1. Name and Address of Reporting Person

SMOLYANSKY EDWARD

C/O LIFEWAY FOODS, INC. 
6431 W OAKTON STREET 

2. Issuer Name and Ticker or Trading Symbol

LIFEWAY FOODS INC [ LWAY ]

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

12/30/2009

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

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

Director

Officer (give title below)

CFO, Treasurer

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

<table>
<thead>
<tr>
<th>Title of Security</th>
<th>Date of Transaction</th>
<th>Transaction Code (Instr. 8)</th>
<th>Number of Securities Acquired or Disposed of (A) or (D) (Instr. 3, 4 and 5)</th>
<th>Price</th>
<th>Amount of Securities Beneficially Owned Following Reported Transaction (s) (Instr. 3 and 4)</th>
<th>Ownership Form: Direct (D) or Indirect (I) (Instr. 4)</th>
<th>Nature of Indirect Beneficial Ownership (Instr. 4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common stock, no par value</td>
<td>12/30/2009</td>
<td>S</td>
<td>1,000</td>
<td>D</td>
<td>$11.96</td>
<td>344,046</td>
<td>D</td>
</tr>
<tr>
<td>Common stock, no par value</td>
<td>12/31/2009</td>
<td>S</td>
<td>500</td>
<td>D</td>
<td>$11.96</td>
<td>343,546</td>
<td>D</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Title of Derivative Security (Instr. 3)</th>
<th>Conversion or Exercise Price of Derivative Security</th>
<th>Date of Transaction (Month/Day/Year)</th>
<th>Deemed Execution Date, if any (Month/Day/Year)</th>
<th>Transaction Code (Instr. 8)</th>
<th>Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)</th>
<th>Date Exercisable and Expiration Date (Month/Day/Year)</th>
<th>Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)</th>
<th>Price of Derivative Security (Instr. 5)</th>
<th>Number of derivative Securities Beneficially Owed Following Reported Transaction (s) (Instr. 3 and 4)</th>
<th>Ownership Form: Direct (D) or Indirect (I) (Instr. 4)</th>
<th>Nature of Indirect Beneficial Ownership (Instr. 4)</th>
</tr>
</thead>
<tbody>
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</table>

Explanation of Responses:

/s/ Edward Smolyansky 01/04/2010

Signature of Reporting Person

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).


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.