

STEWART & STEVENSON SERVICES INC
 Form 4
 December 17, 2004

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 *
 JOY CALDWELL P

2. Issuer Name and Ticker or Trading Symbol
 STEWART & STEVENSON SERVICES INC [SVC]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

(Last) (First) (Middle)
 P.O. BOX 1637
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 12/16/2004

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Vice President

HOUSTON, TX 77251-1637

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(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)	(A) or (D)	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)
			Code	V	Amount	Price		
common stock	12/16/2004		M		3,750	A \$ 9.52	3,750	D
common stock	12/16/2004		M		5,000	A \$ 9.7	8,750	D
common stock	12/16/2004		S		8,600	D \$ 18.25	150	D
common stock	12/16/2004		S		150	D \$ 18.39	0	D

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 Securities (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee stock option (right to buy)	\$ 9.52	12/16/2004		M	3,750	03/05/2004 ⁽¹⁾	03/05/2013	common stock	3,750
Employee stock option (right to buy)	\$ 9.7	12/16/2004		M	5,000	03/07/2004 ⁽²⁾	03/07/2013	common stock	5,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
JOY CALDWELL P P.O. BOX 1637 HOUSTON, TX 77251-1637			Vice President	

Signatures

Rita Schaulat, attorney-in-fact for Caldwell
P. Joy 12/17/2004

__Signature of Reporting Person

Date

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).
- (1) The stock option becomes exercisable in four equal annual installments commencing 3/5/04.
- (2) The stock option becomes exercisable in four equal annual installments commencing 3/7/04.

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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