GRAINGER W W INC

Form 4 May 19, 2008

FORM 4

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

OMB 3235-0287 Number:

Check this box if no longer subject to Section 16.

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

January 31, Expires: 2005 Estimated average

OMB APPROVAL

Form 4 or Form 5 obligations may continue.

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

burden hours per 0.5 response...

See Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person ** KEYSER RICHARD L			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)		(Middle)	3. Date of Earliest Transaction	(Shoon an approacte)		
			(Month/Day/Year)	Director 10% Owner		
100 GRAINGER PARKWAY		WAY	05/15/2008	X Officer (give title Other (specify below)		
				Chairman and CEO		
(Street)			4. If Amendment, Date Original	6. Individual or Joint/Group Filing(Check		
			Filed(Month/Day/Year)	Applicable Line)		
				X Form filed by One Reporting Person Form filed by More than One Reporting		
LAKE FOREST, IL 60045-5201				Person		

(City)	(State)	(Zip) Tab	le I - Non-	Derivative	Secui	ities Acquir	ed, Disposed of,	or Beneficiall	y Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	Code (Instr. 8)	(A) or		5. Amount of Securities Ownership Beneficially Form: Owned Direct (D) Following or Indirect Reported (I) Transaction(s) (Instr. 4) (Instr. 3 and 4)		7. Nature of Indirect Beneficial Ownership (Instr. 4)	
Common Stock	05/15/2008		Code V M	Amount 27,860	(D)	Price \$ 43.5	250,225	D	
Common Stock	05/15/2008		M	12,140	A	\$ 43.5	262,365	D	
Common Stock	05/15/2008		S	100	D	\$ 89.5	262,265	D	
Common Stock	05/15/2008		S	100	D	\$ 89.505	262,165	D	
Common Stock	05/15/2008		S	100	D	\$ 89.51	262,065	D	

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Common Stock	05/15/2008	S	200	D	\$ 89.54	261,865	D
Common Stock	05/15/2008	S	845	D	\$ 89.55	261,020	D
Common Stock	05/15/2008	S	400	D	\$ 89.555	260,620	D
Common Stock	05/15/2008	S	300	D	\$ 89.5575	260,320	D
Common Stock	05/15/2008	S	3,100	D	\$ 89.56	257,220	D
Common Stock	05/15/2008	S	300	D	\$ 89.565	256,920	D
Common Stock	05/15/2008	S	100	D	\$ 89.5675	256,820	D
Common Stock	05/15/2008	S	600	D	\$ 89.57	256,220	D
Common Stock	05/15/2008	S	100	D	\$ 89.575	256,120	D
Common Stock	05/15/2008	S	1,100	D	\$ 89.58	255,020	D
Common Stock	05/15/2008	S	100	D	\$ 89.59	254,920	D
Common Stock	05/15/2008	S	800	D	\$ 89.6	254,120	D
Common Stock	05/15/2008	S	300	D	\$ 89.62	253,820	D
Common Stock	05/15/2008	S	200	D	\$ 89.63	253,620	D
Common Stock	05/15/2008	S	300	D	\$ 89.6325	253,320	D
Common Stock	05/15/2008	S	400	D	\$ 89.64	252,920	D
Common Stock	05/15/2008	S	400	D	\$ 89.645	252,520	D
Common Stock	05/15/2008	S	960	D	\$ 89.65	251,560	D
Common Stock	05/15/2008	S	200	D	\$ 89.6525	251,360	D
Common Stock	05/15/2008	S	100	D	\$ 89.655	251,260	D
	05/15/2008	S	200	D	\$ 89.66	251,060	D

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Common Stock							
Common Stock	05/15/2008	S	100	D	\$ 89.6625	250,960	D
Common Stock	05/15/2008	S	1,000	D	\$ 89.67	249,960	D
Common Stock	05/15/2008	S	100	D	\$ 89.675	249,860	D
Common Stock	05/15/2008	S	200	D	\$ 89.68	249,660	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. Transactic Code (Instr. 8)	5. Number of orDerivative 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)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Option	\$ 43.5	05/15/2008		M	27,860	04/26/2003	04/25/2010	Common Stock	27,860
Option	\$ 43.5	05/15/2008		M	12,140	<u>(1)</u>	04/25/2010	Common Stock	12,140
Option	\$ 54.61					04/24/2005	04/23/2012	Common Stock	175,000
Option	\$ 45.5					04/30/2006	04/29/2013	Common Stock	174,000
Option	\$ 54.14					04/28/2007	04/27/2014	Common Stock	81,000
Option	\$ 52.29					04/27/2008	04/26/2015	Common Stock	90,000
Option	\$ 76.61					04/26/2009	04/25/2016	Common Stock	80,000
Option	\$ 83.08					04/25/2010	04/24/2017		80,000

Common Stock

04/30/2011 04/29/2018

Common Stock

150,000

Reporting Owners

\$ 85.82

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

KEYSER RICHARD L 100 GRAINGER PARKWAY LAKE FOREST, IL 60045-5201

Chairman and CEO

Signatures

Option

J. L. Howard, as attorney-in-fact 05/19/2008

**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.

Remarks:

This is the first of three Forms 4 to report all May 15, 2008 transactions for the reporting person.

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.

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