

ASCOLESE RICHARD A

Form 4

February 12, 2007

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

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

OMB APPROVAL

OMB
Number: 3235-0287
Expires: January 31,
2005
Estimated average
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(Print or Type Responses)

1. Name and Address of Reporting Person *
ASCOLESE RICHARD A

(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)
02/12/2007

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

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

TGL PRESIDENT & COO

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 \$.01 par value	02/12/2007		M		20,250 (1)	\$ 11.2222	163,112	D
Common stock \$.01 par value							2,328	I
Common stock \$.01 par value							1,521	I
								by 401(k) Plan
								Deferred Comp

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 Underlying Securities (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount of Underlying Securities
1997 Option Plan (Right to Buy)	\$ 11.2222	02/12/2007		M	20,250 (1)	02/13/1998	02/12/2007	Common stock \$.01 par value	2
1998 Non-Qual.Stock Option (Right to Buy)	\$ 11.4125					04/03/2001	04/02/2010	Common stock \$.01 par value	1
1998 Non-Qual.Stock Option (Right to Buy)	\$ 18.075					01/29/2000	01/28/2009	Common stock \$.01 par value	1
1998 Non-Qual.Stock Option (Right to Buy)	\$ 18.2583					02/16/1999	02/15/2008	Common stock \$.01 par value	1
2000 Emplée Stock Option (Right to Buy)	\$ 9.88					03/18/2004	03/17/2013	Common stock \$.01 par value	1
2000 Emplée Stock Option (Right to Buy)	\$ 10.3					12/18/2003	12/17/2009	Common stock \$.01 par value	2
2000 Emplée Stock Option (Right to Buy)	\$ 10.52					03/16/2002	03/15/2008	Common stock \$.01 par value	1

2000 Empl Stock Option (Right to Buy)	\$ 13.83	02/08/2003	02/07/2009	Common stock \$.01 par value
WSH Empl Stock Option (Right to Buy)	\$ 13.87	05/04/2001	05/03/2006	Common stock \$.01 par value
2003 EIP Stock Appreciation Right	\$ 10.73	02/13/2005	02/12/2014	Common stock \$.01 par value
2003 EIP Stock Appreciation Right	\$ 12.45	02/14/2007	02/13/2016	Common stock \$.01 par value
2003 EIP Stock Appreciation Right	\$ 13.44	02/11/2006	02/10/2015	Common stock \$.01 par value
2003 EIP Employee Stock Option (Right to Buy)	\$ 12.78	11/01/2005	10/31/2014	Common stock \$.01 par value

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ASCOLESE RICHARD A 3250 LACEY ROAD, SUITE 600 DOWNERS GROVE, IL 60515-1700			TGL PRESIDENT & COO	

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. Ascolese 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. Ascolese prior to the exercise date and have been previously reported by Mr. Ascolese as beneficially owned by him.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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