

GRAINGER W W INC
Form 4
October 26, 2005

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 *
HOBOR NANCY A

(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)
10/24/2005

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)
Sr VP-Communications & Inv Rel

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		
				Code	V	Amount	
Common Stock	10/24/2005		M	A	\$ 42.8125	30,560	D
Common Stock	10/24/2005		M	A	\$ 43.5	37,660	D
Common Stock	10/24/2005		M	A	\$ 43.5	38,730	D
Common Stock	10/24/2005		S	D	\$ 65.31	30,200	D
Common Stock	10/24/2005		S	D	\$ 65.39	29,900	D

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Common Stock 10/24/2005 S 500 D \$ 65.44 29,400 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	\$ 42.8125	10/24/2005		M		1,160		03/01/2003	02/28/2010	Common Stock	1,160
Option	\$ 43.5	10/24/2005		M		7,100		04/26/2003	04/25/2010	Common Stock	7,100
Option	\$ 43.5	10/24/2005		M		1,070		<u>(1)</u>	04/25/2010	Common Stock	1,070
Option	\$ 37.5							04/25/2004	04/24/2011	Common Stock	20,000
Option	\$ 37.5							04/25/2007	04/24/2011	Common Stock	710
Option	\$ 54.61							04/24/2005	04/23/2012	Common Stock	15,000
Option	\$ 45.5							04/30/2006	04/29/2013	Common Stock	15,000
Option	\$ 54.14							04/28/2007	04/27/2014	Common Stock	9,000
Option	\$ 52.29							04/27/2008	04/26/2015	Common Stock	8,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HOBOR NANCY A 100 GRAINGER PARKWAY LAKE FOREST, IL 60045-5201			Sr VP-Communications & Inv Rel	

Signatures

L. M. Trusdell, as
attorney-in-fact

10/26/2005

__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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