UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 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): January 16, 2009

KRAFT FOODS INC.

(Exact name of registrant as specified in its charter)

Virginia (State or other jurisdiction of incorporation) 1-16483 (Commission File Number) 52-2284372 (I.R.S. Employer Identification No.)

Three Lakes Drive, Northfield, Illinois (Address of Principal executive offices) 60093-2753 (Zip Code)

Registrant's Telephone number, including area code: (847) 646-2000

Not Applicable

(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)

Dere-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Dere-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01. Other Events.

On January 16, 2009, Kraft Foods Inc. issued a press release announcing that its wholly owned subsidiary, Kraft Foods Global, Inc., entered into a settlement agreement with The Procter & Gamble Company regarding patents for plastic packaging for roast and ground coffee.

The information contained in the press release is deemed to be "filed" under the Securities Exchange Act of 1934, as amended, and is attached as Exhibit 99.1 to this Current Report on Form 8-K. The press release is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) The following exhibit is being filed with this Current Report on Form 8-K.

Exhibit Number	Description
99.1	Kraft Foods Inc. Press Release, dated January 16, 2009

SIGNATURE

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.

Date: January 16, 2009

KRAFT FOODS INC.

/s/ Carol J. Ward

Name: Carol J. Ward Title: Vice President and Corporate Secretary Contact: Renee Zahery 847-646-4422 <u>rzahery@kraft.com</u>

Kraft Foods Responds to Settlement Agreement with P&G

NORTHFIELD, IL, January 16, 2009 – Kraft Foods Global, Inc. (NYSE:KFT) and The Procter & Gamble Company (P&G) today announced a settlement agreement regarding patents for plastic packaging for roast and ground coffee. The financial terms and details of the settlement will not be disclosed. In response, Marc Firestone, Executive Vice President, Corporate and Legal Affairs and General Counsel for Kraft Foods, issued the following statement:

"Kraft Foods is pleased to settle this matter with P&G in such an efficient and pragmatic way. We look forward to moving ahead on our *Maxwell House* brand."

###

Kraft Foods (<u>www.kraft.com</u>) is the world's second largest food company with annual revenues of approximately \$40 billion and sales in more than 150 countries. For more than a century, we've been inspired by consumers to deliver delicious foods that fit the way they live. From American brand icons like *Kraft* cheeses, dinners and dressings, *Maxwell House* coffees and *Oscar Mayer* meats, to global powerhouse brands like *Oreo* and *LU* biscuits, *Philadelphia* cream cheeses, *Jacobs* and *Carte Noire* coffees, *Tang* powdered beverages and *Milka*, *Côte d'Or*, *Lacta* and *Toblerone* chocolates, we're proud that our brands deliver millions of smiles a day. Kraft Foods (NYSE: KFT) is a member of the Dow Jones Industrial Average, Standard & Poor's 500, the Dow Jones Sustainability Index.