

NESTEGARD SUSAN K
Form 4
December 05, 2008

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 *
NESTEGARD SUSAN K

2. Issuer Name and Ticker or Trading Symbol
ECOLAB INC [ECL]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
ECOLAB INC., 370 WABASHA STREET NORTH
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
12/03/2008

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Exec. VP Global Healthcare

ST. PAUL, MN 55102

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)
Common Stock				(A) or (D) Price	829.382 ⁽¹⁾	I	By Ecolab Savings Plan

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

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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 Security (Instr. 3 and 4)	Amount or Number of Shares
Employee Stock Option (Right to Buy)	\$ 35.63	12/03/2008		A	50,500	12/03/2009 ⁽²⁾ 12/03/2018	Common Stock	50,500

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
NESTEGARD SUSAN K ECOLAB INC. 370 WABASHA STREET NORTH ST. PAUL, MN 55102			Exec. VP Global Healthcare	

Signatures

/s/ David F. Duvick, as Attorney-in-Fact for Susan K. Nestegard
 12/05/2008
 **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) Number of UNITS in the Ecolab Stock Fund of the Ecolab Savings Plan (401(k) Plan) as of October 31, 2008. Includes 120.613 UNITS acquired since the reporting person's last report. (The 829.382 UNITS are the equivalent of approximately 1,551 shares of the issuer's Common Stock.)
- (2) The option will be exercisable, on a cumulative basis, as to one-third of the option shares (excluding any fractional portion less than one share), on each of the first and second anniversaries of the date of grant and as to the remaining shares on the third anniversary of the date of grant; provided, however, that if a Change in Control (as that term is defined in the 2005 Ecolab Inc. Stock Incentive Plan) will occur, then the option, if it has been outstanding for at least six months from the date of grant, will become immediately exercisable in full.
- 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.