

MCLENNAN JAMES DUDLEY
Form 4
February 12, 2007

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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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 *
MCLENNAN JAMES DUDLEY

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

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

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

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

6. Individual or Joint/Group Filing (Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

DOWNERS
GROVE, IL 60515-1700

(City) (State) (Zip)

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	02/12/2007		M		11,250 (1)	A	\$ 11.2222	83,891	D		
Common stock \$.01 par value								3,856	(2)	I	Dir.Def. Fee Trust

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

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SEC 1474 (9-02)

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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
Stock Options (Right to buy)	\$ 10.02					04/27/2002	04/26/2008	Common Stock	15,000
Stock Options (Right to buy)	\$ 11.2222	02/12/2007		M	11,250 <u>(1)</u>	02/13/1998	02/12/2007	Common stock \$.01 par value	11,250
Stock Options (Right to buy)	\$ 13.2069					09/30/1999	09/29/2009	Common Stock	8,367
Stock Options (Right to buy)	\$ 13.972					04/15/2003	04/14/2009	Common Stock	15,000
Stock Options (Right to buy)	\$ 15.5231					06/30/1999	06/29/2009	Common Stock	2,464
Stock Options (Right to buy)	\$ 15.7392					03/31/1998	03/30/2008	Common stock \$.01 par value	3,780
Stock Options (Right to buy)	\$ 17.1913					03/31/1999	03/30/2009	Common Stock	5,192
Stock Options (Right to buy)	\$ 18.0413					09/30/1998	09/29/2008	Common stock \$.01 par value	3,298
	\$ 18.6788					12/31/1998	12/30/2008		3,793

Stock Options (Right to buy)				Common stock \$\$.01 par value	
Stock Options (Right to buy)	\$ 19.3588	06/30/1998	06/29/2008	Common stock \$\$.01 par value	1,904
2001 Dir. Stock Option (Right to Buy)	\$ 9.96	05/21/2004	05/20/2013	Common Stock	7,500

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MCLENNAN JAMES DUDLEY 3250 LACEY ROAD, SUITE 600 DOWNS GROVE, IL 60515-1700	X			

Signatures

Cristen Kogl 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) Mr. McLennan exercised the ten-year option to purchase shares of common stock on its expiration date of February 12, 2007. The exercise price of \$11.2222 per share was established at the time of the grant of the option in February 1997. All of the shares of common stock subject to the option were beneficially owned by Mr. McLennan prior to the exercise date and have been previously reported by Mr. McLennan as beneficially owned by him.
 - (2) Directors Deferred Fees Trust includes shares acquired through the dividend reinvestment feature of through January 2007.
 - (3) 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.