

OMB APPROVAL	
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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

<b>1. Name and Address of Reporting Person*</b> <u>POTTER ROBERT G</u> _____ (Last) (First) (Middle) <u>22 W. FRONTAGE ROAD</u> _____ (Street) <u>NORTHFIELD IL 60093</u> _____ (City) (State) (Zip)	<b>2. Issuer Name and Ticker or Trading Symbol</b> <u>STEPAN CO [ SCL ]</u>	<b>5. Relationship of Reporting Person(s) to Issuer</b> (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner _____ Officer (give title below) Other (specify below)
	<b>3. Date of Earliest Transaction (Month/Day/Year)</b> <u>12/30/2005</u>	
	<b>4. If Amendment, Date of Original Filed (Month/Day/Year)</b> _____	<b>6. Individual or Joint/Group Filing (Check Applicable Line)</b> <input checked="" type="checkbox"/> 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			

**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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Directors Deferred Compensation Plan	\$26.89	12/30/2005		J			324 <sup>(1)</sup>	08/08/1988	08/08/1988	Common Stock	324	\$26.89	10,721	D	
Directors Deferred Compensation Plan	\$26.89	01/03/2006		J			398	08/08/1988	08/08/1988	Common Stock	398	\$26.89	11,119	D	

**Explanation of Responses:**

1. On December 30, 2005, 324 shares were disposed of from the Directors Deferred Compensation Plan account and paid in cash to the Director pursuant to the provisions of the Director's Agreement with Stepan Company.

**Remarks:**

Kathleen M. Owens, by Power of Attorney for Robert G. Potter 01/03/2006

\*\* Signature of Reporting Person Date

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

\* 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.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.