

GRAINGER W W INC
Form 4
December 22, 2004

FORM 4

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

OMB APPROVAL

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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 *
WEBB JANIECE S

(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)
12/21/2004

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)

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	(A) or (D)	Price	
Common Stock	12/21/2004		M		2,200	A	\$ 37.25 13,502	D
Common Stock	12/21/2004		M		1,860	A	\$ 48.625 15,362	D
Common Stock	12/21/2004		M		2,070	A	\$ 43.5 17,432	D
Common Stock	12/21/2004		M		2,400	A	\$ 37.5 19,832	D
Common Stock	12/21/2004		M		1,980	A	\$ 45.5 21,812	D
	12/21/2004		S		10,510	D	\$ 66.18 11,302	D

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Common
Stock

Common
Stock

350

I

See
Footnote
(1)

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 Securities (Instr. 3 and 4)	8. Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock units	<u>(2)</u>					<u>(3)</u>	<u>(3)</u>	Common Stock	5,243
Stock Option	\$ 37.25	12/21/2004		M	2,200	04/30/2000	04/29/2007	Common Stock	2,200
Stock Option	\$ 51.6875					04/29/2001	04/28/2008	Common Stock	1,460
Stock Option	\$ 48.625	12/21/2004		M	1,860	04/28/1999	04/27/2009	Common Stock	1,860
Stock Option	\$ 43.5	12/21/2004		M	2,070	04/26/2000	04/25/2010	Common Stock	2,070
Stock Option	\$ 37.5	12/21/2004		M	2,400	04/25/2001	04/24/2011	Common Stock	2,400
Stock Option	\$ 54.61					04/24/2002	04/23/2012	Common Stock	1,650
Stock Option	\$ 45.5	12/21/2004		M	1,980	04/30/2003	04/29/2013	Common Stock	1,980
Stock Option	\$ 54.14					04/28/2004	04/27/2014	Common Stock	1,670

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
WEBB JANIECE S 100 GRAINGER PARKWAY LAKE FOREST, IL 60045-5201	X			

Signatures

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

12/22/2004

__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) Shares held by spouse. Ms. Webb disclaims beneficial ownership of such shares.
- (2) 1-for-1
- (3) The stock units are expected to settle in cash following termination of service as a director.

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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