

CHEN YC

Form 4

February 02, 2007

FORM 4
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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

OMB APPROVAL

OMB
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(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
__X__ Officer (give title ____ Other (specify
below) below)

Group President

6. Individual or Joint/Group Filing(Check
Applicable Line)
__X__ 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)		
			Code	V	Amount	(A) or (D)	Price		
Common Stock	02/01/2007		M		5,750	A	\$ 48.625	40,100	D
Common Stock	02/01/2007		S		4,950	D	\$ 77.1	35,150	D
Common Stock	02/01/2007		S		700	D	\$ 77.13	34,450	D
Common Stock	02/01/2007		S		100	D	\$ 77.14	34,350	D

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)

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. Amount or Number of Shares
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title		
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

__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.
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