

ANDERSON BRIAN P
 Form 4
 February 03, 2011

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

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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 *
 ANDERSON BRIAN P

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)
 02/02/2011

Director 10% Owner
 Officer (give title below) Other (specify below)

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 Beneficial Ownership (Instr. 4)
			Code	V	Amount	(D)	Price
Common Stock	02/02/2011		M		1,980	A	\$ 45.5 6,320
Common Stock	02/02/2011		S		802	D	\$ 131.196 5,518
Common Stock	02/02/2011		S		457	D	\$ 131.22 5,061
Common Stock	02/02/2011		S		200	D	\$ 131.23 4,861
Common Stock	02/02/2011		S		200	D	\$ 131.24 4,661
	02/02/2011		S		121	D	\$ 131.27 4,540

Common
Stock

Common Stock 02/02/2011 S 100 D \$ 131.2763 4,440 D

Common Stock 02/02/2011 S 100 D \$ 131.29 4,340 D

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 (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
Stock Units	<u>(1)</u>					<u>(2)</u> <u>(2)</u>	Common Stock	10,339
Stock Option	\$ 54.61					04/24/2002 04/23/2012	Common Stock	1,650
Stock Option	\$ 45.5	02/02/2011		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
ANDERSON BRIAN P 100 GRAINGER PARKWAY LAKE FOREST, IL 60045-5201	X			

Signatures

Cristen L. Kogl, as
attorney-in-fact

02/03/2011

__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) 1-for-1

(2) 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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