

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported) May 1, 2007

**STEPAN COMPANY**

(Exact Name of Registrant as Specified in its Charter)

**Delaware**

(State or Other Jurisdiction of Incorporation)

**1-4462**

(Commission File Number)

**36-1823834**

(I.R.S. Employer Identification No.)

**Edens and Winnetka Road,  
Northfield, Illinois**

(Address of Principal Executive Offices)

**60093**

(Zip Code)

**Registrant's telephone number, including area code: (847) 446-7500**

**Former name or former address, if changed since last report: Not Applicable**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 8.01 Other Events.**

On May 1, 2007, Stepan Company (“Stepan”) issued a press release announcing the sale of its specialty ester surfactant product line for the personal care market to The HallStar Company (formerly CPH Holding Corporation). The sale will be for cash plus the transfer to Stepan of a specialty agricultural surfactant product line from The HallStar Company. A copy of the press release is attached as Exhibit 99.1 hereto and incorporated herein by reference.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press Release of Stepan Company dated May 1, 2007

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

STEPAN COMPANY

By: /s/ Kathleen M. Owens

Kathleen M. Owens  
Assistant Secretary

Date: May 2, 2007

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press Release of Stepan Company dated May 1, 2007

**STEPAN ANNOUNCES SALE OF SPECIALTY ESTERS  
PRODUCT LINE AND ACQUISITION OF AN AGRICULTURAL CHEMICAL**

NORTHFIELD, Illinois, May 1, 2007 — Stepan Company (NYSE: SCL) today announced the sale of its specialty ester surfactant product line for the personal care market to The HallStar Company (formerly CPH Holding Corporation). These products, produced at the Company's Maywood, New Jersey facility, will continue to be produced for The HallStar Company during a transition period. The product line represents \$15.0 million in net sales. The sale will be for cash plus the transfer to Stepan of a specialty agricultural surfactant product line from The HallStar Company.

The Company expects to report a pretax gain of approximately \$3.5 million to \$4.0 million during the second quarter from the sale proceeds net of related write downs for equipment, inventory and severance charges.

Stepan pursued the sale after reviewing strategic alternatives for improving the profitability of its Maywood, New Jersey plant. The reconfigured plant will continue to produce esters for the industrial markets as well as Stepan's specialty flavor and food ingredient products. The reduced cost structure of the remaining businesses will increase the site's profitability in 2008.

Stepan Company, headquartered in Northfield, Illinois, is a leading producer of specialty and intermediate chemicals used in household, industrial, personal care, agricultural, food and insulation related products. The common and the convertible preferred stocks are traded on the New York and Chicago Stock Exchanges under the symbols SCL and SCLPR.

Except for historical information, all other information in this news release consists of forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected, anticipated or implied. The most significant of these uncertainties are described in Stepan Company's Form 10-K, Form 8-K and Form 10-Q reports and exhibits to those reports, and include (but are not limited to), prospects for our foreign operations, foreign currency fluctuations, certain global and regional economic conditions, the probability of future acquisitions and the uncertainties related to the integration of acquired businesses, the probability of new products, the loss of one or more key customer or supplier relationships, the costs and other effects of governmental regulation and legal and administrative proceedings, including the expenditures necessary to address and resolve environmental claims and proceedings, and general economic conditions. These forward-looking statements are made only as of the date hereof, and Stepan Company undertakes no obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.