

CHEN YC  
Form 4  
February 02, 2007

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
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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 \*  
CHEN YC

(Last) (First) (Middle)

100 GRAINGER PARKWAY

(Street)

LAKE FOREST, IL 60045-5201

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
GRAINGER W W INC [GWW]

3. Date of Earliest Transaction (Month/Day/Year)  
02/01/2007

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 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 Indirect Beneficial Ownership (Instr. 4)
				(A) or (D)	Price		
Common Stock	02/01/2007		M		\$ 48.625	40,100	D
Common Stock	02/01/2007		S		\$ 77.1	35,150	D
Common Stock	02/01/2007		S		\$ 77.13	34,450	D
Common Stock	02/01/2007		S		\$ 77.14	34,350	D

Reminder: Report on a separate line for each class of securities beneficially 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.**

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(9-02)

**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		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
					(A)	(D)	Date Exercisable	Expiration Date		
Option	\$ 48.625	02/01/2007		M	5,750		04/28/2002	04/27/2009	Common Stock	5,750
Option	\$ 42.8125						03/01/2003	02/28/2010	Common Stock	1,950
Option	\$ 43.5						04/26/2003	04/25/2010	Common Stock	7,100
Option	\$ 43.5						<u>(1)</u>	04/25/2010	Common Stock	1,070
Option	\$ 37.5						04/25/2007	04/24/2011	Common Stock	710
Option	\$ 37.5						04/25/2004	04/24/2011	Common Stock	10,000
Option	\$ 54.61						04/24/2005	04/23/2012	Common Stock	10,000
Option	\$ 45.5						04/30/2006	04/29/2013	Common Stock	20,000
Option	\$ 54.14						04/28/2007	04/27/2014	Common Stock	13,100
Option	\$ 52.29						04/27/2008	04/26/2015	Common Stock	13,100
Option	\$ 76.61						04/26/2009	04/25/2016	Common Stock	8,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
CHEN YC 100 GRAINGER PARKWAY LAKE FOREST, IL 60045-5201			Group President	

## Signatures

L. M. Trusdell, as attorney-in-fact	02/02/2007
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\_\_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) Exercisable in four equal annual installments beginning 4/26/2001.

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.