

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

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

OMB APPROVAL	
OMB Number:	3235-0287
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1. Name and Address of Reporting Person* <u>ARLINE MARCELLA K</u>			2. Issuer Name and Ticker or Trading Symbol <u>HERSHEY CO [ HSY ]</u>			5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>SVP, Chief People Officer</u>		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) <u>08/08/2006</u>			6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person		
<u>100 CRYSTAL A DRIVE</u>			4. If Amendment, Date of Original Filed (Month/Day/Year)					
(Street) <u>HERSHEY PA 17033</u>								
(City) (State) (Zip)								

**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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	08/08/2006		M		1,250	A	(1)	17,750	D	
Common Stock	08/08/2006		F		367	D	\$52.28	17,383	D	
Common Stock								6,507.913	I	401(k) Plan

**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 Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Restricted Stock Units	(1)	08/08/2006		M			1,250 <sup>(2)</sup>	(3)	(3)	Common Stock	1,250	(1)	3,750	D	

**Explanation of Responses:**

- Each Restricted Stock Unit represents a contingent right to receive one share of Common Stock of The Hershey Company or its cash equivalent.
- Vested Restricted Stock Units granted under the Company's Key Employee Incentive Plan ("Plan") converted and settled with the Company in stock as permitted under the Plan.
- Restricted Stock Units ("RSUs") granted on August 8, 2005 of which 1,250 RSUs vested on August 8, 2006. The remaining unvested RSUs will vest according to the following schedule: 1,250 on August 8, 2007; 1,250 on August 8, 2008; and the final 1,250 on August 8, 2009. Once vested, RSUs may be: (1) settled in cash having a value equivalent to the closing price of Common Stock on the New York Stock Exchange on the day preceding the vesting date, in an equal number of shares of Common Stock, or in a combination of cash and Common Stock; or (2) deferred under the Company's Deferred Compensation Plan. The reporting person has elected to settle the vested RSUs for stock (except for such shares as are necessary to satisfy current tax obligations).

**Remarks:**

The total amount of securities reported as indirectly owned by the reporting person in Column 5 of Table I (401(k) Plan) includes 167.0930 shares acquired from February 1, 2006 through July 31, 2006, pursuant to the Company's Employee Savings Stock Investment and Ownership Plan (ESSIOP). These shares were acquired at various intervals. The closing price on July 31, 2006, was \$54.97. The exact price of each share at the date of acquisition is not readily determinable.

Marcella K Arline

08/08/2006

\*\* Signature of Reporting Person

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.