SERVICEMASTER CO

Form 4

September 29, 2005

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB

OMB APPROVAL

Number:

3235-0287

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Form 4 or Form 5 obligations may continue.

See Instruction

Check this box

if no longer

Section 16.

subject to

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

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * PETERSON DALLEN W

3250 LACEY ROAD, SUITE 600

(Street)

2. Issuer Name and Ticker or Trading Symbol

Issuer

5. Relationship of Reporting Person(s) to

(Last)

(First)

(Middle)

SERVICEMASTER CO [SVM]

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

09/28/2005

(Check all applicable)

_X__ Director Officer (give title below)

10% Owner _ Other (specify

4. If Amendment, Date Original

Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check

Applicable Line)

X 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. Transactio Code (Instr. 8)	omr Disposed of (D)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)		
			Code V	Amount	or (D)	Price	(Instr. 3 and 4)				
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							2,037,073	I	Glendal, Inc.		

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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. Transactic Code (Instr. 8)	5. Number of orDerivative 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 Option \$ 13.44

02/11/2006 02/10/2015

Common Stock

11,719

(Right to Buy)

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.

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