

VEECO INSTRUMENTS INC
 Form 4
 May 10, 2006

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

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

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 *
KANIA DON R

2. Issuer Name and Ticker or Trading Symbol
**VEECO INSTRUMENTS INC
 [VECO]**

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

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

___ Director ___ 10% Owner
 Officer (give title below) ___ Other (specify below)
President and COO

**VEECO INSTRUMENTS INC., 100
 SUNNYSIDE BOULEVARD,
 SUITE B**

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

WOODBURY, NY 11797

(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) | (A) or (D) | 5. Amount or Price | 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 Indirect Beneficial Ownership (Instr. 4) |
|---|--------------------------------------|--|--------------------------------|---|------------|--------------------|---|--|---|
| Common Stock, par value \$.01 per share | 05/09/2006 | | M | 30,000 | A | \$ 15.27 | 30,438 | D | |
| Common Stock, par value \$.01 per share | 05/09/2006 | | M | 5,000 | A | \$ 15.27 | 35,438 | D | |
| Common Stock, par | 05/09/2006 | | M | 15,000 | A | \$ 15.27 | 50,438 | D | |

value \$.01
per share

Common
Stock, par
value \$.01
per share

05/09/2006

S 30,000 D \$ 27.16 20,438 D

Common
Stock, par
value \$.01
per share

05/09/2006

S 5,000 D \$ 27.27 15,438 D

Common
Stock, par
value \$.01
per share

05/09/2006

S 15,000 D \$ 27.33 438 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 displays a currently valid OMB control number.

SEC 1474
(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 Amount of Underlying Securities (Instr. 3 and 4) | Amount or Number of Shares | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|--------|
| | | | | | | Date Exercisable | Expiration Date | Title | |
| | | | | Code | V (A) (D) | | | | |
| Employee Stock Option (Right to Purchase) | \$ 15.27 | 05/09/2006 | | M | 50,000 | (1) | 03/02/2010 | Common Stock | 50,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|----------------------|-------|
| | Director | 10% Owner | Officer | Other |
| KANIA DON R VEECO INSTRUMENTS INC., | | | President and COO | |

100 SUNNYSIDE BOULEVARD, SUITE B
WOODBURY, NY 11797

Signatures

Gregory A. Robbins,
Attorney-in-fact

05/10/2006

__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) The original grant provided that the option would become exercisable in 33 1/3% increments on the first, second and third anniversaries of the grant date (March 3, 2003). On April 12, 2005, the Compensation Committee of Veeco's Board of Directors approved the acceleration of vesting of all unvested stock options granted prior to September 1, 2004 which were then out-of-the money (exercise price greater than \$15.26).

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.