

FORM 4

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

**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(f) of the
Investment Company Act of 1940

| | | |
|--|---|---|
| 1. Name and Address of Reporting Person * SMITH ARTHUR H (Last) (First) (Middle) | 2. Issuer Name and Ticker or Trading Symbol LIBBEY INC [LBY] | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> X Officer (give title below) <input type="checkbox"/> Other (specify below) VP, General Counsel & Secretary |
| 3. Date of Earliest Transaction (MM/DD/YYYY) <p align="center">7/8/2004</p> | | 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person |
| 4. If Amendment, Date Original Filed (MM/DD/YYYY) | | |

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

| 1. Title of Security (Instr. 3) | 2. Trans. Date | 2A. Deemed Execution Date, if any | 3. Trans. 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 | 7/8/2004 | | A | | 7500 (1) | A | \$0 | 13038.5469 | D | |
| Common Stock | | | | | | | | 33616.6401 | I | by 401(k) plan (2) |

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

| 1. Title of Derivate Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Trans. Date | 3A. Deemed Execution Date, if any | 4. Trans. 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 | | 7. Title and Amount of Securities Underlying Derivative Security (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) |
|---|--|----------------|-----------------------------------|---------------------------|---|---|-----|---|-----------------|--|----------------------------|--|---|--|--|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | | | |
| Non-Qualified Stock Option (right to buy) | \$23 | | | | | | | 12/22/1996 (3) | 12/23/2005 | Common Stock | 7500 | | 7500 | D | |
| Non-Qualified Stock Option (right to buy) | \$23.93 | | | | | | | 11/20/2003 (3) | 11/21/2012 | Common Stock | 18000 | | 18000 | D | |
| Non-Qualified Stock Option (right to buy) | \$26.875 | | | | | | | 12/2/1997 (3) | 12/3/2006 | Common Stock | 8500 | | 8500 | D | |
| Non-Qualified Stock Option (right to buy) | \$28.53 | | | | | | | (3) | 12/16/2013 | Common Stock | 12000 | | 12000 | D | |
| Non-Qualified Stock Option (right to buy) | \$30.55 | | | | | | | 11/13/2002 (3) | 11/14/2011 | Common Stock | 18000 | | 18000 | D | |
| Non-Qualified Stock Option (right to buy) | \$31.375 | | | | | | | 8/24/2000 (3) | 8/25/2009 | Common Stock | 12500 | | 12500 | D | |
| Non-Qualified Stock Option (right to buy) | \$32.3125 | | | | | | | 9/8/2001 (3) | 9/9/2010 | Common Stock | 12500 | | 12500 | D | |

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

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|--|--|----------------|-----------------------------------|---------------------------|---|--|-----|---|-----------------|---|----------------------------|--|---|--|--|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | | | |
| Non-Qualified Stock Option (right to buy) | \$38.4375 | | | | | | | 6/5/1999 (3) | 6/6/2008 | Common Stock | 12500 | | 12500 | D | |

Explanation of Responses:

- (1) The Restricted Stock Agreement was dated June 29, 2004 when Mr. Smith was an Officer of the Company. However, The Restricted Stock Agreement was delivered and signed on July 8, 2004 when Mr. Smith was retired from the Company.
- (2) The information reported herein is based upon information received from the record keeper of the Libbey Inc. 401k/104m plan. The Libbey Inc. shares attributed to the participant in this report as being held by the plan are the equivalent number of the shares the participant would receive of his entire Libbey Inc. share account if it was distributed to him in Libbey Inc. shares. The actual account in the plan consists of the Libbey Inc. shares and cash.
- (3) The options become exercisable for 40% of the shares on the first anniversary and 20% of the shares on the second, third and fourth anniversary dates.

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--------------------------------|---------------|-----------|--|-------|
| | Director | 10% Owner | Officer | Other |
| SMITH ARTHUR H | | | VP, General Counsel & Secretary | |

Signatures

By: Wendy Daudelin, Attorney in fact For: Arthur H. Smith

7/12/2004

** Signature of Reporting Person

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.

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