

STONE DONALD J
Form 4
February 23, 2011

FORM 4

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

OMB APPROVAL

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

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 *
STONE DONALD J

2. Issuer Name and Ticker or Trading Symbol
FOSSIL INC [FOSL]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
2280 N. GREENVILLE AVE.

(Street)

3. Date of Earliest Transaction (Month/Day/Year)
02/22/2011

Director 10% Owner
 Officer (give title below) Other (specify below)

RICHARDSON, TX 75082

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(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	01/19/2011		G ⁽¹⁾	V 15 D \$ 0	43,638	D	
Common Stock	02/22/2011		M	6,750 A \$ 9.3333	50,388	D	
Common Stock	02/22/2011		S	6,750 D \$ 78.1463	43,638	D	
Common Stock	02/22/2011		G ⁽¹⁾	V 1,000 D \$ 0	42,638 ⁽²⁾	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
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	
Stock Options (Right to Buy)	\$ 9.3333	02/22/2011		M	6,750	01/01/2003	01/01/2012	Common Stock	6,750
Stock Options (Right to Buy)	\$ 13.56					01/01/2004	01/01/2013	Common Stock	4,500
Stock Options (Right to Buy)	\$ 18.7533					01/01/2005	01/01/2014	Common Stock	6,000
Stock Options (Right to Buy)	\$ 25.64					01/01/2006	01/01/2015	Common Stock	4,000
Stock Options (Right to Buy)	\$ 21.66					01/01/2007	01/01/2016	Common Stock	4,000
Stock Options (Right to Buy)	\$ 22.74					01/01/2008	01/01/2017	Common Stock	4,000
Stock Options (Right to Buy)	\$ 42.76					01/01/2009	01/01/2018	Common Stock	4,000

Stock					
Options	\$ 16.415	01/01/2010	01/01/2019	Common	6,000
(Right to Buy)				Stock	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
STONE DONALD J 2280 N. GREENVILLE AVE. RICHARDSON, TX 75082		X		

Signatures

/s/ Randy S. Hyne, Attorney-in-Fact	02/23/2011
<small>**Signature of Reporting Person</small>	<small>Date</small>

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).
- (1) Bona fide gift without consideration of any kind.
 - (2) Includes 2,591 restricted stock units.
 - (3) Not applicable.

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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