Edgar Filing: GRACO INC - Form 4

CD A CO DIC

Form 4													
April 25, 200											PPROVAL		
	UNITED	STATES		RITIES Ishingto				NGE	COMMISSION	N OMB Number:	3235-028	7	
Check th if no long subject to Section 1 Form 4 c	F CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES							Expires: Estimated burden hou response	irs per	5			
Form 5 obligations may continue. See Instruction 1(b). 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 I	Responses)												
1. Name and Address of Reporting Person <u></u> VAN DYKE WILLIAM G			2. Issuer Name and Ticker or Trading Symbol GRACO INC [GGG]					g	5. Relationship of Reporting Person(s) to Issuer				
(Last)	(First) (I	Middle)	3. Date of Earliest Transaction						(Check all applicable)				
88 11TH AVENUE NE			(Month/Day/Year) 04/21/2006						X_ Director10% Owner Officer (give titleOther (specify below) below)				
MINNEAP		4. If Amendment, Date Original Filed(Month/Day/Year)					 6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person 						
(City)	(State)	(Zip)	Tab	ole I - Nor	n-De	erivative	Securit	ties A	cquired, Disposed	of. or Beneficia	llv Owned		
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)		ed Date, if	3. Transact Code (Instr. 8)	tion.]) (4. Securit Acquired Disposed (Instr. 3, 4	ies (A) or of (D) 4 and 5) (A) or		5. Amount of Securities Beneficially Owned	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect		
Reminder: Rep	oort on a separate line	for each cl	ass of sec	urities bei	nefi	cially ow	ned dire	ctly o	or indirectly.				
						inforn requii	nation red to r	cont espo	spond to the colle ained in this form ond unless the fo ntly valid OMB co	n are not rm	SEC 1474 (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 Security		(D)			sposed of) str. 3, 4,				
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amou or Numb of Shares
Non-Qualified Stock Option (right to buy)	\$ 48.95 (1)	04/21/2006	А		3,600		<u>(1)</u>	04/21/2016	Common Stock	3,60

Reporting Owners

Reporting Owner Name / Address				
	Director	10% Owner	Officer	Other
VAN DYKE WILLIAM G 88 11TH AVENUE NE MINNEAPOLIS, MN 55413	Х			

Signatures

By: Kristen C. Nelson, attorney-in-fact For: William G. Van Dyke

**Signature of Reporting Person

04/25/2006 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).
 - Nonemployee director stock option granted pursuant to the Amended and Restated Graco Inc. Stock Incentive Plan (2006) in a
- (1) 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.

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.