

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 or Price | | |
| Common stock \$.01 par value | 09/28/2005 | | M | | 10,125 A \$ 9,2593 | 17,378 | D |
| Common stock \$.01 par value | 09/29/2005 | | S | | 10,125 D \$ 13.55 | 7,253 | D |
| Common stock \$.01 par value | | | | | | 3,619 ⁽¹⁾ | I Dir. Def. Fee Trust |
| Common stock \$.01 par value | | | | | | 2,037,073 | I 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) | | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----|---|-----------------|--------------|----------------------------|
| | | | | 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.