OFFICEMAX INC
Form 11-K
June 30, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 11-K

(Mark one)

x **Annual Report Pursuant to Section 15(d) of the Securities Exchange Act of 1934**

For the fiscal year ended December 31, 2007

Or

o **Transition Report Pursuant to Section 15(d) of the Securities Exchange Act of 1934**

For the transition period from **to**

Commission File Number 1-5057

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

OFFICEMAX SAVINGS PLAN

B. Name of the issuer of the securities held pursuant to the plan and the address of its principal executive office:

OFFICEMAX INCORPORATED

263 Shuman Boulevard

Naperville, IL 60563

OFFICEMAX SAVINGS PLAN

Financial Statements and Supplemental Schedule

(With Report of Independent Registered Public Accounting Firm)

December 31, 2007

2

Report of Independent Registered Public Accounting Firm

The Board of Directors and the Retirement Committee of OfficeMax Incorporated and the Plan Administrator of the OfficeMax Savings Plan:

We have audited the accompanying statements of net assets available for benefits of the OfficeMax Savings Plan (the Plan) as of December 31, 2007 and 2006, and the related statement of changes in net assets available for benefits for the year ended December 31, 2007. These financial statements are the responsibility of the Plan s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2007 and 2006, and the changes in its net assets available for benefits for the year ended December 31, 2007 in conformity with U.S. generally accepted accounting principles.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental Schedule H, Line 4(i) Schedule of Assets (Held at End of Year) as of December 31, 2007 is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by the Department of Labor s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan s management. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ KPMG LLP

Chicago, Illinois
June 30, 2008

OFFICEMAX

SAVINGS PLAN

Statements of Net Assets Available for Benefits

December 31, 2007 and 2006

		2007		2006
Investments, at fair value:				
OfficeMax Savings Plan Trust	$	486,842,072	$	510,173,328
Self Managed Account		20,306,948		20,655,694
Participant loans		7,269,036		11,252,010
Total investments		514,418,056		542,081,032
Receivables:				
Participant contributions				898,032
Employer contributions		255,671		402,000
Total receivables		255,671		1,300,032
Net assets available for benefits, at fair value		514,673,727		543,381,064
Adjustment from fair value to contract value for interest in a common collective trust relating to fully benefit-responsive investment contracts		52,634		2,326,596
Net assets available for benefits	$	514,726,361	$	545,707,660

See accompanying notes to financial statements.

OFFICEMAX

SAVINGS PLAN

Statement of Changes in Net Assets Available for Benefits

Year ended December 31, 2007

Additions:		
OfficeMax Savings		
Plan Trust investment income:		
Interest income	$	8,796,289
Dividend income		4,392,976
Net appreciation in fair value of investments		964,135
Net appreciation Self Managed Account		1,101,617
Interest on participant loans		688,836
Contributions:		
Participant		25,600,406
Company, net of forfeitures		8,002,094
Total additions		49,546,353
Deductions:		
Participant withdrawals		(79,184,912)
Administrative expenses		(1,342,740)
Total deductions		(80,527,652)
Net decrease		(30,981,299)
Net assets available for benefits, beginning of year		545,707,660
Net assets available for benefits, end of year	$	514,726,361

See accompanying notes to financial statements.

OFFICEMAX SAVINGS PLAN

Notes to Financial Statements

December 31, 2007

(1) Description of Plan

The following brief description of the OfficeMax Savings Plan (Plan) is provided for general information purposes only. Participants should refer to the Summary Plan Description and to the plan document for more complete information.

(a) General

The Plan is a defined contribution plan containing a cash or deferred arrangement as described in Section 401(k) of the Internal Revenue Code of 1986 (Code) which, subject to minimum age and hours requirements, covers all eligible employees of OfficeMax Incorporated and its subsidiaries (Company or we), including employees who had formerly participated in the OfficeMax, Inc. Savings Plan, the Boise Cascade Corporation Retirement Savings Plan (RSP), or the Boise Cascade Qualified Employee Savings Trust (QUEST). The Plan is subject to provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan is intended to be an individual account plan in accordance with Section 404(c) of ERISA and is intended to satisfy the requirements of Department of Labor Regulation §2550.404c-1.

The Plan is administered by OfficeMax Incorporated. State Street Bank and Trust Company (State Street) is the plan trustee and Citistreet L.L.C. (Citistreet) is the recordkeeper for the Plan. The Plan is part of a bundled service arrangement through Citistreet with various investment options.

(b) Participant Contributions

As of January 1, 2005, participants not identified as highly compensated individuals may contribute to the Plan, in whole percentages, 1% to 50% of eligible compensation except that Puerto Rico participants may contribute 1% to 10% of eligible compensation. Contributions may only be made on a before-tax basis.

Contributions by highly compensated participants who have been classified as such for two or more consecutive years are restricted to 3% of eligible earnings. Contributions by highly compensated participants who have been classified as such for only one year are restricted to 7% of eligible earnings.

(c) Company Match

Once a participant is eligible, the participant can receive Company matching contributions in the form of cash in the amount of $0.50 for every dollar contributed up to the first 6% of eligible earnings. Prior to January 1, 2005, slightly different matching rates applied under the predecessor plans.

For participants hired on or before October 31, 2003 (except participants formerly in QUEST, RSP or the OfficeMax, Inc. Savings Plan who were merged into the Savings and Supplemental Retirement Plan (SSRP) on December 31, 2004), the Company matched eligible participant contributions through allocations of stock in the Employee Stock Ownership Plan (ESOP) component of the Plan. The Company made cash contributions to the ESOP component of the Plan through 2004 which, when aggregated with dividends paid on the Company s Series D Convertible Preferred Stock (Preferred Stock) held in the ESOP component, equaled the amount necessary to enable the trustee to make its regularly scheduled payments of principal and interest due on the term loan, proceeds of which were used by the trustee to acquire the Preferred Stock. The final loan payment was made on June 28, 2004, resulting in no further contributions of this kind being made to the Plan.

**OFFICEMAX
SAVINGS PLAN**

Notes to Financial Statements

However, the Company contributed additional cash to settle retired shares for a short period in late 2003 and early 2004. The additional contributions ensured that there were enough shares available to allocate for the Company match through September 23, 2005. After that date, the Company match for those participants formerly receiving their match in shares was made in cash.

(d) Participant Accounts

Each participant s account is credited with the participant s contributions, the Company match, and an allocation of plan earnings and expenses based upon the relative account balances and investment funds in which the participant s account is invested. The benefit to which a participant is entitled upon retirement or termination of employment is the amount of the participant s vested account balance.

(e) Vesting

A Participant s Before Tax Contribution Account, After Tax Contribution Account (if applicable to the extent the participant was able to make such contributions under a predecessor plan prior to January 1, 2005), and Rollover Contribution Account are always 100% vested and nonforfeitable.

For participants who are hired on or after January 1, 2005, a Participant s Employer Account shall be 100% vested and nonforfeitable upon the earliest of: attaining age 65; completing three years of service; or death while employed by the Plan sponsor.

For participants who began participating in the SSRP prior to January 1, 2005, a Participant s Employer Account shall be 100% vested and nonforfeitable upon the earliest of: attaining age 65; completing 3 years of service; completing 3 years of participation; death while employed by an Employer; disability while employed by an Employer; termination of employment as a result of the sale of the participant s location or division; or termination of employment as a result of the closure, without planned resumption of operations, of the facility at which the participant is employed.

With respect to participants who were participating in the OfficeMax, Inc. Savings Plan prior to January 1, 2005, a Participant s Employer Account shall be 100% vested and nonforfeitable upon the earliest of: attaining age 65; completing three years of service; or death while employed by an Employer. With respect to participants who were participating in the OfficeMax, Inc. Savings Plan prior to January 1, 2005, and who were hired on or before December 31, 2003, in addition to the above, a Participant s Employer Account shall become 50% vested upon completing two years of service.

(f) Forfeitures

Upon a participant s termination of employment, amounts not fully vested are forfeited and generally used to reduce the amount of current Company contributions to the Plan.

OFFICEMAX
SAVINGS PLAN

Notes to Financial Statements

December 31, 2007

(g) Investment Options

Beginning January 1, 2005, participants may direct their contributions to any of the following investment options. The investment manager for each fund is listed below.

Fund	**Investment Manager(s)**
Conservative Asset Allocation Fund	State Street Global Advisors (SSGA)
Moderate Asset Allocation Fund	State Street Global Advisors
Aggressive Asset Allocation Fund	State Street Global Advisors
Stable Value Fund	INVESCO Institutional (N.A.), Inc. (INVESCO)
Bond Market Index Fund	State Street Global Advisors
S&P 500 Index Fund	State Street Global Advisors
Mid/Small Cap Index Fund	State Street Global Advisors
International Equity Index Fund	State Street Global Advisors
Real Estate Index Fund	State Street Global Advisors
OfficeMax Common Stock Fund	Not applicable
Self Managed Account	Not applicable

Investments in these funds include corporate debt and equity securities; interests in pooled or collective investment funds; mutual funds; interest rate contracts with banks, insurance companies, and corporations; and government obligations. The Plan also offers a Self Managed Account which is a brokerage option. This option affords more flexibility in choosing retirement savings investments by allowing participants, at their discretion, to invest in New York Stock Exchange, American Stock Exchange, and NASDAQ listed stock, most corporate and government bonds, and approximately 5,000 different Mutual Funds from over 300 fund families. Investments will be made in accordance with guidelines in the plan document; the Trust Agreement between State Street Bank and Trust Company, as trustee, and the Company; and in accordance with investment policies established by the Company and incorporated into investment management agreements with each investment manager.

The Company sends participant contributions to the trustee as soon as administratively feasible and the trustee invests participants contributions and earnings thereon, among the investment funds as directed by each participant.

Participants have the right to change the amount of their contributions, the investment funds in which contributions are invested, and to transfer existing account balances among the Plan s investment funds on a daily basis with some restrictions.

OFFICEMAX
SAVINGS PLAN

Notes to Financial Statements

December 31, 2007

(h) Participant Loans

Beginning January 1, 2005, a participant may borrow the lesser of (1) $50,000 reduced by the highest outstanding loan balance during the previous 12 months, or (2) 50% of his or her vested account balance in all contribution accounts not invested in the Self Managed Account, with a minimum loan amount of $1,000. For years prior to 2005, a participant could borrow the lesser of (1) $50,000 reduced by the highest outstanding loan balance during the previous 12 months, (2) 50% of his or her combined balance in the before-tax account, rollover account, and vested Company contribution account, or (3) the total market value of the participant s before-tax, after-tax and rollover account balances not invested in the Self Managed Account, with a minimum loan amount of $1,000. However, for participants in the OfficeMax, Inc. Savings Plan for years prior to 2005, participants could borrow from their investment fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or one-half of the current value of their vested account balance.

Beginning January 1, 2005, new loans are repayable over a maximum of five years. Loans issued prior to January 1, 2005, are repayable through payroll deductions over periods ranging from one to ten years, except that loans issued from the OfficeMax, Inc. Savings Plan have a maximum term of five years.

As of January 1, 2005, the participant loan rate for all new loans is equal to the Prime Rate plus 1% and set once a month. For participant loans prior to January 1, 2005, the plan administrator determined the interest rate, which was based on prevailing market conditions and fixed over the life of the note. However, for participant loans in the OfficeMax, Inc. Savings Plan prior to January 1, 2005, the interest rate on participant loans was equal to the Prime Rate published in the Wall Street Journal on the first day of the calendar quarter in which the loan was effective plus 1%. Interest rates on loans outstanding in the Plan at December 31, 2007 ranged from 4.0% to 9.5%. Interest rates on loans outstanding in the Plan at December 31, 2006 ranged from 8.5% to 9.25%.

(i) Distributions

On termination of employment, where an account balance is greater than $1,000, a participant may elect to receive either a lump-sum amount equal to the value of the participant s vested interest in his or her account, or partial withdrawals or payments over varying periods. On termination of employment, where an account balance is $1,000 or less, a participant will receive a lump-sum amount equal to the value of the participant s vested interest in his or her account. The $1,000 limit was $5,000 prior to March 28, 2005.

(2) Summary of Accounting Policies

The Plan follows the significant accounting policies listed below:

(a) Basis of Accounting

The financial statements of the Plan are prepared on the accrual method of accounting.

As described in Financial Accounting Standards Board Staff Position FSP AAG INV-1 and Statement of Position No. 94-4-1, *Reporting of Fully Benefit-Responsive Investment Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution Health and Welfare and Pension Plans* (the FSP), investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. As required by the FSP, the statement of net assets available for benefits present the fair value of the investment contracts as well as the adjustment of the fully benefit-

**OFFICEMAX
SAVINGS PLAN**

Notes to Financial Statements

December 31, 2007

responsive investment contracts from fair value to contract value. The statement of changes in net assets available for benefits is prepared on a contract value basis.

(b) Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of changes in net assets available for benefits during the reporting period. Actual results could differ from those estimates.

(c) Payment of Benefits

Benefit payments to participants are recorded upon distribution.

(d) Expenses

The Plan provides that all expenses of administration of the Plan shall be paid out of the assets of the Plan, except for those administration expenses paid by the Company. Substantially all expenses of administration of the Plan are paid by the Plan. Investment management fees and expenses incident to the purchase and sale of securities incurred by the investment funds of the Plan are paid from the assets of the fund to which they relate.

(e) Rollovers from Other Plans