

Osterkorn Eugene A
 Form 4
 April 29, 2011

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 *
 Osterkorn Eugene A

2. Issuer Name and Ticker or Trading Symbol
 ILLINOIS TOOL WORKS INC [ITW]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)
 ___ Director ___ 10% Owner
 Officer (give title below) ___ Other (specify below)
 VP & Controller, Ops

(Last) (First) (Middle)
 ILLINOIS TOOL WORKS INC., 3600 WEST LAKE AVENUE
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 04/27/2011

GLENVIEW, IL 60026

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

(City) (State) (Zip)

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | Code V Amount (A) or (D) Price | | | |
| Common Stock | 04/27/2011 | | M | 5,000 A \$ 35.12 | 8,769 | D | |
| Common Stock | 04/27/2011 | | S | 5,000 D \$ 57.54 | 3,769 | D | |
| Common Stock | | | | | 2 | I | See Footnote (1) |

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

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SEC 1474 (9-02)

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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) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| | | | | Code | V (A) (D) | Date Exercisable Expiration Date | Title Amount or Number of Shares |
| Employee Stock Option | \$ 47.13 | | | | | 12/10/2005 12/10/2014 | Common Stock 8,100 |
| Employee Stock Option | \$ 42.08 | | | | | 12/07/2006 02/01/2016 | Common Stock 17,000 |
| Employee Stock Option | \$ 51.6 | | | | | 02/09/2008 02/09/2017 | Common Stock 20,000 |
| Employee Stock Option | \$ 48.51 | | | | | 02/08/2009 ⁽²⁾ 02/08/2018 | Common Stock 20,000 |
| Employee Stock Option | \$ 35.12 | 04/27/2011 | | M | 5,000 | 02/13/2010 ⁽²⁾ 02/13/2019 | Common Stock 17,340 |
| Restricted Stock Unit ⁽³⁾ | \$ 0 | | | | | ⁽⁴⁾ ⁽⁴⁾ | Common Stock 2,528 |
| Employee Stock Option | \$ 43.64 | | | | | 02/12/2011 ⁽²⁾ 02/12/2020 | Common Stock 18,520 |
| Restricted Stock Unit ⁽³⁾ | \$ 0 | | | | | ⁽⁴⁾ ⁽⁴⁾ | Common Stock 2,036 |
| Employee Stock Option | \$ 55.81 | | | | | 02/11/2012 ⁽²⁾ 02/11/2021 | Common Stock 14,470 |
| | \$ 0 | | | | | ⁽⁴⁾ ⁽⁴⁾ | 1,576 |

Restricted
Stock Unit
(3)

Common
Stock

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|----------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Osterkorn Eugene A ILLINOIS TOOL WORKS INC. 3600 WEST LAKE AVENUE GLENVIEW, IL 60026 | | | VP & Controller, Ops | |

Signatures

Eugene A. Osterkorn by James H. Wooten, Jr., Senior Vice President, General Counsel & Secretary, Attorney-In-Fact POA on File

04/29/2011

__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) Shares of common stock allocated to my account in the Illinois Tool Works Inc. Savings & Investment Plan--Information reported as of March 31, 2011.
- (2) Options vest in four (4) equal annual installments beginning one year from date of grant.
- (3) Each restricted stock unit (RSU) represents a contingent right to receive one share of the Company's common stock.
- (4) Each RSU vests 100% three years from the date of grant.

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.