Graul Michelle Form 3 January 22, 2010

FORM 3

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

OMB APPROVAL

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INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, response...

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 2. Date of Event Requiring 3. Issuer Name and Ticker or Trading Symbol Person * Statement KIRKLAND'S, INC [KIRK] Graul Michelle (Month/Day/Year) 01/04/2010 (Last) (First) (Middle) 4. Relationship of Reporting 5. If Amendment, Date Original Person(s) to Issuer Filed(Month/Day/Year) C/O KIRKLAND'S INC., 431 (Check all applicable) **SMITH LANE** (Street) 6. Individual or Joint/Group 10% Owner Director _X__ Officer Other Filing(Check Applicable Line) (give title below) (specify below) _X_ Form filed by One Reporting Sen. VP-Store Operations & HR Person JACKSON, TNÂ 38301 Form filed by More than One Reporting Person (City) (State) (Zip) Table I - Non-Derivative Securities Beneficially Owned 4. Nature of Indirect Beneficial 1. Title of Security 2. Amount of Securities Beneficially Owned Ownership Ownership (Instr. 4) (Instr. 5) (Instr. 4) Form: Direct (D) or Indirect (I) (Instr. 5) Â 49,506 (1) Common Stock D Reminder: Report on a separate line for each class of securities beneficially SEC 1473 (7-02) owned directly or indirectly. 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.

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

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative	5. Ownership Form of Derivative Security:	6. Nature of Indirect Beneficial Ownership (Instr. 5)
		Title	Security	Direct (D)	

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	Date Exercisable	Expiration Date		Amount or Number of Shares		or Indirect (I) (Instr. 5)	
Stock Option (Right to Buy)	(2)	03/30/2015	Common Stock	25,000	\$ 11.07	D	Â
Stock Option (Right to Buy)	(3)	05/09/2016	Common Stock	15,000	\$ 6.54	D	Â
Stock Option (Right to Buy)	(4)	06/08/2019	Common Stock	35,000	\$ 8.9	D	Â

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Graul Michelle C/O KIRKLAND'S INC. 431 SMITH LANE JACKSON, TN 38301	Â	Â	Sen. VP-Store Operations & HR	Â

Signatures

/s/ W. Michael Madden, Attorney In Fact for Michelle
Graul
01/22/2010

**Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 5(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) Includes 31,111 restricted stock units that will vest on July 25, 2011.
- (2) These stock options were issued under the Company's 2002 Equity Incentive Plan and are fully vested.
- (3) These stock options were issued under the Company's 2002 Equity Incentive Plan and are fully vested.
- (4) These stock options were issued under the Company's 2002 Equity Incentive Plan. One-third of the shares will vest on June 8, 2010. The remainder of the shares will vest in 1/12 installments each calendar quarter thereafter until fully vested on March 31, 2012.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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