

SIEGEL HOWARD B
 Form 4
 May 22, 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 *
SIEGEL HOWARD B

(Last) (First) (Middle)
 6835 VALJEAN AVE
 (Street)

VAN NUYS, CA 91406

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
CHEROKEE INC [CHKE]

3. Date of Earliest Transaction (Month/Day/Year)
 05/21/2007

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)
 President

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 (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) Price | | | |
| Common Stock | | | | | 46,612 | D | |
| Common Stock | 05/21/2007 | 05/21/2007 | M | 3,334 A \$ 34.62 | 49,946 | D | |

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 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 Underlying Securities (Instr. 3 and 4) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Common stock option | \$ 23.12 | | | | | 04/07/2007 04/06/2011 | common stock | 3,334 |
| Common stock option | \$ 34.62 | | | | | 06/30/2007 06/30/2012 | common stock | 3,333 |
| Common stock option | \$ 34.62 | | | | | 06/30/2008 06/30/2012 | common stock | 3,334 |
| Common stock option | \$ 43.42 | | | | | 03/29/2008 03/29/2014 | common stock | 3,333 |
| Common stock option | \$ 43.42 | | | | | 03/29/2009 03/29/2014 | common stock | 3,333 |
| Common stock option | \$ 43.42 | | | | | 03/29/2010 03/29/2014 | common stock | 3,334 |
| Common stock option | \$ 23.12 | 05/21/2007 | 05/21/2007 | M | 3,334 | 04/07/2007 04/06/2011 | common stock | 3,334 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-----------|-------|
| | Director | 10% Owner | Officer | Other |
| SIEGEL HOWARD B 6835 VALJEAN AVE VAN NUYS, CA 91406 | | | President | |

Signatures

Russell J. Riopelle under POA for Howard
Siegel

05/22/2007

__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).

Remarks:

On May 21, 2007 Mr. Siegel exercised stock options to purchase 3,334 shares of Cherokee common stock at an exercise price

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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