
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): December 22, 2004

KRAFT FOODS INC.

(Exact name of registrant as specified in its charter)

Virginia
(State or other jurisdiction
of incorporation)

001-16483
(Commission
File Number)

52-2284372
(I.R.S. Employer
Identification No.)

Three Lake Drive, Northfield, Illinois
(Address of Principal executive offices)

60093-2753
(Zip Code)

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

(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:

- 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)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01. Entry into a Material Definitive Agreement.

On December 22, 2004, Kraft Foods Aviation, LLC ("Kraft"), a wholly owned indirect subsidiary of Kraft Foods Inc., entered into an Assignment and Consent with Altria Corporate Services, Inc. ("ALCS") and Gulfstream Aerospace Corporation ("Gulfstream"), pursuant to which ALCS assigned to Kraft, and Kraft assumed from ALCS, ALCS's rights and obligations with respect to Aircraft #2 under a Gulfstream G550 Sales Agreement, dated December 13, 2004, between ALCS and Gulfstream, providing for the purchase and outfitting of two G550 aircraft.

The foregoing description of the Assignment and Consent is qualified in its entirety by reference to the complete terms and conditions of the Assignment and Consent, which is attached as Exhibit 10.20 to this Current Report on Form 8-K.

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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.

KRAFT FOODS INC.

/s/ Marc. S. Firestone

Name: Marc S. Firestone

Title: Executive Vice President, General
Counsel and Corporate Secretary

EXHIBIT INDEX

Exhibit Number	Description
10.20	Assignment and Consent

ASSIGNMENT AND CONSENT

The following shall constitute an assignment and consent to assignment (the "Assignment") by and among GULFSTREAM AEROSPACE CORPORATION ("GULFSTREAM"), Altria Corporate Services, Inc., ("ASSIGNOR") and Kraft Foods Aviation, LLC ("ASSIGNEE").

WHEREAS, ASSIGNOR and GULFSTREAM entered into a Gulfstream G550 Sales Agreement (the "Agreement"), dated December 13, 2004 for the purchase and outfitting of two (2) G550 aircraft, identified in the Agreement as Aircraft #1 and Aircraft #2;

WHEREAS, ASSIGNOR wishes to assign its rights and obligations as to Aircraft #2 under the Agreement, including its rights and obligations under Section 18, Warranty Information of the Gulfstream G550 Product Specification incorporated into the Agreement (as modified by the Agreement) by reference, to ASSIGNEE and ASSIGNEE wishes to accept the delivery of Aircraft #2 and assume ASSIGNOR's rights and obligations as to Aircraft #2 under the Agreement, including the rights and obligations under Section 18, Warranty Information; and

WHEREAS, GULFSTREAM wishes to give its consent to such assignment.

NOW, THEREFORE, the parties to this Assignment and Consent agree as follows:

1. The rights and obligations as to Aircraft #2 are hereby assigned from ASSIGNOR to ASSIGNEE.
2. GULFSTREAM agrees and consents to this Assignment.
3. The ASSIGNEE agrees to all terms and conditions contained in Section 18, Warranty Information (as modified by the Agreement) and further agrees to perform all obligations of BUYER thereunder.

From the date hereof, ASSIGNOR shall have no further liability under the Agreement as to Aircraft #2 and the ASSIGNEE hereby assumes all of ASSIGNOR's rights, duties and liabilities as to Aircraft #2 under the Agreement.

This Assignment and Consent may be executed in several counterparts each of which shall be deemed to be an original.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment and Consent to be executed on this 22nd day of December, 2004, by their duly authorized representatives.

GULFSTREAM AEROSPACE CORPORATION
("GULFSTREAM")

Altria Corporate Services,
Inc.
("ASSIGNOR")

BY: _____

BY: _____

TITLE: _____

TITLE: _____

Kraft Foods Aviation, LLC
("ASSIGNEE")

BY: _____

TITLE: _____