SHAW RICHARD C

Form 4

October 27, 2004

FORM 4

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

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

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 * SHAW RICHARD C	2. Issuer Name **and** Ticker or Trading Symbol APPLIED INDUSTRIAL TECHNOLOGIES INC [AIT]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)
(Last) (First) (Middle) ONE APPLIED PLAZA	3. Date of Earliest Transaction (Month/Day/Year) 10/25/2004	_____ Director _____ 10% Owner __X__ Officer (give title _____ Other (specify below) below) VP-Communications & Learning
(Street)	4. If Amendment, Date Original Filed(Month/Day/Year)	6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person ___ Form filed by More than One Reporting Person
CLEVELAND, OH 441155056		
(City) (State) (Zip)		

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	(A) or (D)	Price			
Common Stock	10/25/2004		M		3,750	A	$ 19.344	33,295	D	
Common Stock	10/25/2004		M		3,750	A	$ 17.825	37,045	D	
Common Stock	10/25/2004		M		2,500	A	$ 15.615	39,545	D	
Common Stock	10/25/2004		F		7,196	D	$ 36.72	32,349	D	
Common Stock								5,197	I	Deferred Compensation Plan

| Common Stock | | 3,526.16 | I | Retirement Savings Plan |

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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)	
									Date Exercisable	Expiration Date	Title	Amount or Number of Shares
				Code	V	(A)	(D)					
Employee Stock Option (Right To Buy)	$ 19.344	10/25/2004		M			3,750		01/18/2002[1]	01/18/2011	Common Stock	3,750
Employee Stock Option (Right to Buy)	$ 17.825	10/25/2004		M			3,750		08/09/2002[1]	08/09/2011	Common Stock	3,750
Employee Stock Option (Right to Buy)	$ 15.615	10/25/2004		M			2,500		08/06/2003[1]	08/06/2012	Common Stock	2,500

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SHAW RICHARD C ONE APPLIED PLAZA CLEVELAND, OH 441155056			VP-Communications & Learning	

Signatures

By: Dianne Misenko/POA for Richard C.
Shaw   10/27/2004

<u>**</u>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)   These options become exercisable in annual increments of 25% commencing one year after the date of grant.

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.