

Prospectus Supplement No. 2 dated February 20, 2007  
(to Prospectus dated January 24, 2007)

**\$200,000,000**

**School Specialty, Inc.**  
**3.75% Convertible Subordinated Debentures due 2026**  
**and Common Stock Issuable Upon Conversion of the Debentures**

This Prospectus Supplement No. 2 supplements our prospectus dated January 24, 2007 relating to the offer for resale by certain of our selling securityholders of up to \$200,000,000 aggregate principal amount of 3.75% Convertible Subordinated Debentures due 2026 of School Specialty, Inc. (the “Debentures”), and the shares of our common stock, par value \$.001, issuable upon conversion of the Debentures. You should read this Prospectus Supplement No. 2 in conjunction with the prospectus and all previous supplements thereto. This Prospectus Supplement No. 2 is qualified by reference to the prospectus and all previous supplements thereto, except to the extent that the information in this Prospectus Supplement No. 2 supersedes that information.

The prospectus is hereby supplemented to include the following information in the “Selling Securityholders” section beginning on page 60 of the prospectus:

**ADDITIONAL SELLING SECURITYHOLDERS**

The following represents additional selling securityholders for the table appearing in the “Selling Securityholders” section of the prospectus.

<u>Name and Address</u>	<u>Original Principal Amount of Debentures Beneficially Owned That May Be Sold</u>	<u>Percentage of Debentures Outstanding</u>	<u>Number of Shares of Common Stock That May Be Sold Hereby (1)</u>	<u>Percentage of Common Stock Outstanding (2)</u>
Argent Classic Convertible Arbitrage Fund L.P. 55 Vilcom Circle, Suite 200 Chapel Hill, NC 27514	\$600,000	*	11,674	*
Argent Classic Convertible Arbitrage Fund II, L.P. 55 Vilcom Circle, Suite 200 Chapel Hill, NC 27514	\$140,000	*	2,724	*
Argent Classic Convertible Arbitrage Fund Ltd. 73 Front Street Hamilton, HM12 Bermuda	\$4,420,000	2.21%	86,001	*
Argent LowLev Convertible Arbitrage Fund Ltd. 73 Front Street Hamilton, HM12 Bermuda	\$1,180,000	*	22,959	*
Argent LowLev Convertible Arbitrage Fund II, LLC 55 Vilcom Circle, Suite 200 Chapel Hill, NC 27514	\$30,000	*	583	*
Argentum Multi-Strategy Fund Ltd – Classic 73 Front Street Hamilton, HM12 Bermuda	\$70,000	*	1,362	*
Banc of America Securities LLC (6) 100 W. 33rd Street, 3rd Floor	\$10,000,000	5.00%	194,574	*

New York, NY 10001				
CASAM Argent Classic Convertible Arbitrage Fund Limited 55 Vilcom Circle, Suite 200 Chapel Hill, NC 27514	\$100,000	*	1,945	*
Citadel Equity Fund Ltd. (5) 131 S. Dearborn St. Chicago, IL 60603	\$28,750,000	14.38%	559,400	2.58%
Class C Trading Company, Ltd. 55 Vilcom Circle, Suite 200 Chapel Hill, NC 27514	\$520,000	*	10,117	*
HFR CA Global Select Master Trust Account 55 Vilcom Circle, Suite 200 Chapel Hill, NC 27514	\$200,000	*	3,891	*
Lyxor Master Fund Ref: Argent/LowLev CB c/o Argent 55 Vilcom Circle, Suite 200 Chapel Hill, NC 27514	\$290,000	*	5,642	*
Partners Group Alternative Strategies PCC LTD 55 Vilcom Circle, Suite 200 Chapel Hill, NC 27514	\$700,000	*	13,620	*
Xavex Convertible Arbitrage 2 Fund 55 Vilcom Circle, Suite 200 Chapel Hill, NC 27514	\$30,000	*	583	*
Xavex Convertible Arbitrage 10 Fund 55 Vilcom Circle, Suite 200 Chapel Hill, NC 27514	\$220,000	*	4,280	*

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\* Less than 1%.

- (1) Assumes conversion of all of the holder's Debentures at a conversion rate of 19.4574 shares for each \$1,000 principal amount of Debentures surrendered for conversion. However, this conversion rate will be subject to adjustment as described under "Description of Debentures—Conversion Rights." As a result, the amount of common stock issuable upon conversion of the Debentures may increase or decrease in the future.
- (2) Calculated based on Rule 13d-3(d)(1)(i) of the Exchange Act using 21,135,840 shares of common stock outstanding as of January 19, 2007. In calculating this amount, we treated as outstanding that number of shares of common stock issuable upon conversion of all of that particular holder's Debentures. However, we did not assume the conversion of any other holder's Debentures.
- (5) This selling securityholder is an affiliate of a registered broker-dealer.
- (6) This selling securityholder is a registered broker-dealer.