

BAEHREN JAMES W
Form 4
October 31, 2007

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 *
BAEHREN JAMES W

(Last) (First) (Middle)
ONE MICHAEL OWENS WAY
(Street)

PERRYSBURG, OH 43551

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
OWENS ILLINOIS INC /DE/ [OI]

3. Date of Earliest Transaction
(Month/Day/Year)
10/29/2007

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Sr. VP, CAO & General Counsel

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
____ Form filed by More than One Reporting Person

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 Indirect Ownership (Instr. 4)
				(A) or (D)	Price		
Common Stock	10/29/2007		S	V	1,900	D	\$ 43.39 69,688 D
Common Stock	10/29/2007		S		300	D	\$ 43.4 69,388 D
Common Stock	10/29/2007		S		200	D	\$ 43.41 69,188 D
Common Stock						I	16,027.4515 401K Plan

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

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(9-02)

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 Security (Instr. 3 and 4)	Amount or Number of Shares
Non-Qualified Stock Option (right to buy)	\$ 5.6875	10/29/2007		M	15,000	(1) 01/03/2011	Common Stock	15,000
Non-Qualified Stock Option (right to buy)	\$ 13.5	10/29/2007		M	10,000	(1) 05/02/2010	Common Stock	10,000
Non-Qualified Stock Option (right to buy)	\$ 23.9375	10/29/2007		M	10,000	(1) 04/08/2009	Common Stock	10,000
Non-Qualified Stock Option (right to buy)	\$ 39.938	10/29/2007		M	10,000	(1) 05/06/2008	Common Stock	10,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BAEHREN JAMES W ONE MICHAEL OWENS WAY PERRYSBURG, OH 43551			Sr. VP, CAO & General Counsel	

Signatures

James W.
Baehren
10/31/2007
Date

**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).

Grant of option to purchase shares of common stock under the 1997 Equity Participation Plan of Owens-Illinois, Inc. The option becomes
(1) exercisable in 50% increments on the fifth and sixth anniversaries of the date of the grant, respectively, subject to earlier exercise after the first anniversary of the grant based on stock price targets being met.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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