
OMB APPROVAL

OMB Number: 3235-0145
Expires: October 31, 1994
Estimated average burden
hours per response... 14.90

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 13G

UNDER THE SECURITIES EXCHANGE ACT OF 1934

(AMENDMENT NO. _____) *

Cree Research Inc.

(NAME OF ISSUER)

Common

(TITLE OF CLASS OF SECURITIES)

225447101

(CUSIP NUMBER)

Check the following box if a fee is being paid with this statement []. (A fee is not required only if the filing person: (1) has a previous statement on file reporting beneficial ownership of more than five percent of the class of securities described in Item 1; and (2) has filed no amendment subsequent thereto reporting beneficial ownership of five percent or less of such class.) (See Rule 13d-7).

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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CUSIP NO. 225447101

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PAGE _____ of _____ PAGES

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Driehaus Capital Management, Inc.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a) []

(b) []

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

ILLINOIS, U.S.A.

5 SOLE VOTING POWER

339,294

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH

6 SHARED VOTING POWER

0

7 SOLE DISPOSITIVE POWER

717,697

8 SHARED DISPOSITIVE POWER

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

717,697

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

5.62%

12 TYPE OF REPORTING PERSON*

IA

*SEE INSTRUCTION BEFORE FILLING OUT!

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Driehaus Capital Management, Inc.
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Item 1. (a) Name of Issuer: Cree Research Inc.

(b) Issuer's Principal Executive Offices:

2810 Meridian Pkwy, Ste. 144
Durham, North Carolina 27713

- Item 2. (a) Person Filing - Driehaus Capital Management, Inc.
(b) Address - 25 East Erie Street
Chicago, IL 60611
(c) Citizenship - U.S.A.
(d) Title of Class of Securities - Common
(e) CUSIP Number - 225447101

- Item 3. (e) Investment Adviser Registered under section 203 of the Investment Advisers Act of 1940.

- Item 4. (a) Amount Beneficially Owned - 717,697
(b) Percent of Class - 5.62%
(c) Number of shares as to which reporting person has:
(i) Sole voting power 339,294
(ii) Shared voting power 0
(iii) Sole dispositive power 717,697
(iv) Shared dispositive power 0

Item 5. Not Applicable

Item 6. The reporting person, Driehaus Capital Management, Inc., manages accounts for numerous clients on a fully discretionary basis. Securities held in these clients' accounts are included in this report to reflect the fact that the reporting person may have voting power or dispositive power. To the best of the reporting person's knowledge, none of the clients whose securities are included in this report have an ownership interest in the subject class of securities which exceeds five percent of the class.

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Driehaus Capital Management, Inc.
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Item 7. Not Applicable

Item 8. Not Applicable

Item 9. Not Applicable

Item 10. Certification

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were acquired and are held in the ordinary course of business and were not acquired and are not held

for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

February 8, 1999

Date

/s/ Mary H. Weiss

Signature

Mary H. Weiss, Vice President

Name/Title