

Chappell Dale  
Form 4  
March 21, 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 \*  
Black Horse Capital Management LLC

(Last) (First) (Middle)

338 S. SHARON AMITY RD., #202

(Street)

CHARLOTTE, NC 28211

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
MORGANS FOODS INC [MRFD]

3. Date of Earliest Transaction  
(Month/Day/Year)  
03/17/2011

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing (Check Applicable Line)

\_\_\_ Form filed by One Reporting Person  
\_X\_ 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 Ownership (Instr. 4)
			Code	V Amount (D) Price			
Common Stock	03/17/2011		S	7,500 D \$ 1	41,150	D	(1) (2) (3)
Common Stock	03/18/2011		S	5,000 D \$ 0.81	36,150	D	(1) (2) (3)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

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

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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. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned Following Transaction (Instr. 5)
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## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Black Horse Capital Management LLC 338 S. SHARON AMITY RD., #202 CHARLOTTE, NC 28211		X		
BLACK HORSE CAPITAL LP 338 S. SHARON AMITY RD., #202 CHARLOTTE, NC 28211		X		
BLACK HORSE CAPITAL QP L P 338 S. SHARON AMITY RD., #202 CHARLOTTE, NC 28211		X		
Chappell Dale 338 S. SHARON AMITY RD., #202 CHARLOTTE, NC 28211		X		

## Signatures

Dale Chappell, Managing Member of Black Horse Capital Management LLC 03/21/2011

\_\_Signature of Reporting Person Date

## 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) Represents shares of common stock directly owned by Black Horse Capital (QP) LP ("Black Horse QP Fund") after the transactions reported in this Form 4. Black Horse Capital Management LLC ("Black Horse Management") is the managing general partner of Black Horse QP Fund and is deemed to indirectly beneficially own the shares of stock directly owned by Black Horse QP Fund.
  - (2) Black Horse Management is also the managing general partner of Black Horse Capital LP ("Black Horse Capital Fund") and the investment manager of Black Horse Capital Master Fund Ltd. (the "Black Horse Offshore Fund"). Black Horse Capital Fund directly owns 185,031 shares of common stock and Black Horse Offshore Fund directly owns 75,368 shares of common stock.
  - (3)

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Pursuant to Rule 16a-1(a)(4) under the Securities Exchange Act of 1934, as amended (the "Act"), the filing of this Form 4 shall not be deemed an admission by any of the persons reporting on this Form 4 that he or it, for purposes of Section 16 of the Act or otherwise, is the beneficial owner of any equity securities covered by this Form.

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.