

SLAVIK JAMES D
Form 5
January 12, 2006

FORM 5

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

OMB APPROVAL

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Form 3 Holdings Reported Form 4 Transactions Reported

ANNUAL 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

1. Name and Address of Reporting Person *
SLAVIK JAMES D

(Last) (First) (Middle)

2. Issuer Name and Ticker or Trading Symbol
GRAINGER W W INC [GWW]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

100 GRAINGER PARKWAY

(Street)

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)
12/31/2005

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 Reporting

(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) | (A) or (D) | Price | 5. Amount of Securities Beneficially Owned at end of Issuer's Fiscal Year (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|------------|-------|--|--|-----------------------------------|
| Common Stock | Â | Â | Â | Â | Â | Â | 1,079,542 | D | Â |
| Common Stock | 04/30/2005 | Â | J ⁽¹⁾ | 50,000 | A | \$ 0 | 102,180 | I | See footnote ⁽²⁾ |
| Common Stock | Â | Â | Â | Â | Â | Â | 1,044,490 | I | See footnote ⁽³⁾ |
| Common Stock | Â | Â | Â | Â | Â | Â | 1,635,760 | I | See footnote ⁽⁴⁾ |
| | Â | Â | Â | Â | Â | Â | 205,879 | I | |

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| | | | | | | | | | |
|-----------------|---|---|---|---|---|---|-----|---|--------------------------------|
| Common Stock | | | | | | | | | See footnote ⁽⁵⁾ |
| Common Stock | Â | Â | Â | Â | Â | Â | 688 | I | See footnote ⁽⁶⁾ |

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.

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(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) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|-----|--|------------------|---|-------------------------------|
| | | | | | (A) | (D) | Date Exercisable | Expiration Date | | |
| Stock Units | Â | Â | Â | Â | Â | Â | Â ⁽⁸⁾ | Â ⁽⁸⁾ | Common Stock | 24 |
| Stock Option | \$ 37.25 | Â | Â | Â | Â | Â | 04/30/2000 | 04/29/2007 | Common Stock | 2,200 |
| Stock Option | \$ 51.6875 | Â | Â | Â | Â | Â | 04/29/2001 | 04/28/2008 | Common Stock | 1,460 |
| Stock Option | \$ 48.625 | Â | Â | Â | Â | Â | 04/28/1999 | 04/27/2009 | Common Stock | 1,860 |
| Stock Option | \$ 43.5 | Â | Â | Â | Â | Â | 04/26/2000 | 04/25/2010 | Common Stock | 2,070 |
| Stock Option | \$ 37.5 | Â | Â | Â | Â | Â | 04/25/2001 | 04/24/2011 | Common Stock | 2,400 |
| Stock Option | \$ 54.61 | Â | Â | Â | Â | Â | 04/24/2002 | 04/23/2012 | Common Stock | 1,650 |
| Stock Option | \$ 45.5 | Â | Â | Â | Â | Â | 04/30/2003 | 04/29/2013 | Common Stock | 1,980 |
| Stock Option | \$ 54.14 | Â | Â | Â | Â | Â | 04/28/2004 | 04/27/2014 | Common Stock | 1,670 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| SLAVIK JAMES D 100 GRAINGER PARKWAY LAKE FOREST, IL 60045-5201 | X | A | A | A |

Signatures

L. M. Trusdell, as
attorney-in-fact

01/11/2006

__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) On April 30, 2005, Mr. Slavik became a co-trustee of the Elmer and Joy Slavik Living Trust One with no consideration being paid.
- (2) Shares held by trusts of which Mr. Slavik is a beneficiary and co-trustee.
- (3) Shares held by or FBO Mr. Slavik's children. Mr. Slavik disclaims beneficial ownership of such shares.
- (4) Shares held by corporation of which Mr. Slavik is a shareholder, director & officer. Mr. Slavik disclaims beneficial ownership of such shares.
- (5) Shares held by trusts of which Mr. Slavik is a co-trustee. Mr. Slavik disclaims beneficial ownership of such shares.
- (6) Shares held by Mr. Slavik's wife. Mr. Slavik disclaims beneficial ownership of such shares.
- (7) 1-for-1
- (8) 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 provided 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.