FORM 4

Section 16. Form 4 or Form 5 obligations may continue. See

Instruction 1(b).

## 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	STATEMENT OF	CHA
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## ANGES IN BENEFICIAL OWNERSHIP

**OMB APPROVAL** OMB Number: Estimated average burden hours per response: 0.5

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*  SPENCE JEAN E						2. Issuer Name and Ticker or Trading Symbol  KRAFT FOODS INC [ KFT ]									ck all applic	cable)	g Person(s) to Issu 10% Ow Other (s)		ner	
(Last) (First) (Middle) KRAFT FOODS INC. THREE LAKES DRIVE  (Street) NORTHFIELD IL 60093  (City) (State) (Zip)			3. Date of Earliest Transaction (Month/Day/Year) 02/20/2009									X	EVP,	Research, D		below)` 7 & Qualit	y			
				-	4. If Amendment, Date of Original Filed (Month/Day/Year)									Individual or Joint/Group Filing (Check Applicable Line)      X Form filed by One Reporting Person     Form filed by More than One Reporting Person						
		Tab	le I - Nor	า-Deri	vativ	e Se	curities	s Ac	quired,	Dis	posed o	f, or B	enefic	ially	Owned	1				
1. Title of Security (Instr. 3)			2. Transaction Date (Month/Day/Year)		ear)	2A. Deemed Execution Date, if any (Month/Day/Year		3. Transa Code ( r) 8)					4 and Securition Beneficition Owned I		es ally Following	Form (D) o	n: Direct r Indirect istr. 4)	7. Nature of Indirect Beneficial Ownership		
									Code	v	Amount	nt (A) or (D)		ce	Reported Transact (Instr. 3	tion(s)			(Instr. 4)	
Class A Common Stock Units				02/20/2009		)9			A		14,810	0 <sup>(1)</sup> A		\$ <mark>0</mark>	90	,389		D		
														2,9	)12 <sup>(2)</sup>			401(k) plan		
		-	Table II -								osed of, onvertil				Owned			,		
	Conversion or Exercise Price of Derivative	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution I if any (Month/Day	Date,	4. Transa Code ( 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Ex Expiration (Month/Da	Date	of Securities		ities ng 'e Secur		B. Price of Derivative Security Instr. 5)	9. Number derivative Securities Beneficially Owned Following Reported Transaction (Instr. 4)	i	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
					Code	v	(A)	(D)	Date Exercisab		Expiration Date	Title	Amor or Numl of Share	oer						
Stock Option (right to	\$23.638	02/20/2009			A		59,240		(3)	0	2/20/2019	Class A Common Stock	59,2	40	\$0	59,240	)	D		

## **Explanation of Responses:**

- 1. Shares of restricted stock awarded pursuant to Issuer's 2005 Performance Incentive Plan. Shares will vest on February 17, 2012.
- 2. Units represent interests in Kraft Stock Fund, which are payable in cash. Reporting person's interests in the Kraft Stock Fund fluctuates with the fund's performance. The information in this report is based on a plan statement dated as of January 31, 2009.
- 3. Options will vest in three annual installments as follows: 33% vest on February 19, 2010; 33% vest on February 18, 2011; and 34% vest on February 17, 2012.

## Remarks:

/s/ Irma Villarreal, by Power of <u>Attorney</u>

\*\* Signature of Reporting Person

02/24/2009

Date

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.