SERVICEMASTER CO
Form 4
February 16, 2006

FORM 4

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

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

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).

(Print or Type Responses)

1. Name and Address of Reporting Person *
WARD JONATHAN P

(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)
02/14/2006

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
Chairman & CEO

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ 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	(A) or (D)	Price			
Common stock $.01 par value	02/14/2006		A[(1)]		75,000	A	$ 0	782,722	D	

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

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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 Amou Underlying Secur (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Am Nur Sha
Employee Stock Option (Right to buy)	$ 10.5							01/09/2002	01/08/2011	Common Stock	1,6
Employee Stock Option (Right to buy)	$ 13.83							02/08/2003	02/07/2009	Common Stock	42
Employee Stock Option (Right to buy)	$ 13.87							02/28/2001	02/27/2007	Common Stock	
2000 Employee Stock Option (Right to Buy)	$ 9.88							03/18/2004	03/17/2013	Common Stock	1
2003 EIP Stock Appreciation Right	$ 10.73							02/13/2005	02/12/2014	Common Stock	19
2003 EIP Stock Appreciation Right	$ 12.45	02/14/2006		A		225,000		02/14/2007	02/13/2016	Common Stock	22
2003 EIP Stock Appreciation Right	$ 13.44							02/11/2006	02/10/2015	Common Stock	19

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
WARD JONATHAN P 3250 LACEY ROAD, SUITE 600 DOWNERS GROVE, IL 60515-1700	X		Chairman & CEO	

Signatures

Sandra L. Groman by power of attorney	02/16/2006
**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 were acquired as a restricted stock unit award, each unit representing the right to receive one share of ServiceMaster's common stock upon distribution. The stock units vest 20% per year for 5 years beginning March 1, 2007

(2) Exercisable as to 380,000 shares on grant date (January 9, 2001) and becomes exercisable as to an additional 250,000 shares on December 31 in each of the years 2001 through 2005.

(3) The option is exercisable in five equal annual installments beginning on the first anniversary of the date of the grant.

(4) The option was issued pursuant to the WeServeHomes.com, Inc. 2000 Option/Stock Issuance Plan and is subject to repurchase rights upon termination of employment according to the following: 25% of the shares lapse upon first anniversary of grant date and the remainder in a series of 36 successive equal monthly installments.

(5) The stock appreciation right is exercisable in five equal annual installments beginning on the first anniversary of the date of grant.

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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