

KRAFT FOODS INC

Form 4

October 23, 2007

FORM 4
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
King Pamela E

(Last) (First) (Middle)

KRAFT FOODS INC., THREE
LAKES DRIVE

(Street)

NORTHFIELD, IL 60093

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol

KRAFT FOODS INC [KFT]

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

06/12/2007

4. If Amendment, Date Original
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director ____ 10% Owner
X Officer (give title below) ____ Other (specify
below) below)

Senior VP & Controller

6. Individual or Joint/Group Filing(Check
Applicable Line)
X 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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount (A) or (D)	Price	
Class A Common Stock	06/12/2007		X		3,381 (1)	D \$ 85	0 (2) D
Class A Common Stock	06/15/2007		X		69 (1)	D \$ 85	0 (2) D
Class A Common Stock	06/26/2007		P		3,450 A	\$ 35.6	29,851 D
Class A Common							30,448 (3) D

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Stock

Units 738.63 ⁽⁴⁾ D

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

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(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)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Call Option (obligation to sell)	\$ 85	06/12/2007		X	3,381 ⁽¹⁾	11/20/2006 06/16/2007	Class A Common Stock 3,381 ⁽¹⁾
Call Option (obligation to sell)	\$ 85	06/15/2007		X	69 ⁽¹⁾	11/20/2006 06/16/2007	Class A common Stock 69 ⁽¹⁾

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
King Pamela E KRAFT FOODS INC. THREE LAKES DRIVE NORTHFIELD, IL 60093	Senior VP & Controller

Signatures

/s/ Irma Villarreal by Power of Attorney 10/23/2007

 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).

These shares represent call options of Altria Group, Inc. ("MO") that were adjusted following the March 30, 2007 spin-off of Kraft from

(1) MO. As a result of the spin-off, Reporting Person acquired shares of Kraft. Consequently, the call option comprised shares of MO and Kraft, all of which were then exercised.

(2) Shares beneficially owned did not change as a consequence of this transaction.

(3) Represents shares or share equivalents acquired by reporting person pursuant to the March 30, 2007 distribution of Issuer's shares previously owned by Altria Group, Inc.

(4) Units represent interests in Issuer's stock fund. Report is made in Units because it is not possible to calculate the number of shares.

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

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