

SUTTON DENNIS R
Form 4
March 20, 2007

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

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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 *
SUTTON DENNIS R

(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)
03/18/2007

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)

TGL PRESIDENT & COO

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V Amount (A) or (D) Price | | | |
| Common stock \$.01 par value | 03/18/2007 | | F | 101 D \$ 13.31 | 26,017 ⁽¹⁾ | D | |
| Common stock \$.01 par value | | | | | 352 ⁽²⁾ | I | by 401(k) Plan |

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

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SEC 1474 (9-02)

number.

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 |
| 1998 Non-Qual. Stock Option (Right to Buy) | \$ 8.75 | | | | | 08/08/2001 | 08/07/2007 | Common stock \$.01 par value | 6,400 |
| 1998 Non-Qual. Stock Option (Right to Buy) | \$ 11.4125 | | | | | 04/03/2001 | 04/02/2010 | Common stock \$.01 par value | 7,500 |
| 1998 Non-Qual. Stock Option (Right to Buy) | \$ 18.075 | | | | | 01/29/2000 | 01/28/2009 | Common stock \$.01 par value | 15,000 |
| 1998 Non-Qual. Stock Option (Right to Buy) | \$ 18.2583 | | | | | 02/16/1999 | 02/15/2008 | Common stock \$.01 par value | 11,250 |
| 1998 Empl. Stock Option (Right to Buy) | \$ 18.075 | | | | | 01/29/2000 | 01/28/2009 | Common stock \$.01 par value | 2,400 |
| 2000 Empl. Stock Option (Right to Buy) | \$ 9.88 | | | | | 03/18/2004 | 03/17/2013 | Common stock \$.01 par value | 8,000 |
| 2000 Empl. Stock Option (Right to Buy) | \$ 13.83 | | | | | 02/08/2003 | 02/07/2009 | Common stock \$.01 par value | 20,000 |
| | \$ 10.73 | | | | | 02/13/2005 | 02/12/2014 | | 6,000 |

| | | | | | |
|---|----------|------------|------------|---------------------------------|--------|
| 2003 EIP Stock Appreciation Right | | | | Common stock \$.01 par value | |
| 2003 EIP Stock Appreciation Right | \$ 12.45 | 02/14/2007 | 02/13/2016 | Common stock \$.01 par value | 25,000 |
| 2003 EIP Stock Appreciation Right | \$ 13.44 | 02/11/2006 | 02/10/2015 | Common stock \$.01 par value | 15,000 |
| 2003 EIP Employee Stock Option (Right to Buy) | \$ 12.91 | 11/22/2005 | 11/21/2014 | Common stock \$.01 par value | 25,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------------------|-------|
| | Director | 10% Owner | Officer | Other |
| SUTTON DENNIS R 3250 LACEY ROAD, SUITE 600 DOWNS GROVE, IL 60515-1700 | | | TGL PRESIDENT & COO | |

Signatures

Cristen Kogl by power of attorney 03/20/2007

__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) Shares withheld for the tax obligation on restricted stock vesting. Mr. Sutton has an agreement on file to automatically withhold shares for all vesting of restricted stock and restricted stock units. The agreement was pre-cleared and signed on August 3, 2005.
- (2) Includes shares acquired through the ServiceMaster Profit Sharing and Retirement Plan through February 28, 2007.

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.