MARCUS RICHARD C
Form 4
October 17, 2002

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

FORM 4

o Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

(Print or Type Responses)

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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(f) of the Investment Company Act of 1940

OMB APPROVAL

OMB Number: 3235-0287
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1. Name and Address of Reporting Person*

Marcus Richard C.

(Last) (First) (Middle)

212 Lonetown Road

(Street)

Redding CT 06896

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol

Michaels Stores, Inc. (MIK)

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

4. Statement for Month/Day/Year

October 15, 2002

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

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

_X_ Director ____ 10% Owner

____ Officer (give title below) ____ Other (specify below)

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 (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	**10/15/02**		**M**		**25,000(1)**	**A**	**$11.3125**			
Common Stock	**10/15/02**		**S**		**4,500(1)**	**D**	**$42.80**			
Common Stock	**10/15/02**		**S**		**500(1)**	**D**	**$42.82**			
Common Stock	**10/15/02**		**S**		**20,000(1)**	**D**	**$42.90**	**5,000(1)**	**D**	

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 control number.

FORM 4 (Continued)

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)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date
Stock Option (Right to Buy)	**$11.3125**	**10/15/02**		**M**			**25,000**	**(2)**	**5/01/04**

7. Title and Amount of Underlying Securities (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 of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
Title	Amount or Number of Shares				
Common Stock	**25,000**		**55,000(1)**	**D**	

Explanation of Responses:

(1) Reflects a two-for-one stock split effected in the form of a stock dividend to stockholders of record as of the close of business on November 12, 2001.

(2) Exercise of stock options pursuant to original grant to Reporting Person on May 2, 1999 of options to purchase 100,000 shares of Michaels Stores, Inc. common stock under the Michaels Stores, Inc. 1997 Stock Option Plan, all of which are currently vested.

/s/ Elizabeth K. Giddens	October 17, 2002
**Signature of Reporting Person Elizabeth K. Giddens, Attorney-in-Fact for Richard C. Marcus	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.