

SERVICEMASTER CO
Form 4
September 29, 2005

FORM 4

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

OMB APPROVAL

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

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(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
PETERSON DALLEN W

(Last) (First) (Middle)
3250 LACEY ROAD, SUITE 600
(Street)

DOWNERS
GROVE, IL 60515-1700

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
SERVICEMASTER CO [SVM]

3. Date of Earliest Transaction
(Month/Day/Year)
09/28/2005

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
 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 \$.01 par value	09/28/2005		M		10,125	A	\$ 9.2593 17,378
Common stock \$.01 par value	09/29/2005		S		10,125	D	\$ 13.55 7,253
Common stock \$.01 par value						I	3,619 ⁽¹⁾ Dir. Def. Fee Trust
Common stock \$.01 par value						I	2,037,073 Glendal, Inc.

par value

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

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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)	Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Options (Right to buy)	\$ 9.2593	09/28/2005		M	10,125	02/16/1997 02/15/2006		Common Stock	10,125
Stock Options (Right to buy)	\$ 10.02					04/27/2002 04/26/2008		Common Stock	15,000
Stock Options (Right to buy)	\$ 11.2222					02/13/1998 02/12/2007		Common Stock	11,250
Stock Options (Right to buy)	\$ 13.972					04/15/2003 04/14/2009		Common Stock	15,000
2001 Dir. Stock Option (Right to Buy)	\$ 9.96					05/21/2004 05/20/2013		Common Stock	7,500
2001 Dir. Stock Option	\$ 10.73					02/13/2005 02/12/2014		Common Stock	14,678

(Right to Buy)

2001

Dir.

Stock \$ 13.44

Option (Right to Buy)

02/11/2006 02/10/2015 Common Stock 11,719

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
PETERSON DALLEN W 3250 LACEY ROAD, SUITE 600 DOWNERS GROVE, IL 60515-1700	X			

Signatures

Sandra L. Groman by power of attorney 09/29/2005

__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) Deferral of Directors fees into Directors Deferred Fee Trust during the period March through June 2005 for 59 shares.
- (2) The option is exercisable in five equal annual installments beginning on the first anniversary of the date of the grant.

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.