

GRAINGER W W INC  
Form 4  
March 23, 2007

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2005  
Estimated average burden hours per response... 0.5

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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 \*  
**KEYSER RICHARD L**

(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)  
**03/22/2007**

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)  
**Chairman and CEO**

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 Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	03/22/2007		M		\$ 48.625	286,117	D
Common Stock	03/22/2007		S		\$ 78	234,557	D
Common Stock	03/22/2007		S		\$ 78.03	230,357	D
Common Stock	03/22/2007		S		\$ 78.04	228,257	D
Common Stock	03/22/2007		S		\$ 78.05	228,157	D

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Common Stock	03/22/2007	S	200	D	\$ 78.06	227,957	D
Common Stock	03/22/2007	S	100	D	\$ 78.07	227,857	D
Common Stock	03/22/2007	S	100	D	\$ 78.08	227,757	D
Common Stock	03/22/2007	S	300	D	\$ 78.09	227,457	D
Common Stock	03/22/2007	S	1,400	D	\$ 78.2	226,057	D
Common Stock	03/22/2007	S	4,700	D	\$ 78.25	221,357	D
Common Stock	03/22/2007	S	400	D	\$ 78.26	220,957	D

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

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SEC 1474  
(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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Option	\$ 48.625	03/22/2007		M	65,160	04/28/2002	04/27/2009	Common Stock	65,160
Option	\$ 42.8125					03/01/2003	02/28/2010	Common Stock	20,100
Option	\$ 43.5					04/26/2003	04/25/2010	Common Stock	80,930
Option	\$ 43.5					<u>(1)</u>	04/25/2010	Common Stock	12,140
Option	\$ 37.5					04/25/2004	04/24/2011	Common Stock	175,000
Option	\$ 37.5					04/25/2007	04/24/2011		8,100

				Common Stock	
Option	\$ 54.61	04/24/2005	04/23/2012	Common Stock	175,000
Option	\$ 45.5	04/30/2006	04/29/2013	Common Stock	174,000
Option	\$ 54.14	04/28/2007	04/27/2014	Common Stock	81,000
Option	\$ 52.29	04/27/2008	04/26/2015	Common Stock	90,000
Option	\$ 76.61	04/26/2009	04/25/2016	Common Stock	80,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KEYSER RICHARD L 100 GRAINGER PARKWAY LAKE FOREST, IL 60045-5201			Chairman and CEO	

## Signatures

L. M. Trusdell, as attorney-in-fact 03/23/2007

\*\*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. 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.