

Servatius Gregory  
Form 4  
August 27, 2009

**FORM 4**

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

OMB APPROVAL

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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 \*  
Servatius Gregory

(Last) (First) (Middle)  
22 W. FRONTAGE ROAD  
(Street)

NORTHFIELD, IL 60093

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
STEPAN CO [SCL]

3. Date of Earliest Transaction (Month/Day/Year)  
08/25/2009

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)  
Vice President Human Resources

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 Ownership (Instr. 4)		
				(A) or (D)	Price				
Common Stock	08/25/2009		M	V	2,000	A	\$ 21.75	11,412.706	D
Common Stock	08/25/2009		F		876	D	\$ 49.64	10,536.706	D

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)
Employee Stock Option	\$ 21.75	08/25/2009		M	2,000	05/09/2002 05/08/2010	Common Stock 2,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Servatius Gregory 22 W. FRONTAGE ROAD NORTHFIELD, IL 60093			Vice President Human Resources	

## Signatures

Gregory  
Servatius 08/27/2009

\*\*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).

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. arty insurance is subject to large deductibles for which we establish reserves and, accordingly, we effectively self insure for much of our insurance coverage. No assurance can be given either that our insurance or our provisions for incurred claims and incurred but not reported claims will be adequate to cover all losses or liabilities we may incur in our operations or that we will be able to maintain adequate insurance at reasonable rates or at all. We Have a Substantial Amount of Debt. Our Current Debt Level Could Limit Our Ability to Fund Future Working Capital Needs and Increase Our Exposure During Adverse Economic Conditions. We have a significant amount of debt. Our substantial indebtedness could have important consequences to you. For example, it could: - make it more difficult for us to satisfy our obligations with respect to the notes; - increase our vulnerability to general adverse economic and industry conditions; - limit our ability to fund future working capital, capital expenditures, acquisitions and other general corporate requirements; - limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate; - place us at a disadvantage compared to our

competitors that have less debt; and - limit our ability to borrow additional funds. We may incur additional indebtedness in the future which may intensify the risks described above. The Loss of a Group of Key Personnel, Either at the Corporate or Operating Level, Could Adversely Affect Our Business. The loss of key personnel or the inability to hire and retain qualified employees could have an adverse effect on our business, financial condition and results of operations. Our operations depend on the continued efforts of our current and future executive officers, senior management and management personnel at the companies we have acquired. A criteria we use in evaluating acquisition candidates is the quality of their management. We cannot guarantee that any member of management at the corporate or 7 8 subsidiary level will continue in their capacity for any particular period of time. If we lose a group of key personnel, our operations could be adversely affected. We do not maintain key man life insurance. Our Results of Operations Could Be Adversely Affected as a Result of Goodwill Amortization or Write-Offs. When we acquire a business, we record an asset called "goodwill" equal to the excess amount we pay for the business, including liabilities assumed, over the fair value of the tangible assets of the business we acquire. Pursuant to accounting principles generally accepted in the United States, we amortize this goodwill over its estimated useful life of 40 years following the acquisition, which directly impacts our earnings in those years. Furthermore, we continually evaluate whether events or circumstances have occurred that indicate that the remaining useful life of goodwill may warrant revision or that the remaining balance may not be recoverable. On February 14, 2001 the Financial Accounting Standards Board issued a revised limited Exposure Draft of its 1999 proposed Statement, Business Combinations and Intangible Assets. The Exposure Draft contains the FASB's tentative decision reached in December 2000 to eliminate amortization of purchased goodwill. Under that approach, goodwill would not be amortized to earnings. Instead, goodwill would be reviewed for impairment, meaning that it would be written down and expensed against earnings in the periods in which the recorded value of goodwill exceeds its fair value. FASB expects to issue its final statement regarding the treatment of purchased goodwill by the end of July 2001. Because the proposal has not been finalized and certain details regarding its use have yet to be defined, we are unable to predict the way in which its adoption will affect our financial reports. Because we have made numerous acquisitions since our founding, we carry significant amounts of goodwill on our books for which we would no longer be required to recognize a periodic amortization charge as a result of this proposal. Should we be required to accelerate the amortization of goodwill or write it off completely because of impairments, our results from operations may be materially adversely affected. FORWARD-LOOKING STATEMENTS This prospectus includes forward-looking statements. We have based these forward-looking statements on our current expectations and projections about future events. These forward-looking statements are subject to risks, uncertainties and assumptions about us, including, among other things: - inherent uncertainties relating to estimating future results; - fluctuation in operating results because of downturns in levels of construction; - incorrect estimates used in entering into fixed price contracts; - difficulty in managing the operation and growth of existing and newly acquired businesses; - our ability to incur additional debt in order to fund working capital or acquisitions; - the high level of competition in the construction industry; and - seasonality. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this prospectus might not occur. 8 9 SECURITIES COVERED BY THIS PROSPECTUS The common stock covered by this prospectus is available for use in future acquisitions of businesses, properties or securities of entities or persons engaged in the electrical contracting data communications and utilities markets and other related businesses. The consideration we offer in these acquisitions, in addition to the common stock offered by this prospectus, may include cash, debt or other securities, or assumption by us of liabilities of the businesses being acquired, or a combination thereof. It is contemplated that the terms of each acquisition will be determined by negotiations between us and the management and owners of the assets or securities to be acquired. In determining the acquisition price we will take into account the quality of management, the past and potential earning power and growth of the assets or securities to be acquired, and other relevant factors. It is anticipated that the common stock issued in acquisitions under this prospectus will be valued at a price reasonably related to the market value of the common stock either at the time the terms of the acquisition are tentatively agreed upon or at or about the time or times of delivery of the shares. We are continually considering possible acquisitions. We may from time to time negotiate and enter into letters of intent with potential acquisition candidates. The consideration related to these companies remains subject to negotiation until a definitive agreement is signed. The timing, size or success of any acquisition effort and the associated potential capital commitments cannot be predicted. The completion of each acquisition is subject to a satisfactory due diligence

review, negotiation of definitive acquisition agreements, obtaining any necessary approvals and fulfilling all other conditions to closing. LEGAL MATTERS The legality of the common stock being offered by this prospectus was passed upon for Integrated Electrical Services, Inc. by John F. Wombwell, Executive Vice President, General Counsel and Secretary of Integrated Electrical Services, Inc. in connection with the original filing of the registration statement to which this prospectus relates. At that time, Mr. Wombwell owned 96,000 shares of common stock and had options to purchase 93,750 shares of common stock. EXPERTS The financial statements of Integrated Electrical Services, Inc. and its subsidiaries incorporated by reference in this prospectus have been audited by Arthur Andersen LLP, independent public accountants, as indicated in their reports, and upon the authority of the firm as experts in giving audit reports. 9 10 [INTEGRATED ELECTRICAL SERVICES LOGO] INTEGRATED ELECTRICAL SERVICES 5,161,156 SHARES COMMON STOCK ----- PROSPECTUS ----- AUGUST 14, 2001 WE HAVE NOT AUTHORIZED ANY DEALER, SALESPERSON OR OTHER PERSON TO GIVE YOU WRITTEN INFORMATION OTHER THAN THIS PROSPECTUS OR TO MAKE REPRESENTATIONS AS TO MATTERS NOT STATED IN THIS PROSPECTUS. YOU MUST NOT RELY ON UNAUTHORIZED INFORMATION. THIS PROSPECTUS IS NOT AN OFFER TO SELL THESE SECURITIES OR OUR SOLICITATION OF YOUR OFFER TO BUY THESE SECURITIES IN ANY JURISDICTION WHERE THAT WOULD NOT BE PERMITTED OR LEGAL. NEITHER THE DELIVERY OF THIS PROSPECTUS NOR ANY SALES MADE HEREUNDER AFTER THE DATE OF THIS PROSPECTUS SHALL CREATE AN IMPLICATION THAT THE INFORMATION CONTAINED HEREIN OR THE AFFAIRS OF THE COMPANY HAVE NOT CHANGED SINCE THE DATE THEREOF. 11 [ALTERNATE PAGE FOR SELLING STOCKHOLDER PROSPECTUS] PROSPECTUS [INTEGRATED ELECTRICAL SERVICES LOGO] INTEGRATED ELECTRICAL SERVICES 5,161,156 SHARES COMMON STOCK ----- THE COMPANY: - We are one of the largest providers of electrical contracting services in the United States. We are also a growing provider of solutions in the data communications and utilities markets. - Our address is: Integrated Electrical Services, Inc. 1800 West Loop South Suite 500 Houston, Texas 77027-9408 (713) 860-1500 THE OFFERING: - 5,161,156 shares of common stock. - All of the common stock offered by way of this prospectus will be offered, from time to time, by stockholders of Integrated Electrical Services, Inc. These shares were received by such Stockholders as consideration for the securities or assets of their businesses. We will receive none of the proceeds of this offering. - Our common stock trades under the symbol "IEE." The last reported sale price of the common stock on August 13, 2001 was \$7.70. THIS INVESTMENT INVOLVES RISK. SEE "RISK FACTORS" BEGINNING ON PAGE 5. ----- Neither the SEC nor any state securities commission has determined whether this prospectus is truthful or complete. Nor have they made, nor will they make, any determination as to whether anyone should buy these securities. Any representation to the contrary is a criminal offense. The date of this prospectus is August 14, 2001 12 [ALTERNATE PAGE FOR SELLING STOCKHOLDER PROSPECTUS] TABLE OF CONTENTS PAGE ---- Where You Can Find More Information..... [ ] The Company..... [ ] Risk Factors..... [ ] Plan of Distribution..... [ ] Legal Matters..... [ ] Experts..... [ ] ----- WHERE YOU CAN FIND MORE INFORMATION We file annual, quarterly and special reports, proxy statements and other information with the SEC. You may read and copy any reports, statements or other information we file at the SEC's public reference rooms in Washington, D.C., New York, New York and Chicago, Illinois. Please call the SEC at 1-800-SEC-0330 for further information on the public reference rooms. Our SEC filings are also available to the public from commercial document retrieval services and at the Internet world wide web site maintained by the SEC at www.sec.gov. We filed a registration statement on Form S-4 to register with the SEC the common stock to be issued. This prospectus is a part of that registration statement. As allowed by SEC rules, this prospectus does not contain all the information you can find in the registration statement or the exhibits to the registration statement. The SEC allows us to "incorporate by reference" information into this prospectus, which means that we can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is deemed to be part of this prospectus, except for any information superseded by information contained directly in this prospectus. This prospectus incorporates by reference the documents set forth below that we have previously filed with the SEC. These documents contain important information about our company and its financial condition. SEC FILINGS (FILE NO. 1-13783) PERIOD ----- Annual Report on Form 10-K Year ended September 30, 2000 Quarterly Reports on Form 10-Q Quarters ended December 31, 2000 and March 31, 2001 Current Report on Form

8-K Filed on May 24, 2001 Proxy Statement Dated December 28, 2000 for our Annual Meeting of Stockholders Registration Statement on Form 8-A Filed on January 14, 1998 We also incorporate by reference into this prospectus additional documents that may be filed with the SEC from the date of this prospectus to the date of the termination of the offerings of common stock by way of this prospectus. These include periodic reports, such as Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Forms 8-K, as well as proxy statements. 2 13 [ALTERNATE PAGE FOR SELLING STOCKHOLDER PROSPECTUS] PLAN OF DISTRIBUTION We are registering the common stock on behalf of selling stockholders. As used in this prospectus, "selling stockholders" includes donees and pledgees selling shares received from a named selling stockholder after the date of this prospectus. All costs, expenses and fees in connection with the registration of the common stock offered by this prospectus will be paid by us. Brokerage commissions and similar selling expenses, if any, attributable to the sale of common stock will be paid by the selling stockholders. Sales of common stock may be made by selling stockholders from time to time in one or more types of transactions (which may include block transactions) on the NYSE, in the over-the-counter market, in negotiated transactions, through put or call options transactions relating to the common stock, through short sales of common stock, or a combination of these methods of sale, at market prices prevailing at the time of sale, or at negotiated prices. These transactions may or may not involve brokers or dealers. The selling stockholders have advised us that they have not entered into any agreements, understandings or arrangements with any underwriters or broker-dealers regarding the sale of their securities, nor is there an underwriter or coordinating broker acting in connection with the proposed sale of common stock by the selling stockholders. The selling stockholders may sell common stock directly to purchasers or to or through broker-dealers, which may act as agents or principals. These broker-dealers may receive compensation in the form of discounts, concessions, or commissions from selling stockholders and/or the purchasers of common stock for whom the broker-dealers may act as agents or to whom they sell as principal, or both (which compensation as to a particular broker-dealer might be in excess of customary commissions). The selling stockholders and any broker-dealers that act in connection with the sale of common stock might be "underwriters" within the meaning of Section 2(a)(11) of the Securities Act of 1933, and any commissions received by broker-dealers and any profit on the resale of the common stock sold by them while acting as principals might be considered underwriting discounts or commissions under the Securities Act. We have agreed to indemnify each selling stockholder against liabilities, including liabilities arising under the Securities Act. The selling stockholders may agree to indemnify any agent, dealer or broker-dealer that participates in transactions involving sales of the common stock against liabilities, including liabilities arising under the Securities Act. Because selling stockholders may be "underwriters" within the meaning of Section 2(a)(11) of the Securities Act, the selling stockholders will be subject to the prospectus delivery requirements of the Securities Act, which may include delivery through the facilities of the NYSE pursuant to Rule 153 under the Securities Act. We have informed the selling stockholders that the anti-manipulative provisions of Regulation M of the Exchange Act may apply to their sales in the market. Selling stockholders also may resell all or a portion of the common stock in open market transactions in reliance upon Rule 144 under the Securities Act, provided they meet the criteria and conform to the requirements of the rule. When we are notified by a selling stockholder that a material arrangement has been entered into with a broker-dealer for the sale of common stock, we will file a supplement to this prospectus, if required, pursuant to Rule 424(b) under the Act, disclosing - the name of each selling stockholder and of the participating broker-dealer(s), - the number of shares involved, - the price at which the shares were sold, - the commissions paid or discounts or concessions allowed to such broker-dealer(s), where applicable, - that the broker-dealer(s) did not conduct any investigation to verify the information set out or incorporated by reference in this prospectus; and - other facts material to the transaction. 9 14 [ALTERNATE PAGE FOR SELLING STOCKHOLDER PROSPECTUS] In addition, if we are notified by a selling stockholder that a donee or pledgee intends to sell more than 500 shares, a supplement to this prospectus will be filed. In order to add named selling stockholders to this registration statement, we will file a post-effective amendment including information on the selling stockholders, such as name, number of shares owned before the offering, number of shares to be offered and number of shares owned after the offering. 10