

Macpherson Donald G
 Form 4
 March 07, 2012

FORM 4

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

OMB APPROVAL

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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 *
 Macpherson Donald G

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)
 03/06/2012

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Sr. VP, Global Supply Chain

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 (A) or (D) Price		
Common Stock	03/06/2012		M		5,000 A \$ 85.82	32,224	D
Common Stock	03/06/2012		S		600 D \$ 205.55	31,624	D
Common Stock	03/06/2012		S		1,335 D \$ 205.5829	30,289	D
Common Stock	03/06/2012		S		500 D \$ 205.59	29,789	D
Common Stock	03/06/2012		S		100 D \$ 205.61	29,689	D

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Common Stock	03/06/2012	S	180	D	\$ 205.67	29,509	D
Common Stock	03/06/2012	S	1,035	D	\$ 205.68	28,474	D
Common Stock	03/06/2012	S	700	D	\$ 205.7	27,774	D
Common Stock	03/06/2012	S	100	D	\$ 205.71	27,674	D

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

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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)	8. Amount or Number of Shares
Option	\$ 85.82	03/06/2012		M	5,000	04/30/2011 04/29/2018	Common Stock	5,000
Option	\$ 81.49					04/29/2012 04/28/2019	Common Stock	30,000
Option	\$ 108.15					04/28/2013 04/27/2020	Common Stock	29,000
Option	\$ 149.02					04/27/2014 04/26/2021	Common Stock	24,876

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Macpherson Donald G 100 GRAINGER PARKWAY LAKE FOREST, IL 60045-5201			Sr. VP, Global Supply Chain	

Signatures

John L. Howard, as
attorney-in-fact

03/07/2012

__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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