

STEVEN MADDEN, LTD.  
Form 10-Q  
May 08, 2009

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**FORM 10-Q**

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2009

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number 0-23702

**STEVEN MADDEN, LTD.**

(Exact name of Registrant as specified in its charter)

**Delaware**

**13-3588231**

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification No.)

**52-16 Barnett Avenue, Long Island City, New York**

**11104**

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code

**(718) 446-1800**

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T ('232.405 of this Chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files.

Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definition of "large accelerated filer", "accelerated filer", "non accelerated filer" and "smaller reporting company" in Rule 12b-2 of the

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Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes  No

As of May 5, 2009, the latest practicable date, there were 17,976,774 shares of common stock, \$.0001 par value, outstanding.

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STEVEN MADDEN, LTD.  
FORM 10-Q  
QUARTERLY REPORT  
March 31, 2009

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**PART I. FINANCIAL INFORMATION****Item 1. Condensed Consolidated Financial Statements****STEVEN MADDEN, LTD. AND SUBSIDIARIES****Condensed Consolidated Balance Sheets**

(in thousands)

	<b>March 31, 2009</b>	<b>December 31, 2008</b>	<b>March 31, 2008</b>
	(unaudited)		(unaudited)
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 63,235	\$ 89,588	\$ 22,951
Accounts receivable, net of allowances of \$1,402, \$1,530 and \$1,891	7,094	5,567	6,092
Due from factor, net of allowances of \$7,613, \$9,771 and \$10,466	42,262	34,311	46,355
Note receivable – related party	—	3,370	3,187
Inventories	28,071	31,597	26,407
Marketable securities - available for sale	13,002	14,609	9,391
Prepaid expenses and other current assets	5,388	5,645	6,932
Prepaid taxes	—	2,069	6,662
Deferred taxes	8,029	7,980	9,546
<b>Total current assets</b>	<b>167,081</b>	<b>194,736</b>	<b>137,523</b>
Note receivable – related party	3,430	—	—
Property and equipment, net	27,058	28,209	28,957
Deferred taxes	7,039	7,112	7,171
Deposits and other	1,950	2,260	2,421
Marketable securities - available for sale	16,393	20,615	23,269
Goodwill – net	23,472	23,574	16,942
Intangibles – net	7,722	8,187	9,658
<b>Total Assets</b>	<b>\$ 254,145</b>	<b>\$ 284,693</b>	<b>\$ 225,941</b>
<b>LIABILITIES</b>			
Current liabilities:			
Advances payable - factor	\$ —	\$ 30,168	\$ —
Accounts payable	16,696	18,018	24,085
Accrued expenses	14,618	16,435	16,866
Accrued incentive compensation	2,747	7,869	5,434
<b>Total current liabilities</b>	<b>34,061</b>	<b>72,490</b>	<b>46,385</b>
Deferred rent	4,825	4,773	4,449
Other liabilities	1,159	1,188	—

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Total liabilities	<b>40,045</b>	78,451	50,834
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Commitments, contingencies and other

**STOCKHOLDERS' EQUITY**

Preferred stock - \$.0001 par value, 5,000 shares authorized; none issued; Series A			
Junior Participating preferred stock - \$.0001 par value, 60 shares authorized; none issued			
Common stock - \$.0001 par value, 90,000 shares authorized, 26,201, 26,135 and 25,846 shares issued, 17,939, 17,873 and 17,584 outstanding	<b>3</b>	3	3
Additional paid-in capital	<b>138,605</b>	137,362	132,036
Retained earnings	<b>203,834</b>	197,257	171,315
Other comprehensive loss:			
Unrealized loss on marketable securities (net of taxes)	<b>(358)</b>	(396)	(263)
Treasury stock – 8,262, 8,262 and 8,262 shares at cost	<b>(127,984)</b>	(127,984)	(127,984)
Total Stockholders' Equity	<b>214,100</b>	206,242	175,107
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 254,145</b>	\$ 284,693	\$ 225,941

See accompanying notes to condensed consolidated financial statements - unaudited

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**STEVEN MADDEN, LTD. AND SUBSIDIARIES****Condensed Consolidated Statements of Income**

(unaudited)

(in thousands, except per share data)

	<b>Three Months Ended March 31,</b>	
	<b>2009</b>	<b>2008</b>
Net sales	\$ 107,429	\$ 100,539
Cost of sales	63,942	60,324
Gross profit	43,487	40,215
Commission and licensing fee income - net	2,905	3,356
Operating expenses	(36,088)	(40,734)
Income from operations	10,304	2,837
Interest and other income - net	396	526