

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(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person * WILL PAUL		2. Issuer Name and Ticker or Trading Symbol CELADON GROUP INC [CLDN]		5. Relationship of Reporting Person(s) to Issuer (Check all applicable)					
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year)		___ Director		___ 10% Owner		
ONE CELADON DRIVE 9503 EAST 33RD ST.			01/24/2005		_X_ Officer (give title below)		___ Other (specify below)		
(Street)	INDIANAPOLIS IN 46235-4207		4. If Amendment, Date Original Filed (Month/Day/Year)		6. Individual or Joint/Group Filing (Check Applicable Line)				
(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)
Common Stock		01/24/2005		M	Code	V	Amount	(A) or (D)	Price
							25,000	A	\$3.11
							43,200	D	

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 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				
Employee Stock Option (Right to Buy)	\$3.11	01/24/2005		M			25,000	(1)	04/13/2011 (2)	Common Stock	25,000	(3)	0	D	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
WILL PAUL ONE CELADON DRIVE 9503 EAST 33RD ST. INDIANAPOLIS IN 46235-4207			Exec VP, CFO, & Treasurer	

Signatures

/s/ Paul Will, by Heidi Hornung-Scherr, attorney-in-fact, pursuant to a POA previously filed with the SEC

Signature of Reporting Person

01/26/2005

Date

Explanation of Responses:

- (1) Options for 8,334, 8,333, and 8,333 shares were exercisable on 4/13/2002, 4/13/2003, and 4/13/2004, respectively, and were exercisable in full upon a 200% increase in the issuer's stock price from the \$3.11 exercise price.
- (2) Incentive stock options expire on 4/13/2011. The option to purchase stock options is subject to earlier termination in the event of termination of the reporting person's employment with the issuer. Termination provisions are set forth in the stock option agreement between the reporting person and the issuer.
- (3) Upon exercise, the derivative security converts on a one-to-one basis into common stock. The exercise price of the derivative security is set forth in Column 2 of Table II of this report.

* 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.

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.