Sass Lawrence Marc Form 4 December 23, 2008

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB APPROVAL OMB 3235-0287

Number:

Expires:

January 31, 2005

0.5

Estimated average burden hours per

response...

Check this box if no longer subject to Section 16. Form 4 or

Form 5 obligations may continue. See Instruction

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

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * Sass Lawrence Marc	2. Issuer Name and Ticker or Trading Symbol CHEROKEE INC [CHKE]	5. Relationship of Reporting Person(s) t Issuer		
(Last) (First) (Middle)	3. Date of Earliest Transaction	(Check all applicable)		
6835 VALJEAN AVENUE	(Month/Day/Year) 12/23/2008	Director 10% Owner X Officer (give title Other (specification) below) Senior Vice President		
(Street)	4. If Amendment, Date Original Filed(Month/Day/Year)	6. Individual or Joint/Group Filing(Check Applicable Line)		
VAN NUYS, CA 91406		_X_ Form filed by One Reporting Person Form filed by More than One Reporting Person		

(State)

(Zip)

		14010	1 11011 2			quirea, 2 isposeu	01, 01 2011011011	
1.Title of	2. Transaction Date	2A. Deemed	3.	4. Securit	ies	5. Amount of	6. Ownership	7. Nature of
Security	(Month/Day/Year)	Execution Date, if	Transactio	onAcquired	(A) or	Securities	Form: Direct	Indirect
(Instr. 3)		any	Code	Disposed	of (D)	Beneficially	(D) or	Beneficial
		(Month/Day/Year)	(Instr. 8)	(Instr. 3,	4 and 5)	Owned	Indirect (I)	Ownership
						Following	(Instr. 4)	(Instr. 4)
					(4)	Reported		
					(A)	Transaction(s)		
			Code V	A4	Or (D) Dries	(Instr. 3 and 4)		
C			Code V	Amount	(D) Price			
Common						0	D	
stock						o .	D	

Stock

(City)

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

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

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

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

Edgar Filing: Sass Lawrence Marc - Form 4

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)	Code	5. Number on f Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exerci Expiration Da (Month/Day/Y	te	7. Title and A Underlying S (Instr. 3 and	Securities
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Common stock options	\$ 23.12					04/07/2006	04/07/2011	Common stock	1,667
Common stock options	\$ 23.12					04/07/2007	04/07/2011	Common stock	1,667
Common stock options	\$ 34.62					06/30/2006	06/30/2012	Common stock	3,333
Common stock options	\$ 34.62					06/30/2007	06/30/2012	Common Stock	3,333
Common stock options	\$ 34.62					06/30/2008	06/30/2012	Common Stock	3,334
Common stock options	\$ 39.26					04/07/2007	04/07/2013	Common Stock	833
Common stock options	\$ 39.26					04/07/2008	04/07/2013	Common Stock	833
Common stock options	\$ 39.26					04/07/2009	04/07/2013	Common Stock	834
Common stock options	\$ 43.42					03/29/2008	03/29/2014	Common Stock	5,000
Common stock options	\$ 43.42					03/29/2009	03/29/2014	Common Stock	5,000
Common stock options	\$ 43.42					03/29/2010	03/29/2014	Common Stock	5,000

Edgar Filing: Sass Lawrence Marc - Form 4

Common stock options	\$ 39.16					10/01/2008	10/01/2014	Common Stock	8,333
Common stock options	\$ 39.16					10/01/2009	10/01/2014	Common Stock	8,333
Common stock options	\$ 39.16					10/01/2010	10/01/2014	Common Stock	8,334
Common stock options	\$ 22.7					08/21/2009	08/21/2015	Common Stock	6,666
Common stock options	\$ 22.7					08/21/2010	08/21/2015	Common Stock	6,667
Common stock options	\$ 22.7					08/21/2011	08/21/2015	Common Stock	6,667
Common stock options	\$ 39.26	12/23/2008	12/23/2008	J	834	04/07/2009	04/07/2013	Common Stock	834
Common stock options	\$ 43.42	12/23/2008	12/23/2008	J	1,549	03/29/2009	03/29/2014	Common Stock	1,549
Common stock options	\$ 43.42	12/23/2008	12/23/2008	J	2,303	03/29/2010	03/29/2014	Common Stock	2,303

Reporting Owners

Reporting Owner Name / Address	Relationships						
1 8	Director	10% Owner	Officer	Other			
Sass Lawrence Marc 6835 VALJEAN AVENUE VAN NUYS, CA 91406			Senior Vice President				

Signatures

Russell J. Riopelle under POA for Lawrence M. Sass

**Signature of Reporting Person Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

Reporting Owners 3

^{**} Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Edgar Filing: Sass Lawrence Marc - Form 4

Remarks:

On December 23, 2008, Mr. Sass voluntarily forfeited 834 previously granted ISO stock options with an exercise price of \$39.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.