

SERVICEMASTER CO
Form S-1/A
January 13, 2009

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As filed with the Securities and Exchange Commission on January 12, 2009

Registration No. 333-154648

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

Pre-Effective Amendment No. 2
to
FORM S-1

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

THE SERVICEMASTER COMPANY

(Exact name of registrant as specified in its charter)

Delaware <i>(State or other jurisdiction of incorporation or organization)</i>	8741 <i>(Primary Standard Industrial Classification Code Number)</i>	36-3858106 <i>(I.R.S. Employer Identification No.)</i>
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860 Ridge Lake Boulevard
Memphis, Tennessee 38120
(901) 597-1400

*(Address, including zip code, and telephone number, including area code, of registrant's
principal executive offices)*

Greerson G. McMullen
Senior Vice President and General Counsel
860 Ridge Lake Boulevard
Memphis, Tennessee 38120
(901) 597-1400

(Name, address, including zip code, and telephone number, including area code, of agent for service)

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Approximate date of commencement of proposed sale to the public: As soon as practicable after the Registration Statement becomes effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

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If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated
filer

Accelerated
filer

Non-accelerated
filer
(do not check if a
smaller reporting
company)

Smaller reporting
company

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Unit(1)	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
10.75%/11.50% Senior Toggle Notes due 2015	\$1,150,000,000	100%	\$1,150,000,000	\$45,195.00
Guarantees(2)				

(1) Estimated solely to compute the amount of the registration fee under Rule 457 under the Securities Act of 1933, as amended, based on 100% of the aggregate principal amount of the 10.75%/11.50% Senior Toggle Notes due 2015.

(2) Guarantees of ServiceMaster's 10.75%/11.50% Senior Toggle Notes due 2015 by InStar Services Group, Inc., Merry Maids Limited Partnership, MM Maids L.L.C., ServiceMaster Consumer Services, Inc., ServiceMaster Consumer Services Limited Partnership, ServiceMaster Holding Corporation, ServiceMaster Management Corporation, ServiceMaster Residential/Commercial Services Limited Partnership, SM Clean L.L.C., Terminix International, Inc., The Terminix International Company Limited Partnership, TruGreen Companies L.L.C., TruGreen, Inc., TruGreen LandCare L.L.C., TruGreen Limited Partnership and TruGreen LandCare. Pursuant to Rule 457(n) under the Securities Act of 1933, as amended, no separate fee is required for the guarantes.

Table of Additional Registrants

Exact name of registrant as specified in its charter*	Primary Standard Industrial Classification Code Number	State or other jurisdiction of incorporation or organization	I.R.S. employer identification number
InStar Services Group, Inc.	8741	Delaware	87-0687689
Merry Maids Limited Partnership	7349	Delaware	47-0718233
MM Maids L.L.C.	8741	Delaware	06-1668989
ServiceMaster Consumer Services, Inc.	8741	Delaware	36-3729225
ServiceMaster Consumer Services Limited Partnership	8741	Delaware	36-3729226
ServiceMaster Holding Corporation	8741	Delaware	36-4245384
ServiceMaster Management Corporation	8741	Delaware	36-3837079
ServiceMaster Residential/Commercial Services Limited Partnership	8741	Delaware	36-3747477
SM Clean L.L.C.	8741	Delaware	06-1668984
Terminix International, Inc.	8741	Delaware	36-3478839
The Terminix International Company Limited Partnership	7342	Delaware	36-3478837
TruGreen Companies L.L.C.	8741	Delaware	36-4313320
TruGreen, Inc.	8741	Delaware	36-3734601
TruGreen LandCare L.L.C.	0782	Delaware	36-4313318
TruGreen Limited Partnership	0782	Delaware	36-3734669
TruGreen LandCare	0782	California	36-4313318

*

The address for each of the additional registrants' principal executive office is 860 Ridge Lake Boulevard, Memphis, Tennessee 38120, and the telephone number for each of the additional registrants' principal executive office is (901) 597-1400.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

The information in this prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED JANUARY 12, 2009

PRELIMINARY PROSPECTUS

10.75%/11.50% Senior Toggle Notes due 2015
Fully and unconditionally guaranteed by the Subsidiary Guarantors

This prospectus relates to \$1,150,000,000 aggregate principal amount of our 10.75%/11.50% Senior Toggle Notes due 2015 (the "Notes") which were originally issued by us in an offering exempt from the registration requirements of the Securities Act. The selling securityholders named herein may use this prospectus to resell from time to time any or all of their Notes and related guarantees described below. We will not receive any proceeds from the resale by the selling securityholders of the Notes and related guarantees.

Interest on the Notes is payable semi-annually in arrears on January 15 and July 15 of each year, beginning on January 15, 2009. The Notes will mature on July 15, 2015.

For any semi-annual interest payment period through July 15, 2011, we may, at our option, elect to pay interest on the Notes (1) entirely in cash ("Cash Interest"), (2) entirely by increasing the principal amount of the outstanding Notes ("PIK Interest") or (3) 50% as Cash Interest and 50% as PIK Interest. Cash Interest will accrue on the Notes at a rate per annum equal to 10.75%. PIK Interest will accrue on the Notes at a rate per annum equal to 11.50%, which is the Cash Interest rate plus 75 basis points. If we elect to pay PIK Interest, we will increase the principal amount of the notes in an amount equal to the amount of PIK Interest payable for the applicable payment period to holders of the notes on the relevant record date. Interest payable after July 15, 2011 will be payable in the form of Cash Interest.

We may redeem the Notes, in whole or in part, at our option, at any time prior to July 15, 2011, at a redemption price equal to 100% of the principal amount plus accrued and unpaid interest, if any, to the redemption date plus the applicable make-whole premium described in this prospectus. We may redeem some or all of the Notes at any time on and after July 15, 2011, at the redemption prices described in this prospectus. In addition, on or prior to July 15, 2010, we may on one or more occasions, at our option, apply funds equal to the offering proceeds from one or more equity offerings to redeem up to 35% of the Notes at the redemption price set forth in this prospectus. If we undergo a change of control or sell certain of our assets, we may be required to offer to purchase the Notes from holders.

The Notes are our senior unsecured obligations and rank equally in right of payment with all of our other existing and future senior unsecured indebtedness. The Notes are guaranteed by certain of our subsidiaries on a senior unsecured basis. The subsidiary guarantees are general unsecured senior obligations of the subsidiary guarantors and rank equally in right of payment with all of the existing and future senior unsecured indebtedness of the subsidiary guarantors. The Notes are effectively subordinated to any indebtedness of our non-guarantor subsidiaries. The Notes are effectively junior to all of our existing and future secured indebtedness to the extent of the value of the assets securing such indebtedness.

We have not applied, and do not intend to apply, to list the Notes sold using this prospectus on any national securities exchange or automated quotation system.

Investing in the Notes involves substantial risks. See "Risk Factors" beginning on page 8 of this prospectus for a discussion of the risks you should consider in connection with an investment in the Notes.

The Notes, including the related guarantees, may be offered and sold from time to time by the selling securityholders named in this prospectus either directly or through agents or broker-dealers acting as principal or agent. The selling securityholders may engage underwriters, brokers, dealers or agents, who may receive commissions or discounts from the selling securityholders. We will pay substantially all of the expenses incident to the registration of the Notes, including the related guarantees, except for the selling commissions, if any. See "Plan of Distribution."

Neither the Securities and Exchange Commission nor any state securities commission or other regulatory body has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is _____, 2009.

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In making your investment decision, you should rely only on the information contained or incorporated by reference in this prospectus. We have not authorized any other person to provide you with information that is different from that contained in this prospectus. If anyone provides you with different or inconsistent information, you should not rely on it. Neither we nor the selling securityholders are making an offer to sell these securities in any state where the offer is not permitted. You should not assume that the information contained in this prospectus is accurate as of any date other than the date on the front of this prospectus. Our business, financial condition, results of operations and prospects may have changed since that date.

SUMMARY

This summary highlights selected information contained elsewhere in this prospectus and may not contain all the information that you need to consider in making your investment decision. Before making a decision to purchase the Notes, you should read the entire prospectus carefully, including the "Risk Factors" and "Forward-Looking Statements" sections and our consolidated financial statements and the notes to those financial statements. When used in this prospectus, the terms "the Company," "ServiceMaster," "the issuer," "we," "our," and "us" refer to The ServiceMaster Company.

Company Overview

The ServiceMaster Company ("ServiceMaster" or the "Company") is a national company serving both residential and commercial customers. Its services include lawn care, landscape maintenance, termite and pest control, home warranty, cleaning and disaster restoration, house cleaning, furniture repair, and home inspection. As of September 30, 2008, ServiceMaster provided these services through a network of approximately 5,500 company-owned locations and franchise licenses operating under the following leading brands: TruGreen, TruGreen LandCare, Terminix, American Home Shield, Merry Maids, ServiceMaster Clean, Furniture Medic and AmeriSpec. Approximately 98% of our revenues are generated by sales in the United States.

ServiceMaster is organized into five principal operating segments: TruGreen LawnCare; TruGreen LandCare; Terminix; American Home Shield; and Other Operations and Headquarters. All ServiceMaster subsidiaries are wholly owned. Our principal executive offices are located at 860 Ridge Lake Boulevard, Memphis, Tennessee 38120. Our telephone number at that address is (901) 597-1400. Our primary website is www.servicemaster.com. Information contained, or referred to, on our website is not part of this prospectus.

The Offering

The summary below describes the principal terms of the Notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. The "Description of Notes" section of this prospectus contains more detailed descriptions of the terms and conditions of the Notes.

Issuer	The ServiceMaster Company.
Securities	\$1,150,000,000 aggregate principal amount of 10.75%/11.50% Senior Toggle Notes due 2015.
Maturity	The Notes will mature on July 15, 2015.
Interest rate	For any semi-annual interest payment period through July 15, 2011, we may, at our option, elect to pay interest (1) entirely as Cash Interest, (2) entirely as PIK Interest or (3) 50% as Cash Interest and 50% as PIK Interest. Cash Interest will accrue on the Notes at a rate per annum equal to 10.75%. PIK Interest shall accrue on the Notes at a rate per annum equal to 11.50%, which is the Cash Interest rate plus 75 basis points. If we elect to pay PIK Interest, we will increase the principal amount of the Notes in an amount equal to the amount of PIK Interest payable for the applicable payment period to holders of the Notes on the relevant record date. Interest payable after July 15, 2011 will be payable in the form of Cash Interest.
Interest payment dates	If we do not elect the form of interest payment with respect to a relevant interest payment date, the interest on the Notes will be payable on the related interest payment date in the form specified in the most recent interest election delivered by us. We have elected to pay interest due and payable on January 15, 2009 entirely in the form of Cash Interest. January 15 and July 15, commencing on January 15, 2009. Interest will accrue on the Notes from July 24, 2008.
Ranking	The Notes are unsecured senior indebtedness of ServiceMaster and rank: equal in right of payment to all existing and future senior indebtedness of ServiceMaster; senior in right of payment to all existing and future subordinated obligations of ServiceMaster; and effectively subordinated to all of our secured indebtedness to the extent of the value of the assets securing such indebtedness and to all indebtedness and other liabilities of our subsidiaries (other than subsidiaries that are or become guarantors). As of September 30, 2008: we had \$4,271.2 million of consolidated indebtedness, substantially all of which would have ranked equally in right of payment with the Notes.

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	<p>of our consolidated indebtedness, we had \$2,781.9 million of secured indebtedness under our Credit Facilities, to which the Notes are effectively subordinated, and have \$335 million of additional commitments under the Revolving Credit Facility available to us, all of which would be secured if borrowed.</p> <p>our non-guarantor subsidiaries had approximately \$176.0 million of total debt and capital leases, including intercompany notes payable to ServiceMaster and the guarantor subsidiaries and excluding trade payables and other obligations, all of which are structurally senior to the Notes.</p>
Guarantees	<p>The Notes are guaranteed, on a senior basis, by certain domestic subsidiaries of ServiceMaster. These guarantees are subject to release under specified circumstances. See "Description of Notes Subsidiary Guarantees." The guarantee of each guarantor is a senior unsecured obligation of that guarantor and ranks:</p> <ul style="list-style-type: none">equal in right of payment to all existing and future senior indebtedness of that guarantor;senior in right of payment to all existing and future guarantor subordinated obligations; andeffectively subordinated to all secured indebtedness of that guarantor to the extent of the value of the assets securing such indebtedness.
Optional redemption	<p>We may redeem the Notes, in whole or in part, at our option, at any time (1) prior to July 15, 2011, at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date plus the applicable make-whole premium described under "Description of Notes Redemption" and (2) on and after July 15, 2011, at the redemption prices listed under "Description of Notes Redemption."</p>
Optional redemption after certain equity offerings	<p>On or prior to July 15, 2010, we may on one or more occasions, at our option, apply funds equal to the offering proceeds from one or more equity offerings to redeem up to 35% of the Notes at the redemption price listed under "Description of Notes Redemption."</p>
Change of control	<p>If we experience a Change of Control, as described under "Description of Notes Change of Control," we must offer to repurchase all of the Notes (unless otherwise redeemed) at a price equal to 101% of their principal amount, plus accrued and unpaid interest to the repurchase date.</p>

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Mandatory principal redemption	<p>If the Notes would otherwise constitute "applicable high yield discount obligations" ("AHYDO") within the meaning of Section 163(i)(1) of the Internal Revenue Code of 1986, as amended (the "Code"), at the end of each tax accrual period beginning with the first tax accrual period ending after July 15, 2012 (each, an "AHYDO redemption date"), we will be required to redeem for cash a portion of each such note then outstanding equal to the "mandatory principal redemption amount" with respect to such accrual period (such redemption, a "mandatory principal redemption"). The redemption price for the portion of each note redeemed pursuant to a mandatory principal redemption will be 100% of the principal amount of such portion plus any accrued interest thereon on the date of redemption. The "mandatory principal redemption amount" with respect to such accrual period means the portion of a note required to be redeemed to prevent such note from being treated as an "applicable high yield discount obligation" within the meaning of Section 163(i)(1) of the Code. No partial redemption or repurchase of the Notes prior to an AHYDO redemption date pursuant to any other provision of the indenture for the Notes will alter our obligation to make a mandatory principal redemption with respect to any Notes that remain outstanding on such AHYDO redemption date.</p>
Covenants	<p>The indenture governing the Notes contains covenants that, among other things, limit our ability and the ability of our restricted subsidiaries to:</p> <ul style="list-style-type: none">incur more debt;pay dividends, redeem stock or make other distributions;make investments;create liens;transfer or sell assets;merge or consolidate; andenter into certain transactions with our affiliates. <p>These covenants are subject to important exceptions and qualifications, which are described under "Description of Notes Certain covenants" and "Description of Notes Merger and consolidation."</p>
Registration rights	<p>Pursuant to the Exchange and Registration Rights Agreement, we have agreed to register resales of the Notes under the Securities Act as described under "Description of Notes Registration rights agreement." Upon any resale of Notes pursuant to the shelf registration statement of which this prospectus forms a part, selling securityholders will be required to deliver to the Company and Trustee the Notice of Transfer set forth in Appendix A hereto.</p>

Under the Exchange and Registration Rights Agreement, we are required to use commercially reasonable efforts to maintain the effectiveness of the shelf registration statement of which this prospectus forms a part for a specified period ending as early as 90 days after the effective date of the shelf registration statement (when the Notes become eligible for resale pursuant to Rule 144).

Trading market for the Notes

There can be no assurance as to the development or liquidity of any trading market for the Notes.

Risk Factors

Investment in the Notes involves risks. You should carefully consider the information under the section titled "Risk Factors" and all other information included in this prospectus and the documents incorporated by reference before investing in the Notes.

Summary Historical Consolidated Financial Information

We have provided the following summary historical consolidated financial information for your reference. We have derived the summary financial information for each of the years ended December 31, 2005 through December 31, 2007 from our audited consolidated financial statements. The summary financial information for each of the nine months ended September 30, 2008, the period from July 25, 2007 to September 30, 2007 and the period from January 1, 2007 to July 24, 2007 is unaudited and includes all adjustments (consisting of normal recurring items) which are, in our opinion, necessary for a fair presentation of our financial position as of such dates and results of operations for such periods. The results of operations for the nine months ended September 30, 2008 are not necessarily indicative of the results for our full fiscal year ending December 31, 2008. This summary financial information should be read in conjunction with the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and related notes thereto included herein.

(In thousands, except per share data)	Successor	Predecessor	Successor	Predecessor					
	Nine months ended Sept. 30, 2008	For the periods from July 25, 2007 to Sept. 30, 2007	For the periods from Jan. 1, 2007 to July 24, 2007	For the periods from July 25, 2007 to Dec. 31, 2007	For the periods from Jan. 1, 2007 to July 24, 2007	2006	2005	2004	2003
Operating Results:									
Operating revenue	\$ 2,577,609	\$ 690,625	\$ 1,934,390	\$ 1,422,358	\$ 1,934,390	\$ 3,332,703	\$ 3,239,478	\$ 3,068,068	\$ 2,895,028
Operating income(1)	214,548	50,554	143,932	33,240	143,932	324,128	340,083	324,308	110,655
Percentage of operating revenue	8.3%	7.3%	7.4%	2.3%	7.4%	9.7%	10.5%	10.6%	3.8%
Non-operating expense	258,952	74,469	6,551	181,734	6,551	43,639	45,385	53,464	58,394
(Benefit) provision for income taxes(1),(2)	(8,341)	(9,136)	51,692	(52,182)	51,692	95,205	114,137	(45,779)	54,716
(Loss) income from continuing operations(1),(2)	(36,063)	(14,779)	85,689	(96,312)	85,689	185,284	180,561	316,623	(2,455)
(Loss) income from businesses held pending sale and discontinued operations, net of income taxes(1),(2)	(4,670)	(2,590)	(4,588)	(27,208)	(4,588)	(15,585)	18,364	14,604	(222,232)
Net (loss) income	\$ (40,733)	\$ (17,369)	\$ 81,101	\$ (123,520)	\$ 81,101	\$ 169,699	\$ 198,925	\$ 331,227	\$ (224,687)
Cash dividends per share	\$	\$	\$ 0.24	\$	\$ 0.24	\$ 0.46	\$ 0.44	\$ 0.43	\$ 0.42
Financial Position (at period end):									
Total assets	\$ 7,637,292	\$ 7,763,116		\$ 7,591,060		\$ 3,134,441	\$ 3,048,009	\$ 3,161,074	\$ 2,975,131
Total liabilities	6,377,818	6,351,933		6,287,526		1,945,583	1,893,369	2,069,539	2,058,305
Total long-term debt outstanding	4,271,194	4,118,450		4,130,811					