

FORM 4
STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

[] Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue.

1. Name and Address of Reporting Person(s)
Holmes Michael H
100 Crystal A Drive

Hershey, Pennsylvania 17033

2. Issuer Name and Ticker or Trading Symbol
Hershey Foods Corporation (HSY)

3. I.R.S. Identification Number of Reporting Person, if an entity (Voluntary)

4. Statement for Month/Year

01/01

5. If Amendment, Date of Original (Month/Year)

6. Relationship of Reporting Person(s) to Issuer (Check all applicable)

[] Director [] 10% Owner

[X] Officer (give title below) [] Other (specify below)

VP, U.S. Marketing

7. Individual or Joint/Group Filing (Check Applicable Line)

[X] 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	2) Transaction Date (Month/Day/Year)	3) Transaction Code	4) Securities Acquired (A) or Disposed of (D) Amount Price	5) Amount of Securities Beneficially Owned at End of Month	6) D or I	7) Nature of Indirect Beneficial Ownership
Common Stock				900.0000	D	Direct
Common Stock	12/31/00	A V	41.8700 (1) D (2)	6,100.8900	I	401(k) Plan
Common Stock				3,816.0000	I	by Spouse

Table II (PART 1) Derivative Securities Acquired, Disposed of, or Beneficially Owned (Columns 1 through 6)

1) Title of Derivative Security	2) Conversion or Exercise Price of Derivative Security	3) Transaction Date	4) Transaction Code	5) Number of Derivative Securities Acquired (A) or Disposed of (D)	6) Date Exercisable and Expiration Date	7) Exercisable	8) Expiration
Non-Qualified Stock Option (right to buy) (3)	\$58.50000	01/10/01	A	7,700.0000			01/09/11

Table II (PART 2) Derivative Securities Acquired, Disposed of, or Beneficially Owned (Columns 1,3 and 7 through 11)

1) Title of Derivative Security	3) Transaction Date	7) Title and Amount of Underlying Securities	8) Price of Derivative Security	9) Number of Derivative Securities Beneficially Owned at End of Month	10) D or I	11) Nature of Indirect Beneficial Ownership
Non-Qualified Stock Option (right to buy) (3)	01/10/01	Common Stock	7,700.0000	7,700.0000	D	Direct

Explanation of Responses:

(1)
This entry represents a reduction in the balance of shares allocated to the account of the reporting person in the Hershey Foods Corporation Employee Savings, Stock Investment and Ownership Plan (ESSIOP). To manage liquidity needs of the Plan, the ESSIOP fiduciary from time-to-time maintains a lower overall share balance (versus cash) in the Plan, which in this instance resulted in a reduction in the number of shares allocated to the reporting person's account when compared to the prior Form 4 report.

(2)
See footnote (1) above. The closing price on December 29, 2000 was \$64.375. The exact price of each share at date of disposition is not readily determinable.

(3)
These options were granted under the Hershey Foods Corporation Key Employee Incentive Plan, and they have a stock withholding feature which permits the withholding of shares of stock at the time of exercise to satisfy the grantee's income tax withholding rights.

SIGNATURE OF REPORTING PERSON
/S/ Holmes , Michael H
DATE 02/08/2001