BLUE NILE INC Form 4

February 20, 2007

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB APPROVAL OMB

3235-0287 Number: January 31,

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Check this box if no longer subject to Section 16. Form 4 or Form 5

obligations

may continue.

See Instruction

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

1(b).

(Print or Type Responses)

Strober Joanna A	2. Issuer Name and Ticker or Trading Symbol BLUE NILE INC [NILE]	5. Relationship of Reporting Person(s) to Issuer		
(Last) (First) (Middle)	3. Date of Earliest Transaction	(Check all applicable)		
	(Month/Day/Year)	X Director 10% Owner		
C/O BLUE NILE, INC., 705 FIFTH AVENUE S, STE 900	02/15/2007	Officer (give title Other (specify below)		
(Street)	4. If Amendment, Date Original	6. Individual or Joint/Group Filing(Check		
SEATTLE, WA 98104	Filed(Month/Day/Year)	Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person		

SEATTLE, V	WA 98104		
(City)	(State)	(Zip)	

(Chy)	(511110)	Table	I - Non-De	erivative S	ecurii	ties Aco	quired, Disposed (of, or Beneficia	lly Owned
1.Title of	2. Transaction Date		3.	4. Securit			5. Amount of	6. Ownership	7. Nature of
Security	(Month/Day/Year)	Execution Date, if	Transactio	nAcquired	(A) o	r	Securities	Form: Direct	Indirect
(Instr. 3)		any	Code	Disposed	of (D)	Beneficially	(D) or	Beneficial
		(Month/Day/Year)	(Instr. 8)	(Instr. 3,	4 and	5)	Owned	Indirect (I)	Ownership
							Following	(Instr. 4)	(Instr. 4)
					()		Reported		
					(A)		Transaction(s)		
					or		(Instr. 3 and 4)		
			Code V	Amount	(D)	Price	()		
Common Stock	02/15/2007		A <u>(1)</u>	187	A	\$ 40	2,787	D	

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

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

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transacti Code (Instr. 8)			ate	7. Title Amoun Under	int of lying ities	8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene
	Derivative Security				Securities Acquired			(Instr.	3 and 4)		Owne Follo
					(A) or Disposed						Repo Trans
					of (D) (Instr. 3, 4, and 5)						(Instr
					4, and 3)				Amount		
						Date Exercisable	Expiration Date	Title	or Number of		
				Code V	(A) (D)				Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships					
1 0	Director	10% Owner	Officer	Other		
Strober Joanna A C/O BLUE NILE, INC. 705 FIFTH AVENUE S, STE 900 SEATTLE, WA 98104	X					

Signatures

/s/ Mark C. Vadon, Power of Attorney

02/20/2007

**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) Shares issued in lieu of cash consideration for quarterly Board of Directors fee.

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.

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