## Edgar Filing: GRACO INC - Form 4

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| Form 4  |  |               |   |                                      |      |  |                             |  |  |  |   |  |  |
|---|--|---------------|---|--------------------------------------|------|--|-----------------------------|--|--|--|---|--|--|
| April 26, 20  | _  |               |   |                                      |      |  |                             |  |  | OMB A  | PPROVAL   |  |  |
| FUNI  | /1 4 UNITED  | STATES        |   | RITIES<br>Ishingto                   |      |  |                             | NGF  | E COMMISSIO  | N OMB<br>Number:   | 3235-0287   |  |  |
| Check th<br>if no lon<br>subject t<br>Section<br>Form 4 of            | nger <b>STATEN</b><br>to 16.                         | AENT OI       | F CHAN  |                                      |      | BENE<br>ITIES  | FICIA                       | L 0'   | WNERSHIP OF  | Expires:<br>Estimated<br>burden hou<br>response                      | urs per   |  |  |
| Form 5<br>obligatio<br>may com<br><i>See</i> Instr<br>1(b).           | tinue. Section 17                                    | a) of the l   | Public U  |                                      | lold | ling Co  | mpan                        | y Act  | nge Act of 1934,<br>of 1935 or Secti<br>940  |  |   |  |  |
| (Print or Type  | Responses)   |               |   |                                      |      |  |                             |  |  |  |   |  |  |
| 1. Name and Address of Reporting Person <u>*</u><br>CARROLL WILLIAM J |  |               | 2. Issuer Name <b>and</b> Ticker or Trading<br>Symbol |                                      |      |  |                             | ng   | 5. Relationship of Reporting Person(s) to Issuer   |  |   |  |  |
| (Last)  | (First) (  | Middle)       | GRACO INC [GGG]<br>3. Date of Earliest Transaction    |                                      |      |  |                             | (Check all applicable)   |  |  |   |  |  |
| 88 11TH AVENUE NE   |  |               | (Month/Day/Year)<br>04/22/2005                        |                                      |      |  |                             | X_ Director 10% Owner<br>Officer (give title Other (specify<br>below) below) |  |  |   |  |  |
| MINNEAD   | 4. If Amendment, Date Original Filed(Month/Day/Year) |               |   |                                      |      | <ul> <li>6. Individual or Joint/Group Filing(Check<br/>Applicable Line)</li> <li>_X_ Form filed by One Reporting Person</li> <li> Form filed by More than One Reporting</li> </ul> |                             |  |  |  |   |  |  |
|   | POLIS, MN 55413                                      |               |   |                                      |      |  |                             |  | Person   |  |   |  |  |
| (City)  | (State)  | (Zip)         |   | ole I - Nor                          | n-D  | erivativ   | e Secur                     | ities A  | Acquired, Disposed   |  | -   |  |  |
| 1.Title of<br>Security<br>(Instr. 3)                                  | 2. Transaction Date<br>(Month/Day/Year)              |               | Date, if  | 3.<br>Transact<br>Code<br>(Instr. 8) | tion | 4. Secur<br>Acquire<br>Dispose<br>(Instr. 3,   | d (A) or<br>d of (D)        |  | 5. Amount of<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s)<br>(Instr. 3 and 4) | 6. Ownership<br>Form: Direct<br>(D) or Indirect<br>(I)<br>(Instr. 4) | 7. Nature of<br>Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |  |  |
|   |  |               |   | Code                                 |      |  |                             | Price  |  |  |   |  |  |
| Reminder: Re  | port on a separate line                              | e for each cl | ass of sec  | urities ber                          | nefi | Pers<br>infor<br>requ  | ons wl<br>matior<br>ired to | no res<br>n cont<br>resp   | or indirectly.<br>spond to the colle<br>tained in this forn<br>ond unless the fo<br>ntly valid OMB co              | n are not<br>rm  | SEC 1474<br>(9-02)  |  |  |

## Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of | 2.          | 3. Transaction Date | 3A. Deemed         | 4.         | 5. Number       | 6. Date Exercisable and | 7. Title and Amount  |
|-------------|-------------|---------------------|--------------------|------------|-----------------|-------------------------|----------------------|
| Derivative  | Conversion  | (Month/Day/Year)    | Execution Date, if | Transactio | onof Derivative | Expiration Date         | Underlying Securitie |
| Security    | or Exercise |                     | any                | Code       | Securities      | (Month/Day/Year)        | (Instr. 3 and 4)     |
| (Instr. 3)  | Price of    |                     | (Month/Day/Year)   | (Instr. 8) | Acquired        |                         |                      |

number.

|   | Derivative<br>Security |            |    |     | (A) or<br>Disposed<br>(D)<br>(Instr. 3,<br>and 5) |     |                     |                    |                 |                                      |
|---|------------------------|------------|----|-----|---|-----|---------------------|--------------------|-----------------|--------------------------------------|
|   |                        |            | Co | e V | (A)   | (D) | Date<br>Exercisable | Expiration<br>Date | Title           | Amoun<br>or<br>Numbe<br>of<br>Shares |
| Non-Qualified<br>Stock Option<br>(right to buy) | \$ 37.13<br>(1)        | 04/22/2005 | A  |     | 3,600   |     | <u>(1)</u>          | 04/22/2015         | Common<br>Stock | 3,60                                 |

## **Reporting Owners**

| <b>Reporting Owner Name / Address</b>                           | Relationships |           |         |       |  |  |  |  |
|---|---------------|-----------|---------|-------|--|--|--|--|
|   | Director      | 10% Owner | Officer | Other |  |  |  |  |
| CARROLL WILLIAM J<br>88 11TH AVENUE NE<br>MINNEAPOLIS, MN 55413 | Х             |           |         |       |  |  |  |  |
| Signatures  |               |           |         |       |  |  |  |  |
| Den Kristen C. Malaan Fam Wil                                   | liom I        |           |         |       |  |  |  |  |

By: Kristen C. Nelson For: William J. Carroll

\*\*Signature of Reporting Person

## **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) Nonemployee director stock option granted pursuant to the Graco Inc. Stock Incentive Plan in a transaction exempt under Rule 16b-3. The stock option becomes exercisable in four equal annual installments, commencing one year after the date of the grant.

04/26/2005

Date

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.