

GRAINGER W W INC
Form S-8
April 27, 2005

As filed with the Securities and Exchange Commission on April 27, 2005

File No. 333-

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-8
REGISTRATION STATEMENT
Under
THE SECURITIES ACT OF 1933

W.W. GRAINGER, INC.
(Exact Name of Registrant as Specified in its Charter)

Illinois
(State or Other Jurisdiction)
of Incorporation or Organization

36-1150280
(I.R.S. Employer Identification No.)

100 Grainger Parkway
Lake Forest, Illinois
(Address of Principal Executive Offices)

60045-5201
(Zip Code)

W.W. Grainger, Inc.
2005 Incentive Plan
(Full Title of the Plan)

John L. Howard
General Counsel
W.W. Grainger, Inc.
100 Grainger Parkway
Lake Forest, Illinois 60045-5201
(Name and Address of Agent For Service)

(847) 535-1000
(Telephone Number, Including Area Code, of Agent For Service)

CALCULATION OF REGISTRATION FEE

Title of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Common Stock, \$0.50 par value	9,500,000 shares (1)	\$54.55 (2)(3)	\$518,177,500.00 (2)(3)	\$60,989.49

(1) Also covers Preferred Share Purchase Rights ("Rights") which are currently transferable with the shares of Common Stock registered hereby.

(2) Calculated pursuant to Rules 457(h)(1) and 457(c) based on the average of the high and low prices of the Registrant's common stock on April 21, 2005 on the New York Stock Exchange Composite Tape as reported by the Wall Street Journal.

(3) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457.

PART II

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference.

The following documents, which have been filed by W.W. Grainger, Inc., a corporation organized under the laws of the State of Illinois (the "Company" or the "Registrant"), with the Securities and Exchange Commission (the "Commission") pursuant to the Securities Exchange Act of 1934, as amended (the "Exchange Act"), are incorporated by reference herein and shall be deemed to be a part hereof:

(a) The Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2004, filed with the Commission on February 28, 2005.

(b) The Company's Current Report on Form 8-K filed with the Commission on March 7, 2005.

(c) The descriptions of the Company's common stock and preferred share purchase rights contained in the Company's registration statements filed under the Exchange Act, including any amendments or reports filed thereunder that update or otherwise modify such descriptions.

All reports and other documents subsequently filed by the Company pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act, prior to the filing of a post-effective amendment which indicates that all securities offered have been sold or which deregisters all securities then remaining unsold, shall be deemed to be incorporated herein by reference and shall be deemed a part hereof from the date of filing of such documents. Any statement contained in any document, all or a portion of which is incorporated by reference herein, shall be deemed to be modified or superseded for purposes of this Registration Statement to the extent that a statement contained or incorporated by reference herein modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Registration Statement.

The financial statements and financial statement schedules included or incorporated by reference in the Company's Annual Report on Form 10-K and incorporated herein by reference have been audited by Grant Thornton LLP, independent public accountants, as indicated in their report with respect thereto, and are included herein in reliance upon the authority of said firm as experts in accounting and auditing.

Item 4. Description of Securities.

Not applicable.

Item 5. Interests of Named Experts and Counsel.

The legality of the securities registered hereby will be passed upon for the Company by Laurence M. Trusdell, Associate General Counsel of the Company.

Item 6. Indemnification of Directors and Officers.

(a) Section 8.75 of the Illinois Business Corporation Act of 1983, as amended, provides that a corporation shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that he or she is or was a director,

officer, employee or agent of the corporation, or who is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, provided that such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. Under certain circumstances, such Section permits a corporation to indemnify its directors, officers, employees and agents against expenses incurred in connection with the defense or settlement of shareholder derivative actions. Such Section also provides that the corporation may purchase insurance on behalf of any such director, officer, employee or agent.

(b) The Company's Bylaws provide that the Company shall indemnify the directors and officers of the Company under the circumstances described in the preceding paragraph, subject, except in the case of defense expenses, to a finding by the Company's Board of Directors, its shareholders or, under certain circumstances, independent legal counsel that the applicable standard of conduct has been met.

(c) Under insurance policies maintained by the Company, the directors and officers of the Company are insured, within the limits and subject to the limitations of the policies, against certain expenses in connection with the liabilities that might be imposed as a result of claims, actions, suits or proceedings that may be brought against them by reason of being or having been such directors or officers.

(d) The Company's Restated Articles of Incorporation provide that a director of the Company shall not be personally liable to the Company or its shareholders for monetary damages for breach of fiduciary duties as a director except (i) for any breach of the director's duty of loyalty to the Company and its shareholders, (ii) for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law, (iii) under Section 8.65 of the Illinois Business Corporation Act or (iv) for any transaction from which the director derived an improper personal benefit.

Item 7. Exemption from Registration Claimed.

Not applicable.

Item 8. Exhibits.

See Exhibit Index which is incorporated herein by reference.

Item 9. Undertakings.

The undersigned Registrant hereby undertakes:

1. To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:
 - (i) To include any prospectus required by section 10(a)(3) of the Securities Act of 1933, as amended (the "Securities Act");
 - (ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high and of the estimated maximum offering range may be reflected in the form of prospectus filed

with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement;

- (iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

Provided, however, that paragraphs (1)(i) and (1)(ii) do not apply if the registration statement is on Form S-3 or Form S-8, and the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Commission by the Registrant pursuant to section 13 or section 15(d) of the Exchange Act that are incorporated by reference in the registration statement.

2. That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Senior Vice President, Finance
and Chief Financial Officer
(Principal Financial Officer)

Director

*

J. E. Andringa
Vice President and Controller
(Principal Accounting Officer)

*

Gary L. Rogers
Director

*

Brian P. Anderson
Director

*

James D. Slavik
Director

*

Wilbur H. Gantz
Director

*By: /s/ John L. Howard
John L. Howard
Attorney-in-Fact

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
4.1	Restated Articles of Incorporation of the Registrant (incorporated by reference to Exhibit 3(i) to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 1998)
4.2	By-Laws of the Registrant, as amended (incorporated by reference to Exhibit 3(ii) to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2004)
4.3	Shareholder Rights Agreement dated as of April 28, 1999 between the Registrant and Fleet National Bank (formerly Bank Boston, NA), as rights agent, incorporated by reference to Exhibit 4 to the Registrant's Current Report on Form 8-K dated April 28, 1999, and related letter concerning the appointment of EquiServe Trust Company, N.A., as successor rights agent, effective August 1, 2002, incorporated by reference to Exhibit 4 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2002
5.1	Opinion of Laurence M. Trusdell
23.1	Consent of Grant Thornton LLP
23.2	Consent of Laurence M. Trusdell (included in Exhibit 5.1)
24.1	Power of Attorney
