NORDSTROM INC

Form 4 March 05, 2007

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB APPROVAL OMB

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Check this box

obligations may continue. See Instruction

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(b).

1. Name and Address of Reporting Person * Favaro Paul F

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last)

(City)

(Instr. 3)

(First)

(Middle)

(Zip)

3. Date of Earliest Transaction

(Month/Day/Year)

03/01/2007

NORDSTROM INC [JWN]

Director X_ Officer (give title below)

10% Owner Other (specify

C/O NORDSTROM, INC., 1617 SIXTH AVENUE

below) **Executive Vice President**

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

Applicable Line)

6. Individual or Joint/Group Filing(Check

X Form filed by One Reporting Person Form filed by More than One Reporting

Person

SEATTLE, WA 98101

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned 1.Title of 2. Transaction Date 2A. Deemed Security (Month/Day/Year) Execution Date, if

(State)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D) (Instr. 3, 4 and 5) (Instr. 8)

5. Amount of Securities Beneficially (D) or Indirect (I) Owned Following (Instr. 4)

D

6. Ownership 7. Nature of Form: Direct Indirect Beneficial Ownership (Instr. 4)

(A) or

Transaction(s) (Instr. 3 and 4) Price

Reported

11,764

Code V Amount (D)

Common Stock

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

(Month/Day/Year)

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.

SEC 1474 (9-02)

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. Transactic Code (Instr. 8)	5. onNumber of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	S		Underlying Securities		8. Pri Deriv Secun (Instr
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Employee Stock Option (right to buy)	\$ 53.63	03/01/2007		A	0 (1)	(2)	03/01/2017	Common Stock	0 (1)	\$

Reporting Owners

Reporting Owner Name / Address	Relationships
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Director 10% Owner Officer Other

Favaro Paul F C/O NORDSTROM, INC. 1617 SIXTH AVENUE SEATTLE, WA 98101

Executive Vice President

Signatures

/s/ Duane E. Adams, Attorney-in-Fact for Paul F. Favaro

03/05/2007

**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).

The number of options granted effective 3/1/07 is not known at this time. The number is calculated as a function of base pay, a long-term incentive (LTI) percentage and the fair value of the option. The Binomial Lattice option valuation model will be used to estimate the fair

- (1) value of the option. This model requires the input of certain assumptions, including risk-free interest rate, volatility, dividend yield, and expected life. The formula for determining the number of options granted is: number of options = (base pay x LTI%) / option fair value. This Form 4 will be amended to report the number of options granted when that number has been calculated.
- (2) Granted under the issuer's 2004 Equity Incentive Plan, exercisable in four equal annual installments commencing on 3/1/08.

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.

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