

SERVICEMASTER CO
Form 4
March 31, 2006

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 *
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)
03/29/2006

____ Director
 Officer (give title below) _____ Other (specify below)
CHIEF OPERATING OFFICER

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 Ownership (Instr. 4) | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|---|----------------|
| | | | | (A) or (D) | Price | | | | |
| | | | | Code | V | Amount | | | |
| Common stock \$.01 par value | 03/29/2006 | | M | 17,500 | A | \$ 8.75 | 143,281 | D | |
| Common stock \$.01 par value | | | | | | | 2,260 | I | by 401(k) Plan |
| Common stock \$.01 par value | | | | | | | 1,476 | I | Deferred Comp |

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

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(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 | | | | | 02/13/1998 02/12/2007 | Common stock \$.01 par value |
| 1998 Non-Qual. Stock Option (Right to Buy) | \$ 8.75 | 03/29/2006 | | M | 17,500 | 08/08/2001 08/07/2007 | 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 |

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.

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