

ASCOLESE RICHARD A
 Form 4
 February 12, 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 *
 ASCOLESE RICHARD A

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)
 TGL PRESIDENT & COO

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)
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	by 401(k) Plan
Common stock \$.01 par value								1,521	I	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 of Underlying Security (Instr. 3 and 4)
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
1998 Non-Qual. Stock Option (Right to Buy)	\$ 11.4125					04/03/2001 04/02/2010	Common stock \$.01 par value
1998 Non-Qual. Stock Option (Right to Buy)	\$ 18.075					01/29/2000 01/28/2009	Common stock \$.01 par value
1998 Non-Qual. Stock Option (Right to Buy)	\$ 18.2583					02/16/1999 02/15/2008	Common stock \$.01 par value
2000 Emplée Stock Option (Right to Buy)	\$ 9.88					03/18/2004 03/17/2013	Common stock \$.01 par value
2000 Emplée Stock Option (Right to Buy)	\$ 10.3					12/18/2003 12/17/2009	Common stock \$.01 par value
2000 Emplée Stock Option (Right to Buy)	\$ 10.52					03/16/2002 03/15/2008	Common stock \$.01 par value

Option Description	Exercise Price	Grant Date	Expiration Date	Common Stock Value
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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