolio of high performance, non-volatile and low cost FPGAs.

Lattice products are sold worldwide through an extensive network of independent sales representatives and distributors, primarily to OEM customers in communications, computing, industrial, consumer, automotive, medical and military end markets. For more information, visit <http://www.latticesemi.com>.

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