Phillips Donald James II
Form 4
February 12, 2007

FORM 4

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

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(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB Number:	3235-0287
Expires:	January 31, 2005
Estimated average burden hours per response...	0.5

(Print or Type Responses)

1. Name and Address of Reporting Person *
Phillips Donald James II
(Last) (First) (Middle)
C/O MORNINGSTAR, INC., 225 WEST WACKER DRIVE
(Street)
CHICAGO, IL 60606
(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)
02/12/2007

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

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)
__X__ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
Managing Director

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

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 Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	02/12/2007		M		10,000	A	$ 2.77	228,257	D	
Common Stock	02/12/2007		S (1)		215	D	$ 44.98	228,042	D	
Common Stock	02/12/2007		S (1)		143	D	$ 45.02	227,899	D	
Common Stock	02/12/2007		S (1)		286	D	$ 45.03	227,613	D	
Common Stock	02/12/2007		S (1)		214	D	$ 45.05	227,399	D	

Common Stock	02/12/2007	S[(1)]	286	D	$ 45.08	227,113	D
Common Stock	02/12/2007	S[(1)]	42	D	$ 45.09	227,071	D
Common Stock	02/12/2007	S[(1)]	71	D	$ 45.11	227,000	D
Common Stock	02/12/2007	S[(1)]	71	D	$ 45.12	226,929	D
Common Stock	02/12/2007	S[(1)]	71	D	$ 45.16	226,858	D
Common Stock	02/12/2007	S[(1)]	358	D	$ 45.17	226,500	D
Common Stock	02/12/2007	S[(1)]	214	D	$ 45.18	226,286	D
Common Stock	02/12/2007	S[(1)]	357	D	$ 45.2	225,929	D
Common Stock	02/12/2007	S[(1)]	143	D	$ 45.21	225,786	D
Common Stock	02/12/2007	S[(1)]	143	D	$ 45.22	225,643	D
Common Stock	02/12/2007	S[(1)]	496	D	$ 45.23	225,147	D
Common Stock	02/12/2007	S[(1)]	71	D	$ 45.24	225,076	D
Common Stock	02/12/2007	S[(1)]	154	D	$ 45.25	224,922	D
Common Stock	02/12/2007	S[(1)]	350	D	$ 45.26	224,572	D
Common Stock	02/12/2007	S[(1)]	430	D	$ 45.29	224,142	D
Common Stock	02/12/2007	S[(1)]	71	D	$ 45.3	224,071	D
Common Stock	02/12/2007	S[(1)]	499	D	$ 45.31	223,572	D
Common Stock	02/12/2007	S[(1)]	71	D	$ 45.32	223,501	D
Common Stock	02/12/2007	S[(1)]	286	D	$ 45.34	223,215	D
Common Stock	02/12/2007	S[(1)]	214	D	$ 45.36	223,001	D
	02/12/2007	S[(1)]	214	D		222,787	D

Common Stock						$ 45.37			
Common Stock	02/12/2007		S[(1)]	143	D	$ 45.38	222,644	D	
Common Stock	02/12/2007		S[(1)]	286	D	$ 45.39	222,358	D	
Common Stock	02/12/2007		S[(1)]	29	D	$ 45.4	222,329	D	

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

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)

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 Securities (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (Right to Buy)	$ 2.77	02/12/2007		M			10,000 [(2)]	[(3)]	02/15/2009	Common	10,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Phillips Donald James II C/O MORNINGSTAR, INC. 225 WEST WACKER DRIVE CHICAGO, IL 60606	X		Managing Director	

Signatures

/s/ Heidi Miller, by power of attorney	02/12/2007
**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).

(1) The sales reported on this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on May 9, 2006.

(2) Pursuant to the terms of a Deferred Compensation Agreement entered into between Morningstar, Inc. and the reporting person, upon the exercise of these options Morningstar, Inc. will pay to the reporting person $2.69 per share in the form of cash.

(3) The options become exercisable in ten annual installments beginning on February 15, 1999.

Remarks:

Form 1 of 2

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.