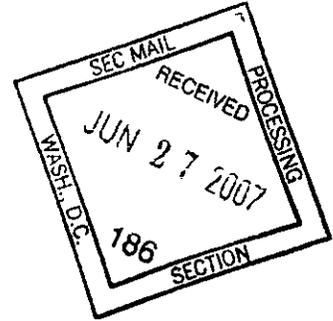


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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549



FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2006
[NO FEE REQUIRED]

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934 [NO FEE REQUIRED]

For the transition period from _____ to _____
Commission File Number: 0-23008

Valassis Employees' Retirement Savings Plan

Valassis Communications, Inc.
(Exact Name of Registrant
as Specified in its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

PROCESSED
B **JUL 03 2007**
**THOMSON
FINANCIAL**
38-2760940
(IRS Employer
Identification Number)

19975 Victor Parkway
Livonia, Michigan 48152
(address of principal executive offices)
Registrant's Telephone Number: (734) 591-3000

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the undersigned has duly caused this annual report to be signed on behalf of the Plan by the undersigned thereunto duly authorized in the City of Livonia, State of Michigan on June 25, 2007.

Valassis Communications, Inc.
Valassis Employees' Retirement Savings Plan

By: 

Robert L. Recchia, Chief Financial Officer and
Plan Administrator

Valassis Employees' Retirement Savings Plan

**Financial Report
December 31, 2006**

Valassis Employees' Retirement Savings Plan

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Report of Independent Registered Public Accounting Firm

To the Trustees and Participants
Valassis Employees' Retirement Savings Plan

We have audited the accompanying statement of net assets available for plan benefits of Valassis Employees' Retirement Savings Plan as of December 31, 2006 and 2005 and the related statement of changes in net assets available of plan benefits for the years then ended. 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 audits 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 of Valassis Employees' Retirement Savings Plan as of December 31, 2006 and 2005 and the changes in net assets for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the financial statements taken as a whole. The supplemental schedule of assets held at end of year as of December 31, 2006 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. The 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.

Plante & Moran, PLLC

Southfield, Michigan
June 5, 2007

Valassis Employees' Retirement Savings Plan

Statement of Net Assets Available for Plan Benefits

	December 31	
	2006	2005
Assets		
Investments - By participant-directed option:		
Mutual funds:		
American Century Growth Institutional	\$ 10,409,466	\$ 11,789,143
American Century Ultra Institutional	13,300,138	16,182,429
American Century Vista Institutional	5,097,694	5,804,298
American Century Value Institutional	8,880,406	8,685,888
American Century Strategic Allocation - Conservative Institutional	1,030,425	1,099,488
American Century Strategic Allocation - Moderate Institutional	8,304,391	9,123,255
American Century Strategic Allocation - Aggressive Institutional	4,111,561	3,049,676
American Century Government Bond Fund	4,423,836	4,614,163
Fidelity Puritan Fund	12,429,392	11,001,577
Royce Premier Fund	6,308,328	4,862,103
Harbor International Fund	21,860,983	10,949,894
Total mutual funds	96,156,620	87,161,914
Common collective funds:		
American Century Stable Asset Fund	20,799,027	22,256,774
JPMorgan Equity Index Fund	28,982,005	23,436,533
Total common collective funds	49,781,032	45,693,307
JPMorgan Invest	-	5,972,007
Chase Investment Services Corporation	6,858,506	-
Valassis Stock Fund	7,297,174	13,299,603
Cash surrender value of insurance	50,480	49,196
Participant loans receivable	5,841,580	5,482,822
Total investments at fair value	165,985,392	157,658,849
Receivables:		
Contributions receivable - Employee	210,094	202,992
Contributions receivable - Employer	2,987,016	5,744,701
Total receivables	3,197,110	5,947,693
Net assets at fair value	169,182,502	163,606,542
Adjustment from fair value to contract value for fully benefit-responsive investment contracts		
	390,856	405,347
Net Assets Available for Plan Benefits	\$ 169,573,358	\$ 164,011,889

Valassis Employees' Retirement Savings Plan

Statement of Changes in Net Assets Available for Plan Benefits

	Year Ended December 31	
	2006	2005
Additions		
Contributions:		
Employee	\$ 7,017,750	\$ 7,801,221
Employer	3,043,417	5,738,802
Total contributions	10,061,167	13,540,023
Investment income (loss):		
Interest and dividends	6,096,025	3,864,782
Interest from employee loans	315,142	253,663
Net realized and unrealized gains (losses):		
Employer common stock	(6,317,823)	(2,562,114)
Mutual funds and brokerage account	5,291,590	2,254,231
Common collective funds	3,750,408	467,456
Total investment income	9,135,342	4,278,018
Total additions	19,196,509	17,818,041
Deductions		
Benefit payments to participants and beneficiaries	12,506,374	5,196,818
Administrative fees	89,480	81,466
Hardship and other withdrawals	1,039,186	331,439
Total deductions	13,635,040	5,609,723
Net Increase	5,561,469	12,208,318
Net Assets Available for Plan Benefits - Beginning of year	164,011,889	151,803,571
Net Assets Available for Plan Benefits - End of year	<u>\$ 169,573,358</u>	<u>\$ 164,011,889</u>

Valassis Employees' Retirement Saving Plan

Notes to Financial Statements December 31, 2006 and 2005

Note 1 - Description of the Plan and Summary of Significant Accounting Principles

The following brief description of Valassis Employees' Retirement Saving Plan (the "Plan") is provided for general information purposes only. Participants should refer to the plan documents for more complete information.

The Plan was established under the provisions of Section 401(k) of the Internal Revenue Code.

General - Employees of Valassis Communications, Inc. ("Valassis" or the "Company") may become participants upon date of hire in the 401(k) portion of the Plan if they are 18 years or older. Employees become participants in the profit-sharing portion of the Plan on the earlier of July 1 or January 1 after they have completed one year of service, worked 1,000 hours during the plan year, and attained age 18.

Contributions - Participants may contribute a self-determined portion, between 1 percent and 50 percent, of their compensation to the Plan, subject to tax deferral limitations established by the Internal Revenue Code.

The Plan allows for an employer match of 20 percent of the first 3 percent of salary for participants in the Plan with an annual salary less than or equal to \$75,000 annually. Employer-matching contributions for the years ended December 31, 2006 and 2005 amounted to \$224,944 and \$228,078, respectively.

Profit-sharing contributions are allocated to participant accounts annually, in the same proportion that each participant's compensation, as defined, bears to the total compensation, as defined, of all participants for the year. The employer's profit-sharing contribution for each plan year is unallocated as of December 31. The contribution is shown as a receivable to the Plan at year end. Employer profit-sharing contributions for the years ended December 31, 2006 and 2005 amounted to \$2,830,819 and \$5,516,623, respectively.

Valassis Employees' Retirement Saving Plan

Notes to Financial Statements December 31, 2006 and 2005

Note 1 - Description of the Plan and Summary of Significant Accounting Principles (Continued)

Participant Accounts - Each participant's account is credited with the participant's contribution and allocations of the Company's contributions and plan earnings. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. Participants may direct the investments of their account balances into various investment options offered by the Plan.

Participants elect to invest their account balance and contributions among various investment options provided by the Valassis Employees' Retirement Savings Plan administrative committee (the "Administrative Committee"), including an option to invest in Company common stock.

Participant Loans Receivable - The Plan permits participants to obtain loans up to \$50,000, but limited to no more than 50 percent of the value of the participant's account. This limit is imposed on the combined total of all loans from the Plan. Loan applications must be approved by the recordkeeper and are not available to highly compensated employees, officers, or stockholders in amounts greater than those available to other employees. Loan terms are limited to five years unless the borrower provides proof that the loan is for the purchase of a residence, in which case the Plan administrator may extend the term up to 10 years. Interest rates are established at the prime rate, as determined by the plan administrator, as of the beginning of the month in which the loan originates.

Forfeitures - Voluntary employee contributions are nonforfeitable at all times. However, the nonvested portion of the employer contribution is forfeitable. Forfeited amounts may be used by the Company to offset future contributions. Vesting of employer contributions is described below. Forfeitures applied against employer contributions in 2006 and 2005 totaled \$68,745 and \$56,399, respectively.

Hardship and Other Withdrawals - Participants may withdraw an amount from their account due to hardship, as defined in the Plan. Generally, hardship withdrawals are limited to the purchase of a primary residence, education or medical expenses, or to prevent eviction or foreclosure on a participant's principal residence. In addition, the Plan allows for in-service distributions upon attainment of age 59½.

Benefit Payments - The normal retirement age defined by the Plan is 62. Upon normal retirement or death, the entire balance of the participant's account becomes payable to the participant or his or her beneficiary. All benefits are payable in a lump-sum amount or qualified joint and survivor annuity. Benefit payments to participants are recorded upon distribution.

Valassis Employees' Retirement Saving Plan

**Notes to Financial Statements
December 31, 2006 and 2005**

Note 1 - Description of the Plan and Summary of Significant Accounting Principles (Continued)

Basis of Accounting - The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

Valuation of Investments - The Plan's mutual fund and employer common stock investments are stated at fair value based upon net asset values on the last day of the plan year. The stable value common collective trust fund primarily invests in benefit-responsive investment contracts and is valued at contract value. Contract value represents investments at cost plus accrued interest income less amounts withdrawn to pay benefits. The fair value of the stable value common collective trust fund is based on discounting the related cash flows of the underlying guaranteed investment contracts based on current yields of similar instruments with comparable durations. The fair value of the remaining common collective trust fund is based on the quoted market values of the underlying investments. Life insurance contracts are stated at cash surrender value as provided in the policies, which approximates fair value. The Plan allows participants to direct the investment of their account balances among various investment options. Additionally, the Plan allows participants to invest in self-directed brokerage accounts. The self-directed brokerage accounts include various investments in publicly traded securities and are at quoted market prices. The participant loans receivable are carried at the unpaid principal balance, which approximates fair value.

Administrative Expenses - Certain plan expenses are paid by the Company while other administrative expenses of the Plan are paid by the Plan as provided in the plan document.

Management Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amount of changes in net assets during the reporting period. Actual results could differ from those estimates.

Risk and Uncertainties - The Plan invests in various securities including mutual funds, common collective funds, and corporate stocks. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of net assets available for plan benefits.

Vesting - Employee contributions are vested 100 percent at the time they are made.

Valassis Employees' Retirement Saving Plan

**Notes to Financial Statements
December 31, 2006 and 2005**

Note 1 - Description of the Plan and Summary of Significant Accounting Principles (Continued)

Employer contributions are primarily vested in accordance with the following schedule:

<u>Years of Service</u>	<u>Percentage</u>
1	20
2	40
3	60
4	80
5	100

Change in Presentation - In December 2005, the Financial Accounting Standards Board (FASB) issued FASB Staff Position AAG INV-1 and SOP 94-4-1 (FSP), *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*. This FSP requires investments in benefit-responsive investment contracts be presented at both fair value and contract value on the statement of net assets available for plan benefits. The result of the implementation of the FSP was to decrease investments and to increase the adjustment from fair value to contract value by \$390,856 and \$405,347 as of December 31, 2006 and 2005, respectively. There was no impact to total net assets as of December 31, 2006 or 2005.

Note 2 - Related Party Transactions

Certain plan investments are shares of funds managed by JPMorgan Chase Bank and American Century. JPMorgan Chase Bank is the trustee as defined by the Plan and JPMorgan/American Century Retirement Plan Services is the recordkeeper; therefore, these transactions qualify as party-in-interest transactions. Fees paid by the Plan for investment management services were included as a reduction of the return earned on each fund.

Note 3 - Termination of the Plan

Although it has not expressed any intention to do so, the Company has the right under the Plan to discontinue its contributions and to terminate the Plan under the provisions of ERISA. In the event the Plan is terminated, participants would become 100 percent vested in their accounts.

Valassis Employees' Retirement Saving Plan

Notes to Financial Statements December 31, 2006 and 2005

Note 4 - Internal Revenue Service Status

The Internal Revenue Service has determined and informed the Company by a letter dated October 1, 2004 that the Plan and related trust were designed in accordance with the applicable regulations of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Note 5 - Reconciliation to Form 5500

The net assets on the financial statements differ from the net assets on Form 5500 due to a common collective trust fund being recorded at contract value on the financial statements and at fair value on Form 5500. The net assets on the financial statements were higher than Form 5500 at December 31, 2006 by \$390,856. Additionally, the investment income on Form 5500 for the year ended December 31, 2006 is lower by \$390,856

Valassis Employees' Retirement Saving Plan

Schedule of Assets Held at End of Year Form 5500, Schedule H, Item 4i EIN 38-2760940, Plan No. 004 December 31, 2006

(a)(b) Identity of Issuer, Borrower, Lessor, or Similar Party	(c) Description of Investment including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	(d) Cost	(e) Current Value
American Century	American Century Growth Institutional* - Mutual fund	**	\$ 10,409,466
American Century	American Century Ultra Institutional* - Mutual fund	**	13,300,138
American Century	American Century Vista Institutional* - Mutual fund	**	5,097,694
American Century	American Century Value Institutional* - Mutual fund	**	8,880,406
American Century	American Century Strategic Allocation - Conservative Institutional* - Mutual fund	**	1,030,425
American Century	American Century Strategic Allocation - Moderate Institutional* - Mutual fund	**	8,304,391
American Century	American Century Strategic Allocation - Aggressive Institutional* - Mutual fund	**	4,111,561
American Century	American Century Government Bond Fund* - Mutual fund	**	4,423,836
Fidelity	Fidelity Puritan Fund - Mutual fund	**	12,429,392
Harbor	Harbor International Fund - Mutual fund	**	21,860,983
Royce	Royce Premier Fund - Mutual fund	**	6,308,328
American Century	American Century Stable Asset Fund* - Common collective fund	**	20,799,027
JPMorgan	JPMorgan Equity Index Fund* - Common collective fund	**	28,982,005
JPMorgan	Chase Investment Services Corporation* - Common collective fund	**	6,858,506
Valassis	Valassis Stock Fund*	**	7,297,174
Insurance contracts	Policy Number 6568454	**	4,091
	Policy Number 6400395	**	2,440
	Policy Number 6568706	**	1,969
	Policy Number 5729186	**	2,910
	Policy Number 6092814	**	3,539
	Policy Number 6229103	**	2,185
	Policy Number 6400409	**	1,411
	Policy Number 6568370	**	1,199
	Policy Number 6568255	**	4,452
	Policy Number 6404438	**	4,173
	Policy Number 6567686	**	1,691
	Policy Number 5256241	**	1,242
	Policy Number 5349885	**	1,389
	Policy Number 5553177	**	1,825
	Policy Number 5728980	**	768
	Policy Number 5886073	**	1,438
	Policy Number 6060910	**	1,789
	Policy Number 6404462	**	1,904
	Policy Number 6568971	**	1,930
	Policy Number 6060720	**	3,638
	Policy Number 6229051	**	795
	Policy Number 6404486	**	959
	Policy Number 6567722	**	2,743
Participants	Participant loans with interest ranging from 4.0 percent to 9.5 percent	-	5,841,580
Total			\$ 165,985,392

* Party in interest

** Cost information is not required for participant-directed investments

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the registration statement (No. 333-00024) on Form S-8 of our report dated June 5, 2007 appearing in the Annual Report on Form 11-K of Valassis Employees' Retirement Savings Plan for the year ended December 31, 2006.

Plante & Moran, PLLC

Southfield, Michigan
June 5, 2007

END