MURPHY TERRY M

Form 4

February 12, 2007

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB

OMB APPROVAL

Number:

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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 See Instruction

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * MURPHY TERRY M

2. Issuer Name and Ticker or Trading

5. Relationship of Reporting Person(s) to Issuer

below)

Symbol

02/09/2007

SMITH A O CORP [AOS]

(Check all applicable)

(First) (Middle) (Last)

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

Director 10% Owner Other (specify X_ Officer (give title

Executive Vice President & CFO

A. O. SMITH CORPORATION, 11270 WEST PARK PLACE

4. If Amendment, Date Original

6. Individual or Joint/Group Filing(Check

Applicable Line)

(Street)

Filed(Month/Day/Year)

X Form filed by One Reporting Person Form filed by More than One Reporting

(Instr. 4)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

MILWAUKEE, WI 53224

(Instr. 3)

(City) (State) (Zip) 1. Title of 2. Transaction Date 2A. Deemed Security

4. Securities 3. (Month/Day/Year) Execution Date, if TransactionAcquired (A) or Code Disposed of (D) (Instr. 3, 4 and 5) (Month/Day/Year) (Instr. 8)

5. Amount of Securities Beneficially Owned Following

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect Beneficial Ownership

Reported (A) Transaction(s) or

Code V Amount (D) Price

(Instr. 3 and 4)

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

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SEC 1474 (9-02)

(Instr. 4)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Conversion 3. Transaction Date 3A. Deemed (Month/Day/Year) Execution Date, if

5. Number of TransactionDerivative

6. Date Exercisable and **Expiration Date**

7. Title and Amount of **Underlying Securities**

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Security (Instr. 3)	or Exercise Price of Derivative Security		any (Month/Day/Year)	Code (Instr.	8)	Securities Acquired (or Dispose (D) (Instr. 3, 4 and 5)	ed of	(Month/Day/	Year)	(Instr. 3 and	4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Options (Right to Buy)	\$ 38.755	02/09/2007		A		15,700		<u>(1)</u>	02/09/2017	Common Stock	15,700
Phantom Stock	\$ 38.755	02/09/2007		A		6,400		(2)	(2)	Common Stock	6,400

Reporting Owners

Reporting Owner Name / Address	Relationships							
• 0	Director	10% Owner	Officer	Other				
MURPHY TERRY M A. O. SMITH CORPORATION 11270 WEST PARK PLACE MILWAUKEE, WI 53224			Executive Vice President & CFO					

Signatures

Kenneth J. Maciolek, Attorney-in-Fact for Terry M.

Murphy

**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) The employee stock options were granted on 02/09/2007 under the A. O. Smith Combined Incentive Compensation Plan, a transaction exempt under Rule 16b-3. The options become exercisable in three annual installments of 1/3 of the award starting on 02/08/2008.
- (2) The phantom stock was granted on 02/09/2007 under the A. O. Smith Combined Incentive Compensation Plan, a transaction exempt under Rule 16b-3. The shares of phantom stock become payable in Common Stock on the vesting date of 02/09/2010.

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Reporting Owners 2