FORM 4

[ ] 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(f) of the
Investment Company Act of 1940

1. Name and Address of Reporting Person *
   Phillips Donald James II
   (Last) (First) (Middle)
   C/O MORNINGSTAR, INC., 22 WEST WASHINGTON STREET
   CHICAGO, IL 60602

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

3. Date of Earliest Transaction (MM/DD/YYYY)
   10/11/2011

4. If Amendment, Date Original Filed
   (MM/DD/YYYY)

5. Relationship of Reporting Person(s) to Issuer
   (Check all applicable)
   __ X __ Director
   _____ 10% Owner
   __ X __ Officer (give title below)
   _____ Other (specify below)
   President, Fund Research

6. Individual or Joint/Group Filing (Check Applicable Line)
   _ X _ 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

<table>
<thead>
<tr>
<th>1. Title of Security (Instr. 3)</th>
<th>2. Trans. Date</th>
<th>3. Trans. Code (Instr. 8)</th>
<th>4. Securities Acquired (A) or Disposed of (D) (Instr. 3 and 4)</th>
<th>5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)</th>
<th>6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)</th>
<th>7. Nature of Indirect Beneficial Ownership (Instr. 4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common Stock</td>
<td>10/11/2011</td>
<td>M</td>
<td>1300 (2) A $19.56</td>
<td>262991 D</td>
<td>By GRAT</td>
<td></td>
</tr>
<tr>
<td>Common Stock</td>
<td>10/11/2011</td>
<td>S (1)</td>
<td>1300 D $60</td>
<td>261691 D</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Common Stock</td>
<td></td>
<td></td>
<td>70738 I</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Employee Stock Option (Right to Buy)</td>
<td>$19.56 (2)</td>
<td>10/11/2011</td>
<td>M</td>
<td>1300 (3) 12/1/2014 Common Stock 1300 $0 13298 D</td>
<td></td>
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<td></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 11, 2011.

(2) 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 ($14.70). On October 11, 2011, the exercise price was $19.56.

Phillips Donald James II  
C/O MORNINGSTAR, INC.  
22 WEST WASHINGTON STREET  
CHICAGO, IL 60602

X  
President, Fund Research

Signatures

/s/ Heidi Miller, by power of attorney  
10/12/2011

** 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.