
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): 08/01/2008

STEPAN COMPANY

(Exact name of registrant as specified in its charter)

Commission File Number: 1-4462

Delaware
(State or other jurisdiction of
incorporation)

36-1823834
(IRS Employer
Identification No.)

Edens and Winnetka Road, Northfield, Illinois 60093
(Address of principal executive offices, including zip code)

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

(Former name or former address, if changed since last report)

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))
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Item 8.01. Other Events

On August 1, 2008, Stepan Company ("Stepan") issued a press release announcing the sale of select product lines within its urethane system business to Bayer MaterialScience LLC. The sale was a cash sale. 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

Exhibit Number: 99.1

Description: Press Release of Stepan Company dated August 1, 2008

Signature(s)

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

Date: August 01, 2008

By: /s/ Kathleen O. Sherlock

Kathleen O. Sherlock
Assistant Secretary

Exhibit Index

Exhibit No.	Description
EX-99.1	Press Release of Stepan Company dated August 1, 2008

FOR RELEASE: IMMEDIATELY CONTACT: JAMES E. HURLBUTT

(847) 446-7500

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**STEPAN ANNOUNCES SALE OF COMMODITY
URETHANE SYSTEM PRODUCT LINE**

NORTHFIELD, Illinois, August 1, 2008 -- Stepan Company (NYSE: SCL) today announced the sale of select product lines within its urethane system business to Bayer MaterialScience LLC. The product lines that were sold are insulation materials used in appliances, water heaters, doors, roofs, picnic coolers and similar applications. These products, manufactured at the Company's Millsdale, Illinois facility, will be produced for Bayer during a transition period. The product lines represent approximately \$16.0 million in annual net sales. The sale was a cash sale.

The Company expects to report a pretax gain in the range of \$9.5 - \$10.0 million during the third quarter from the sale proceeds.

Stepan will continue to manufacture and market its full range of polyester polyols and its specialty urethane system products, specifically for military and aerospace applications as well as CASE (Coatings, Adhesives, Sealants, and Elastomers) end uses. These businesses are key components of Stepan's growth strategy.

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.