FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

| OMB APPRO | OVAL | | | | | | |
|--------------------------|-----------|--|--|--|--|--|--|
| OMB Number: | 3235-0287 | | | | | | |
| 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).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

| 1. Name and Address of Reporting Person* SCHAPIRO MARY L | | | | | | 2. Issuer Name and Ticker or Trading Symbol KRAFT FOODS INC [KFT] | | | | | | | | | ationship k all appl Direct | cable) | g Pers | erson(s) to Issuer | | |
|--|---|--|---|---------|--|---|---------|--|---|---------------------|--|--|-----------------------------------|--------------------------------|--|--|-------------------------------------|--|---------------------------------------|--|
| (Last) (First) (Middle) 5207 38TH ST. NW | | | | | | 3. Date of Earliest Transaction (Month/Day/Year) 01/03/2005 | | | | | | | | | Office below | (give title | | Other (s below) | specify | |
| (Street) WASHINGTON DC 20015 (City) (State) (Zip) | | | | | 4. If Amendment, Date of Original Filed (Month/Day/Year) | | | | | | | | | 6. Indi Line) X | · | | | | | |
| (- 9) | (- | | le I - Non- | Deriva | tive | Sac | curitie | ος Δι | rauired I | Dier | nosed a | of or Re | nefic | ially | Owner | | | | | |
| 1. Title of Security (Instr. 3) 2. Transac Date (Month/Da | | | | | ction 2A. Deemed Execution Date | | | Transaction Code (Instr. 8) 4. Sec Dispose 5) | | 4. Secui Dispose | urities Acquired (A) sed Of (D) (Instr. 3, 4 | | or and | 5. Amou Securiti Benefic | unt of ites For (D) (I) (Following ed ction(s) | | n: Direct r Indirect istr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) | | |
| | | T | able II - De (e | | | | | | uired, Di s, options | | | | | | wned | | | | | |
| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Da if any (Month/Day/ | ate, Tr | 4. Transaction Code (Instr. 8) | | | | 6. Date Exe Expiration I (Month/Day | Date | | e and 7. Title and Amount of Securities Underlying Derivative Sec (Instr. 3 and 4) | | De Se (Ir | Price of erivative ecurity nstr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transactions (Instr. 4) | , | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | Beneficial Ownership (Instr. 4) | |
| | | | | C | ode | v | (A) | (D) | Date Exercisable | | piration ite | Title | Amou or Numb of Share | er | | | | | | |
| Phantom Stock | (1) | 01/03/2005 | | | A | | 176 | | (1) | | (1) | Class A Common Stock | 176 | | (2) | 2,878 | | D | | |

Explanation of Responses:

- 1. The units are to be settled in cash upon the reporting person's termination as a member of the issuer's board of directors.
- 2. The phantom stock was accrued on January 3, 2005 under the Kraft Foods Inc. 2001 Compensation Plan for Non-Employee Directors based on the closing stock price (\$35.61) on December 31, 2004.

/s/ Theodore L. Banks, by power of attorney

** Signature of Reporting Person Date

01/05/2005

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 Number.