

KELLY GERALD F JR
Form 4
November 16, 2004

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

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 *
KELLY GERALD F JR

(Last) (First) (Middle)

3333 BEVERLY ROAD

(Street)

HOFFMAN ESTATES, IL 60179

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
SEARS ROEBUCK & CO [S]

3. Date of Earliest Transaction (Month/Day/Year)
11/12/2004

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)

Senior Vice 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)
			Code	V	Amount or Price		
Common Shares	11/12/2004	11/12/2004	M		13,332 A \$ 38,962	D	
Common Shares	11/12/2004	11/12/2004	M		6,666 A \$ 45,628	D	
Common Shares	11/12/2004	11/12/2004	S		1,000 D \$ 46.05	D	
Common Shares	11/12/2004	11/12/2004	S		3,300 D \$ 46.03	D	
Common Shares	11/12/2004	11/12/2004	S		3,500 D \$ 46.02	D	

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Common Shares	11/12/2004	11/12/2004	S	2,200	D	\$ 46.01	35,628	D
Common Shares	11/12/2004	11/12/2004	S	9,998	D	\$ 46	25,630	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)	Amount or Number of Shares
Option (Right to Buy) ⁽²⁾	\$ 21.64	11/12/2004	11/12/2004	M	6,666	02/13/2004 02/13/2013	Common Shares	6,666
Option (Right to Buy) ⁽²⁾	\$ 32.97	11/12/2004	11/12/2004	M	13,332	10/14/2003 10/14/2012	Common Shares	13,332

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KELLY GERALD F JR 3333 BEVERLY ROAD HOFFMAN ESTATES, IL 60179			Senior Vice President	

Signatures

By: /s/ Steven Cook as Attorney-in-Fact
11/16/2004

__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) Employee Stock Option Grant in consideration of service as an employee.

(2) This option grant vests in three equal annual installments beginning one year from the date of grant. The option expires 10 years from the date of grant, and contains reload features and the right to have shares withheld to satisfy tax withholding obligations.

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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