

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

FORM 8-K

CURRENT REPORT PURSUANT
TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

DATE OF REPORT (DATE OF EARLIEST EVENT REPORTED) January 12, 2005

NORDSTROM, INC.
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

WASHINGTON	001-15059	91-0515058
(STATE OR OTHER JURISDICTION OF INCORPORATION)	(COMMISSION FILE NUMBER)	(I.R.S. EMPLOYER IDENTIFICATION NO.)

1617 SIXTH AVENUE, SEATTLE, WASHINGTON	98101
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)	(ZIP CODE)

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE (206) 628-2111

INAPPLICABLE
(FORMER NAME OR FORMER ADDRESS IF CHANGED SINCE LAST REPORT)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT

Effective February 1, 2005 Paul Favaro will join Nordstrom, Inc. (the "Company") as Executive Vice President of Strategy and Development. For several years, Mr. Favaro has helped the Company with its strategic planning, first in his capacity as a managing partner of Marakon Associates, and since January 1, 2003, through his own private consulting firm Agilis Inc. Mr. Favaro will continue to provide those and other services to the Company in his new position. The initial terms of Mr. Favaro's employment are set forth in the letter attached hereto as Exhibit 99.1. The following summary is qualified in its entirety by reference to the letter.

The employment arrangement, terminable at-will, provides for Mr. Favaro to receive an annual base salary of \$370,000. It also provides for the Company to grant Mr. Favaro a non-qualified stock option to purchase 10,000 shares of the Company's common stock at an exercise price equal to the closing price of the Company's common stock on Mr. Favaro's first date of employment. That option will vest equally over four years. In addition, the Company will grant Mr. Favaro 5,000 restricted shares vesting equally over five years. Mr. Favaro will also be eligible to participate in the Company's various benefit

plans and programs generally available to other executives of the Company.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

(c) EXHIBITS

99.1 Employment Letter with Mr. Paul Favaro, to be effective on February 1, 2005.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NORDSTROM, INC.

By: /s/ David L. Mackie

David L. Mackie
Vice President, Real Estate,
and Corporate Secretary

Dated: January 12, 2005

EXHIBIT INDEX

EXHIBIT NUMBER	DESCRIPTION
99.1	Employment Letter with Mr. Paul Favaro, to be effective on February 1, 2005.

November 22, 2004

Mr. Paul Favaro
1114 West Lill Avenue
Chicago IL 60614

Dear Paul:

On behalf of Nordstrom, Inc., we wish to extend to you the following offer to join our company as Executive Vice President of Strategy and Development. You are tentatively scheduled to begin work on February 1, 2005.

Outlined below is our offer to you:

The salary for this position is \$370,000 per year, payable semi-monthly.

We will provide a full relocation as per our "Category 0" Executive relocation guidelines. A representative from our relocation department will contact you to initiate the relocation process.

Upon completion of any eligibility requirements, you may participate in the Nordstrom medical, dental, and vision Plans; the 401(k) Plan and Profit Sharing; and the Employee Stock Purchase Plan.

We will reimburse you the difference between the COBRA payment and your current health insurance contribution until you become eligible to participate in the Nordstrom medical plan on March 1, 2005.

You will have 184 hours of Paid Time Off (PTO) available to you upon hire. This equals 4 weeks and 3 days.

You and your immediate family members will be entitled to a 33% employee discount on merchandise and certain services, and a 20% discount on certain food products in our restaurants.

You will also be eligible for these additional leadership benefits:

Leadership level benefits program, which is an enhancement of the basic disability and life insurance coverage. The benefits also include reimbursement for covered out-of-pocket medical, dental, vision, and prescription expenses up to a \$10,000 limit.

Leadership Bonus Plan, in which your bonus opportunity ranges from 0% to 150% of base salary, with a target of 60%.

Paul Favaro
November 22, 2004
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Participation in the long-term incentive plan, including a new-hire grant and the annual grant in February. The new hire grant will be effective on the first day of your employment and consist of 10,000 non-qualified stock options, vesting equally over a 4-year period; and 5,000 restricted shares vesting equally over 5 years. You are eligible for an annual grant at the 150% of base level.

Eligibility for the Supplemental Executive Retirement Program with full benefit potential at age 58.

Executive Deferred Compensation Plan, a supplemental source for savings and retirement income through pre-tax deferral of base compensation and

bonus.

Reimbursement for professional financial planning services up to \$4,000 per calendar year.

Monthly company paid parking up to \$195 per month.

These additional benefits are subject to change at any time should we modify the programs or plan features.

Paul Favaro
November 22, 2004
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It is important to note that Nordstrom is an at-will employer. Nothing in this letter constitutes an employment contract. If there is a discrepancy between information in this letter and any official plan documents for contract, the official document will determine how the plans work and benefits are paid.

Ideally we would agree to these terms in the course of the next 30 days to implement a smooth and proper transition into this new role for 2005. We also understand that you would be relocating to Seattle as soon as possible, which would be at the end of the school year. In the interim we agree that you will utilize our Michigan Avenue store as home base and will continue to spend the appropriate time here in Seattle.

Paul, we are excited about you joining Nordstrom! We believe that we can provide you with an exciting and challenging career opportunity. Please confirm your acceptance by signing below and returning a copy to us.

Sincerely,

/s/ Blake Nordstrom

Blake Nordstrom
President
Nordstrom, Inc

November 22, 2004

Accepted by:

/s/ Paul Favaro

Name

11/29/04

Date