

Sara Lee Corp
Form 4
January 26, 2007

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
CROWN JAMES S

(Last) (First) (Middle)

222 N LASALLE STREET, STE 2000

(Street)

CHICAGO, IL 60601

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
Sara Lee Corp [SLE]

3. Date of Earliest Transaction (Month/Day/Year)
01/03/2007

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership Beneficial (Instr. 4)
				(A) or (D) Code V Amount (D) Price			
Common Stock	01/03/2007		M	4,725 A \$ 17.025	86,230 ⁽¹⁾	D	
Common stock					7,500	I	See ftn. ⁽⁵⁾

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

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SEC 1474 (9-02)

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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 or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Amount or Number of Shares
phantom stock	(2)	01/03/2007		M	4,725 <u>(3)</u> <u>(4)</u>	01/03/2007 01/03/2007	common stock	4,725

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
CROWN JAMES S 222 N LASALLE STREET STE 2000 CHICAGO, IL 60601	X			

Signatures

/s/ James S. Crown
01/26/2006

**Signature of Reporting Person Date

Explanation of Responses:

- * 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).
- (1) Includes 20,641 restricted stock units (RSUs) that may be settled only for shares of common stock. RSUs vest one year after the grant date and, on the settlement date, are convertible into shares of common stock on a one-for-one basis. The settlement date is either three years after the date of grant, for RSUs granted before July 2005, or six months after the reporting person ceases to be a director of the issuer, for other RSUs.
 - (2) Represents director fees deferred and dividend reinvestment credits accrued in the reporting person's account in the Sara Lee Corporation Non-Employee Director Deferred Compensation Program. The phantom stock units are being settled in shares of the issuer's common stock on a one-for-one basis.
 - (3) Includes 56.75 share units credited to the reporting person's deferred compensation account pursuant to the reinvestment of accrued dividends equivalents.
 - (4) On September 5, 2006, the issuer distributed, as a pro rata stock dividend, all of the shares of its wholly-owned subsidiary, Hanesbrands Inc., to holders of record of the issuer's common stock as of the close of business on August 18, 2006 (the "spin off"). Effective upon completion of the spin off, the Compensation and Employee Benefits Committee of the issuer's Board of Directors adjusted all outstanding phantom stock units to preserve the pre-spin off intrinsic value of such units. As a result, on September 6, 2006, the reporting

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person's deferred compensation account was credited with 649.3 phantom stock units.

(5) Held by the reporting person's spouse.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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