

HOBOR NANCY A
Form 4
May 24, 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

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

2. Issuer Name and Ticker or Trading Symbol
GRAINGER W W INC [GWW]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
100 GRAINGER PARKWAY

(Street)

3. Date of Earliest Transaction (Month/Day/Year)
05/23/2007

____ Director
 Officer (give title below) _____ 10% Owner
_____ Other (specify below)
Sr VP-Communications & Inv Rel

LAKE FOREST, IL 60045-5201

(City) (State) (Zip)

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

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 Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	05/23/2007		M		710 A \$ 37.5	32,860	D
Common Stock	05/23/2007		M		15,000 A \$ 45.5	47,860	D
Common Stock	05/23/2007		S		14,800 D \$ 86.05	33,060	D
Common Stock	05/23/2007		S		210 D \$ 86.08	32,850	D
Common Stock	05/23/2007		S		300 D \$ 86.1	32,550	D

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Common Stock	05/23/2007	S	100	D	\$ 86.12	32,450	D
Common Stock	05/23/2007	S	300	D	\$ 86.15	32,150	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	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	
Option	\$ 37.5	05/23/2007		M	710	04/25/2007	04/24/2011	Common Stock	710
Option	\$ 45.5	05/23/2007		M	15,000	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
Option	\$ 76.61					04/26/2009	04/25/2016	Common Stock	5,000
Option	\$ 83.08					04/25/2010	04/24/2017	Common Stock	6,000

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

05/24/2007

__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).

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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