

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report: **April 7, 2008**

(Date of earliest event reported)

STEVEN MADDEN, LTD.

(Exact Name of Registrant as Specified in Charter)

Delaware

(State or Other Jurisdiction of
Incorporation)

000-23702

(Commission File Number)

13-3588231

(IRS 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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Steven Madden, Ltd. (the "Company") and Edward R. Rosenfeld, the Company's interim Chief Executive Officer, entered into an Employment Agreement, dated as of April 7, 2008, but effective as of March 24, 2008 (the "Employment Agreement"), pursuant to which Mr. Rosenfeld is to serve as the Company's interim Chief Executive Officer for a term expiring on December 31, 2009, unless sooner terminated in accordance with the provisions of the Employment Agreement. Pursuant to the Employment Agreement, Mr. Rosenfeld is entitled to receive an annual base salary of \$400,000, and Mr. Rosenfeld is entitled to receive such additional compensation and annual bonus as may be determined from time to time by the Board of Directors of the Company in its sole discretion. In addition, the Employment Agreement provides that Mr. Rosenfeld is entitled to receive, as additional compensation, an option to purchase 40,000 shares of the Company's common stock, exercisable to the extent of 8,000 shares on each of March 24, 2009, March 24, 2010, March 24, 2011, March 24, 2012 and March 24, 2013, said option to remain exercisable for seven years from the effective date of the Employment Agreement.

The Company may terminate the Employment Agreement for cause (as such term is defined in the Employment Agreement) or without cause. In the event that Mr. Rosenfeld's employment is terminated by the Company for cause, the Company shall have no further obligations to Mr. Rosenfeld, and Mr. Rosenfeld shall be entitled to no further compensation from the Company, except for pro-rata amounts due to him on the date of his termination.

In the event that Mr. Rosenfeld's employment is terminated by the Company without cause, as liquidated damages, he shall be entitled to receive all compensation to which he would be entitled under the Employment Agreement through December 31, 2009.

In the event that Mr. Rosenfeld's employment is terminated by the Company without cause during the period commencing 90 days prior to a Change of Control (as defined in the Employment Agreement) and ending 180 days following a Change of Control, he is entitled to receive an amount equal to the lesser of (1) the average amount of total compensation actually received by him during the preceding three calendar years multiplied by 3 and (2) the maximum amount that is tax deductible to the Company under Section 280G of the Internal Revenue Code.

The foregoing description of the Employment Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Employment Agreement filed as Exhibit 10.1 to this Current Report on Form 8-K, which is incorporated by reference herein.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

10.1 Employment Agreement, entered into as of April 7, 2008, but effective as of March 24, 2008, between Steven Madden, Ltd. and Edward R. Rosenfeld.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: April 10, 2008

STEVEN MADDEN, LTD.

By: /s/ Edward R. Rosenfeld

Edward R. Rosenfeld
Interim Chief Executive Officer

EMPLOYMENT AGREEMENT

EMPLOYMENT AGREEMENT, entered into on April 7, 2008, but effective as of March 24, 2008, by and between **Steven Madden, Ltd.** (the "Company"), and **Edward Rosenfeld** (the "Employee").

RECITALS

WHEREAS, the Employee has served as the Company's Vice President of Strategic Planning and Finance since 2005, Executive Vice President of Strategic Planning and Finance since 2007, and a Director since February 2008; and

WHEREAS, the Company and the Employee desire to enter into an employment agreement which will set forth the terms and conditions upon which the Employee shall continue to be employed by the Company and upon which the Company shall compensate the Employee.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants hereinafter set forth, the parties hereto have agreed, and do hereby agree, as follows:

1. **EMPLOYMENT; TERM**

1.1 The Company will employ the Employee in its business, and the Employee will work for the Company therein, as its Interim Chief Executive Officer for a term commencing as of March 24, 2008 (the "Effective Date") and terminating on December 31, 2009 (the "Expiration Date"), subject to earlier termination as hereinafter provided (the employment period, as earlier terminated, being referred to as the "Term").

1.2 Upon the expiration of the Term or the termination of the Employee's employment with the Company for any reason whatsoever, he shall be deemed to have resigned all of his positions as an officer and director of the Company and of each and every subsidiary thereof.

2. **DUTIES**

During the Term, the Employee shall serve as the Company's Chief Executive Officer and shall have such executive and managerial responsibilities on behalf of the Company of the type and nature generally associated with his position and such further duties as shall, from time to time, be delegated or assigned to him by the Board of Directors of the Company consistent with his position. He shall also continue to serve as a Director of the Company.

3. **DEVOTION OF TIME**

During the Term, the Employee shall expend all of his working time for the Company; shall devote his best efforts, energy and skill to the services of the Company and the promotion of its interests; and shall not take part in activities detrimental to the best interests of the Company.

4. **COMPENSATION**

4.1 For all services to be rendered by the Employee during the Term, and in consideration of the Employee's representations and covenants set forth in this Agreement, the Employee shall be entitled to receive from the Company compensation as set forth in Paragraph 4.2.

4.2 During the Term, the Employee shall be entitled to receive the following salary per annum: \$400,000.00.

The Employee shall be entitled to such additional compensation and annual bonus as may be determined from time to time by the Board of Directors of the Company in its sole discretion. All amounts due hereunder shall be payable in accordance with the Company's standard payroll practices.

The Employee shall receive, as additional compensation, 40,000 Stock Options. Such options shall have a term of seven years and shall vest 20% annually for five years.

5. **REIMBURSEMENT OF EXPENSES**

5.1 The Company shall pay directly, or reimburse the Employee for, all reasonable and necessary expenses and disbursements incurred by the Employee for and on behalf of the Company in the performance of his duties during the Term.

5.2 The Employee shall submit to the Company, not less than once in each calendar month, reports of such expenses and disbursements in form normally used by the Company and receipts with respect thereto, and the Company's obligations under Paragraph 5.1 hereof shall be subject to compliance therewith.

6. **VACATIONS, SICK DAYS, AND PERSONAL DAYS**

The Employee shall be entitled to Vacation, Sick, and Personal Days in accordance with the Company's usual policy as set forth in the employment manual of the Company.

7. **PARTICIPATION IN EMPLOYEE BENEFIT PLANS**

The Employee shall be accorded the right to participate in and receive benefits under and in accordance with the provisions of any pension, profit sharing, life insurance, disability insurance, and dental insurance or reimbursement or other plan or program of the Company either in existence as of the Effective Date or hereafter adopted for the benefit generally of its employees.

8. **SERVICE AS OFFICER AND DIRECTOR**

During the Term, the Employee shall, if elected or appointed, serve as (a) an officer of any subsidiaries of the Company and/or entities affiliated with the Company in existence or hereafter created or acquired and (b) a director of any such subsidiaries of the Company and/or entities affiliated with the Company in existence or hereafter created or acquired, in each case without any additional compensation for such services.

9. **EARLIER TERMINATION**

9.1 The Employee's employment hereunder shall automatically terminate upon his death and may terminate at the option of the Company in the event of "cause" (as hereinafter provided).

9.2 The Employee's employment may be terminated by the Company at any time during the Term upon written notice for "cause." As used in this Agreement, "cause" shall include the Employee's commission of any act in the performance of his duties constituting common law fraud, a felony or other gross malfeasance of duty, the Employee's commission of any act involving moral turpitude, any material misrepresentation by the Employee, any breach of any material covenant on the Employee's part herein set forth, or the Employee's engagement in misconduct which is materially injurious to the Company or any of its subsidiaries or affiliated entities.

9.3 Upon termination of the Employee's employment with the Company for cause, the Company shall have no further obligations to the Employee and the Employee shall be entitled to no further compensation from the Company, except for any pro-rata amounts due to the Employee at such date of termination, as provided for in Paragraph 4.2. In the event of the termination of the Employee's employment with the Company for cause, the amount to be paid to the Employee pursuant to this Paragraph shall constitute the sole and exclusive remedy of the Employee, and the Employee shall not be entitled to any other or further compensation, rights or benefits hereunder or otherwise. The foregoing shall not be construed to limit any rights or remedies available to the Company with regard to any acts or omissions of the Employee that gave rise to the termination for cause.

9.4 In the event of the termination of the Employee's employment by the Company during the Term without "cause," as liquidated damages, the Employee shall be entitled to receive the following: all compensation that would be due and owing Employee under this Agreement through its Expiration Date.

9.5 If, during the period commencing 90 days prior to a Change of Control and ending 180 days after a Change of Control, Employee is terminated by the Company other than for cause, Employee is entitled to receive an amount equal to the lesser of (i) the average amount of total compensation actually received by Employee for the preceding three calendar years multiplied by 3, or (ii) the maximum amount which is tax deductible to the Company under Internal Revenue Code Section 280G. Change of Control shall mean when any person or group (excluding the Company or any of its affiliates) becomes the beneficial owner of securities representing 50% or more of the combined voting power of the Company's then outstanding securities.

10. **INJUNCTIVE RELIEF; REMEDIES**

10.1 The Employee acknowledges and agrees that, in the event he shall violate or threaten to violate any of the restrictions of Paragraph 3 or 9 hereof, the Company will be without an adequate remedy at law and will therefore be entitled to enforce such restrictions by temporary or permanent injunctive or mandatory relief in any court of competent jurisdiction without the necessity of proving damages or posting any bond or other security.

10.2 The Employee agrees further that the Company shall have the following additional rights and remedies

(i) recover to the Company all monies and other consideration derived or received by him as the result of any transactions constituting a breach of any of the provisions of Paragraph 7.1, and the Employee hereby agrees to account for and pay over such monies and other consideration to the Company; and

(ii) The right to recover attorneys' fees incurred in any action or proceeding in which it seeks to enforce its rights under Paragraph 7 hereof.

10.3 Each of the rights and remedies enumerated above shall be independent of the other, and shall be severally enforceable, and all of such rights and remedies shall be in addition to, and not in lieu of, any other rights and remedies available to the Company under law or in equity.

11. **NO RESTRICTIONS**

The Employee hereby represents that neither the execution of this Agreement nor his performance hereunder will (a) violate, conflict with or result in a breach of any provision of, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) under the terms, conditions or provisions of any contract, agreement or other instrument or obligation to which the Employee is a party, or by which he may be bound, or (b) violate any order, judgment, writ, injunction or decree applicable to the Employee. In the event of a breach hereof, in addition to the Company's right to terminate this Agreement, the Employee shall indemnify the Company and hold it harmless from and against any and all claims, losses, liabilities, costs and expenses (including reasonable attorneys' fees) incurred or suffered in connection with or as a result of the Company's entering into this Agreement or employing the Employee hereunder.

12. **ARBITRATION**

12.1 Except with regard to any other matters that are not a proper subject of arbitration, all disputes between the parties hereto concerning the performance, breach, construction or interpretation of this Agreement or any portion thereof, or in any manner arising out of this Agreement or the performance thereof, shall be submitted to binding arbitration, in accordance with the rules of the American Arbitration Association. The arbitration proceeding shall take place at a mutually agreeable location in New York County, New York or such other location as agreed to by the parties.

12.2 The award rendered by the arbitrator shall be final, binding and conclusive, shall be specifically enforceable, and judgment may be entered upon it in accordance with applicable law in the appropriate court in the State of New York, with no right of appeal therefrom.

12.3 Each party shall pay its or his own expenses of arbitration, and the expenses of the arbitrator and the arbitration proceeding shall be equally shared.

13. **ASSIGNMENT**

This Agreement, as it relates to the employment of the Employee, is a personal contract and the rights and interests of the Employee hereunder may not be sold, transferred, assigned, pledged or hypothecated.

14. **NOTICES**

Any notice required or permitted to be given pursuant to this Agreement shall be deemed to have been duly given when delivered by hand or sent by certified or registered mail, return receipt requested and postage prepaid, overnight mail or courier or telecopier as follows:

If to the Employee:

Edward Rosenfeld
105 E. 15th Street, Apt. 83, New York, NY 10003
Telecopier Number: (212) 995-1148

If to the Company:

Alan Novich
Steven Madden, Ltd.
52-16 Barnett Ave., Long Island City, NY 11104

or at such other address as any party shall designate by notice to the other party given in accordance with this Paragraph 14.

15. **GOVERNING LAW**

This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of New York applicable to agreements made and to be performed entirely in New York.

16. **WAIVER OF BREACH; PARTIAL INVALIDITY**

The waiver by either party of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach. If any provision, or part thereof, of this Agreement shall be held to be invalid or unenforceable, such invalidity or unenforceability shall attach only to such provision and not in any way affect or render invalid or unenforceable any other provisions of this Agreement, and this Agreement shall be carried out as if such invalid or unenforceable provision, or part thereof, had been reformed, and any court of competent jurisdiction or arbitrators, as the case may be, are authorized to so reform such invalid or unenforceable provision, or part thereof, so that it would be valid, legal and enforceable to the fullest extent permitted by applicable law.

17. **ENTIRE AGREEMENT**

This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and there are no representations, warranties or commitments except as set forth herein. This Agreement supersedes all prior agreements, understandings, negotiations and discussions, whether written or oral, of the parties hereto relating to the subject matter hereof. This Agreement may be amended, and any provision hereof waived, only by a writing executed by the party sought to be charged.

18. **COUNTERPARTS**

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same instrument.

19. **FACSIMILE SIGNATURES**

Signatures hereon which are transmitted via facsimile shall be deemed original signatures.

20. **REPRESENTATION BY COUNSEL; INTERPRETATION**

The Employee acknowledges that he has been represented by counsel, or has been afforded the opportunity to be represented by counsel, in connection with this Agreement. Accordingly, any rule or law or any legal decision that would require the interpretation of any claimed ambiguities in this Agreement against the party that drafted it has no application and is expressly waived by the Employee. The provisions of this Agreement shall be interpreted in a reasonable manner to give effect to the intent of the parties hereto.

21. **HEADINGS**

The headings and captions under sections and paragraphs of this Agreement are for convenience of reference only and do not in any way modify, interpret or construe the intent of the parties or affect any of the provisions of this Agreement.

22. **CONSTRUCTION**

Whenever the word “including” or any variant thereof is used herein, it shall mean “including without limitation.”

{Remainder of page intentionally left blank; signature page follows.}

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year above written.

STEVEN MADDEN, LTD.

By: /s/ Arvind Dharia

Arvind Dharia, Chief Financial Officer

/s/ Edward R. Rosenfeld

Edward R. Rosenfeld
