MORNINGSTAR, INC.

FORM
()

Filed 8/1/2007 For Period Ending 7/31/2007

<table>
<thead>
<tr>
<th>Address</th>
<th>225 WEST WACKER DRIVE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>CHICAGO, Illinois 60606</td>
</tr>
<tr>
<td>Telephone</td>
<td>(312) 696-6000</td>
</tr>
<tr>
<td>CIK</td>
<td>0001289419</td>
</tr>
<tr>
<td>Fiscal Year</td>
<td>12/31</td>
</tr>
</tbody>
</table>
FORM 4  

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

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(f) of the Investment Company Act of 1940

1. Name and Address of Reporting Person *  
Williams David W  
(First) (Middle) (Last)  
C/O MORNINGSTAR, INC., 225 WEST WACKER DRIVE  
CHICAGO, IL 60606  

2. Issuer Name and Ticker or Trading Symbol  
Morningstar, Inc. [ MORN ]  

3. Date of Earliest Transaction (MM/DD/YYYY)  
7/31/2007  

4. If Amendment, Date Original Filed (MM/DD/YYYY)  
6. Individual or Joint/Group Filing (Check Applicable Line)  
\_X Form filed by One Reporting Person  
___ Form filed by More than One Reporting Person

5. Relationship of Reporting Person(s) to Issuer (Check all applicable)  
\_X Officer (give title below)  
\_ Director  
\_ 10% Owner  
\_ Other (specify below)  
Managing Director, Design

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

<table>
<thead>
<tr>
<th>Title of Security</th>
<th>Trans. Date</th>
<th>Trans. Code</th>
<th>Securities Acquired (A) or Disposed of (D)</th>
<th>Amount</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common Stock</td>
<td>7/31/2007</td>
<td>M</td>
<td>A</td>
<td>669</td>
<td>$20.2897</td>
</tr>
<tr>
<td>Common Stock</td>
<td>7/31/2007</td>
<td>S</td>
<td>A</td>
<td>669</td>
<td>$49.14</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Title of Derivate Security</th>
<th>Conversion or Exercise Price</th>
<th>Trans. Date</th>
<th>Trans. Code</th>
<th>Securities Acquired (A) or Disposed of (D)</th>
<th>Date Exercisable</th>
<th>Expiration Date</th>
<th>Title of Underlying Security</th>
<th>Amount or Number of Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Stock Option (Right to Buy)</td>
<td>$20.2897</td>
<td>7/31/2007</td>
<td>M</td>
<td>669</td>
<td>(2)</td>
<td>5/2/2015</td>
<td>Common Stock</td>
<td>669</td>
</tr>
</tbody>
</table>

Explanation of Responses:

(1) The sales reported on this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on March 21, 2007.


(3) The exercise price increases over the term of the option at a rate equal to the 10-year Treasury bond yield as of the date of grant ($18.50). On July 31, 2007, the exercise price was $20.2897.

Reporting Owners

<table>
<thead>
<tr>
<th>Reporting Owner Name / Address</th>
<th>Relationships</th>
</tr>
</thead>
<tbody>
<tr>
<td>Williams David W</td>
<td></td>
</tr>
</tbody>
</table>

\[ ] Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).
Signatures


** Signature of Reporting Person  Date

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

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).


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

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.