

O'HERLIHY CHRISTOPHER A
 Form 4
 May 27, 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 *
 O'HERLIHY CHRISTOPHER A

2. Issuer Name and Ticker or Trading Symbol
 ILLINOIS TOOL WORKS INC
 [ITW]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
 05/26/2011

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Executive Vice President

ILLINOIS TOOL WORKS
 INC, 3600 WEST LAKE AVENUE
 (Street)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

GLENVIEW, IL 60026

(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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V Amount (D) Price | | | |
| Common Stock | | | | | 1,413 | I | See Footnote (1) |
| Common Stock | 05/26/2011 | | M | 3,000 A \$ 31.125 | 3,000 | D | |
| Common Stock | 05/26/2011 | | S | 3,000 D \$ 56.876 (2) | 0 | D | |
| Common Stock | 05/26/2011 | | M | 3,000 A \$ 32.8425 | 3,000 | D | |
| | 05/26/2011 | | S | 3,000 D | 0 | D | |

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| | | | | | | | | |
|--------------|------------|--|---|-------|---|------------------|-------|---|
| Common Stock | | | | | | \$ 56.855 (3) | | |
| Common Stock | 05/26/2011 | | M | 3,000 | A | \$ 40.75 | 3,000 | D |
| Common Stock | 05/26/2011 | | S | 3,000 | D | \$ 56.798 (4) | 0 | D |
| Common Stock | 05/26/2011 | | M | 5,000 | A | \$ 42.08 | 5,000 | D |
| Common Stock | 05/26/2011 | | S | 5,000 | D | \$ 56.805 (5) | 0 | 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 (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 Security (Instr. 3 and 4) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|--|--|---|-------------------------------|
| Employee Stock Option | \$ 31.125 | 05/26/2011 | | M | 3,000 | 12/14/2002 12/14/2011 | Common Stock | 3,000 |
| Employee Stock Option | \$ 32.8425 | 05/26/2011 | | M | 3,000 | 12/13/2003 12/13/2012 | Common Stock | 3,000 |
| Employee Stock Option | \$ 40.75 | 05/26/2011 | | M | 3,000 | 12/12/2004 12/12/2013 | Common Stock | 3,000 |
| Employee Stock Option | \$ 47.13 | | | | | 12/10/2005 12/10/2014 | Common Stock | 4,000 |
| Employee Stock Option | \$ 42.08 | 05/26/2011 | | M | 5,000 | 12/07/2006 02/01/2016 | Common Stock | 5,000 |
| Employee Stock Option | \$ 51.6 | | | | | 02/09/2008 02/09/2017 | Common Stock | 8,000 |
| Employee Stock Option | \$ 48.51 | | | | | 02/08/2009(6) 02/08/2018 | Common Stock | 12,000 |

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- This transaction was executed in multiple trades at prices ranging from \$56.77 to \$56.83. The price reported above reflects the weighted
- (5) average sale price. The reporting person hereby undertakes to provide upon request to the SEC staff, Illinois Tool Works Inc., or a shareholder of Illinois Tool Works Inc. full information regarding the number of shares and prices at which the transaction was effected.
 - (6) Options vest in four (4) equal annual installments beginning one year from date of grant.
 - (7) Each restricted stock unit (RSU), qualifying restricted stock unit (QRSU) and performance restricted stock unit (PRSU) represents a contingent right to receive one share of the Company's common stock.
 - (8) Each RSU vests 100% three years from the date of grant.
 - (9) Each QRSU and PRSU vests 100% three years from the date of grant if performance goals are met.

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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