FORM 4

## UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Washington, D.O. 20040	OMB APPRO\			
STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP	OMB Number:	3		

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IN BENEFICIAL OWNERSHIP	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*  MAY KAREN J  (Last) (First) (Middle)  KRAFT FOODS INC.  THREE LAKES DRIVE					3. D 10/	Issuer Name and Ticker or Trading Symbol KRAFT FOODS INC [ KFT ]      Date of Earliest Transaction (Month/Day/Year) 10/03/2008									X X	all app Direct Office below	olicable) stor er (give title v) Executive V	Ott bel Vice Preside	% Owner ner (specify ow)
(Street) NORTHE			50093 Zip)		.   4. If	4. If Amendment, Date of Original Filed (Month/Day/Year)						ine)	,						
		Tabl	e I - Noi	n-Deriv	ative	Se	curitie	s Acq	uired,	Dis	posed o	f, oı	r Ben	eficia	ally (	Owne	ed		
1. Title of Security (Instr. 3)  2. Transpose (Month/L			Executio (ay/Year) if any		if any		Transaction Disposed Of Code (Instr. 5)		ties Acquired (A) I Of (D) (Instr. 3,			, 4 and		ount of ties cially d Following	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	of Indirect			
								Code	v	Amount		(A) or (D)	Price		Reported Transaction(s) (Instr. 3 and 4)			(1130.4)	
Class A Common Stock			10/03/2008					F		5,068(1	8(1) D \$		\$33	3.52 147,215		D			
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 of Exercise Price of Derivative Security  (Instr. 3)  3. Transaction Date (Month/Day/Year) if any (Month/Day/Year)		Date,	4. Transaction Code (Instr. 8)		of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)  Date Expiration Exercisable Date		7. Title and Amount of Securities Underlying Derivative Security (Instr. and 4)  Amoun or Numbe of Title Shares		ount nber	nt er		9. Number of derivative Securities Beneficially Owned Following Reported Transaction (Instr. 4)	Ownersh Form: Direct (D or Indire (I) (Instr.	Beneficial Ownership ct (Instr. 4)			

## **Explanation of Responses:**

1. Withholding of shares of Class A Common Stock to satisfy tax withholding obligations in connection with the vesting of restricted shares awarded under the Issuer's 2005 Performance Incentive Plan.

## Remarks:

/s/ Irma Villarreal, by Power of Attorney

10/06/2008

\*\* Signature of Reporting Person Date

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

- $^{\star}$  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.