

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

FORM 8-K

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(D) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): November 2, 2005

STEVEN MADDEN, LTD.

-----  
(Exact name of registrant as specified in its charter)

Delaware

000-23702

13-3588231

-----  
(State or other jurisdiction  
of incorporation)

-----  
(Registration Number)

-----  
(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

-----  
(Former name or former address, if changed since last report.)

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))

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On November 2, 2005, Steven Madden, Ltd. (the "Company") issued a press release announcing its financial results as of and for the quarter ended September 30, 2005. A copy of the Company's press release announcing these financial results is attached as Exhibit 99.1 hereto, and is incorporated by reference into this report.

The information included in this Current Report on Form 8-K (including Exhibits 99.1 hereto) that is furnished pursuant to this Item 2.02 shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section or Sections 11 and 12(a) (2) of the Securities Act of 1933, as amended. The information contained herein and in the accompanying exhibit shall not be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing, unless expressly incorporated by specific reference into such filing.

ITEM 8.01. OTHER EVENTS

On November 2, 2005, the Company issued a press release announcing that its Board of Directors had declared a special cash dividend of \$1.00 per share to all stockholders of record as of November 14, 2005, to be payable on November 23, 2005. A copy of that press release is furnished as Exhibit 99.2 to this report.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(c) Exhibits

- 99.1 Press Release dated November 2, 2005 regarding the Company's announcement of its financial results as of and for the quarter ended September 30, 2005.
- 99.2 Press Release dated November 2, 2005 regarding the Company's announcement of a special cash dividend.

SIGNATURE

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

STEVEN MADDEN, LTD.

By: /s/ JAMIESON A. KARSON

-----  
Name: Jamieson A. Karson  
Title: Chief Executive Officer

Date: November 2, 2005

EXHIBIT INDEX

DOC. NO.	DOCUMENT DESCRIPTION
Exhibit 99.1	Press Release dated November 2, 2005 regarding the Company's announcement of its financial results as of and for the quarter ended September 30, 2005.
Exhibit 99.2	Press Release dated November 2, 2005 regarding the Company's announcement of a special cash dividend.

Company Contact: Ed Rosenfeld  
 Vice President of Strategic Planning/Finance  
 Steven Madden, Ltd.  
 (718) 446-1800

Investor Relations: Cara O'Brien/Lauren Puffer  
 Media: Melissa Merrill  
 Financial Dynamics  
 (212) 850-5600

FOR IMMEDIATE RELEASE  
 -----

STEVEN MADDEN, LTD. ANNOUNCES THIRD QUARTER RESULTS

- EPS Increased 51.4% to \$0.39 -
- Total Sales Grew 12.9% and Same-Store Sales Increased 12.3% -

LONG ISLAND CITY, N.Y. - November 2, 2005 - Steven Madden, Ltd. (NASDAQ: SHOO), a leading designer, wholesaler and marketer of fashion footwear for women, men and children, today announced financial results for the third quarter and nine months ended September 30, 2005.

In line with recently updated expectations, third quarter net sales increased 12.9% to \$100.1 million compared with \$88.6 million reported in the same period last year. The Company's overall gross margin increased 70 basis points to 36.2% from 35.5% in the comparable quarter last year. This reflects margin improvement in nearly all wholesale divisions that was partially offset by a planned margin decline in the retail division. Operating expenses as a percent of sales also improved to 29.4% versus 30.2% in the same period of last year. Taken together, this resulted in a 53.4% increase in operating income to \$9.0 million compared with \$5.9 million in the same period last year. Net income increased 49.6% to \$5.5 million, or \$0.39 per diluted share, versus \$3.7 million, or \$0.26 per diluted share, in the prior year period.

Revenues from the wholesale division, comprised of the Company's six primary brands, Steve Madden Womens, Steve Madden Mens, Stevies, l.e.i., Steven, and Candie's, increased 9.5% to \$71.0 million for the quarter compared to \$64.9 million reported in the year-ago period. During the quarter, retail revenues increased 22.3% to \$29.1 million versus \$23.8 million in the comparable period. Same-store sales were up 12.3% for the quarter. The Company opened four new stores and closed one permanent outlet store, ending the quarter with 98 Company-owned retail locations, including the Internet store. The Company remains on track to open a total of 12 stores during fiscal 2005.

For the first nine months of 2005, net sales increased 12.1% to \$284.4 million compared to \$253.6 million in the same period last year. Net income was \$11.8 million, or \$0.85 per diluted share, versus \$11.9 million, or \$0.83 per diluted share, in the comparable period last year.

The Company separately announced today that its Board of Directors has authorized a special one-time dividend of \$1.00 per outstanding share of common stock that will be paid on November 23, 2005.

"Our recent performance highlights significant progress on initiatives to increase sales and improve margins and profitability," stated Jamieson Karson, Chairman and Chief Executive Officer. "Solid top line growth in both the wholesale and retail divisions reflects the broad-based strength in our business and our brand. These factors, coupled with our efforts to improve operating efficiencies and inventory management during the quarter, enabled us to deliver a significant increase in our bottom line versus the prior year."

Page 2 - Steven Madden, Ltd. Announces Third Quarter Results

Arvind Dharia, Chief Financial Officer, said, "We continue to be very pleased with the strong financial foundation that is in place. Our solid balance sheet boasts \$99.6 million in cash, cash equivalents, and investment securities, no short- or long-term debt, and \$180.3 million in total stockholders' equity."

With respect to the current outlook, the Company anticipates annual 2005 net sales will increase in the low double digits over 2004, based on strong year-to-date performance across many of the Company's divisions and the Company's expectations for the remainder of the year. The Company also expects to achieve continued improvements in gross margin reflecting better inventory management and lower inventory markdowns. Taking these factors into account, the Company currently anticipates that full year earnings will be between \$1.20 and \$1.22 per diluted share.

Mr. Karson commented, "As we move into the final quarter of fiscal 2005, we are confident that our business is in an optimal position to achieve even further operating improvements and overall growth. Further, as we announced in a separate press release today, our Board of Directors has approved a special

one-time dividend which highlights the strength of our operations, our solid financial foundation, and the fact that we remain keenly focused on delivering enhanced value to our shareholders."

The Company also announced that Richard Olicker, President, will be leaving the Company in conjunction with the expiration of his employment agreement on December 31, 2005.

The Company has initiated a search to fill the role of President. However, as a result of recent hires and internal promotions there is significant breadth and depth in experience at the senior management level. The current team is well positioned to absorb Mr. Olicker's responsibilities in the near term and cover all management functions of the business until a permanent replacement is named. In particular, recently appointed Chief Operating Officer Awadhesh Sinha will be responsible for operations across the Company's various divisions and for generating additional efficiencies and enhancements to the business model. Additionally, Amelia Newton, recently named Executive Vice President of Wholesale Sales, will continue to be responsible for managing the Company's wholesale customer base as well as overseeing key accounts to improve profitability.

Mr. Karson concluded, "Richard has been a valued collaborator and business partner during his five-year tenure at Steven Madden, Ltd. His knowledge and management skills have added significantly to the success of our Company and we thank him for his contribution during a variety of transitions in the business and through many industry challenges. We wish him great success in his future endeavors.

"We will now begin the search for a new President, however, we are fortunate to have a strong and experienced management team securely in place that will continue to support, strengthen, and grow the business. As our recent performance indicates, we are collectively achieving great success and will remain focused on improving the profitability of our various divisions, expanding and diversifying the business, building the Steven Madden, Ltd. brand, and positioning the Company for long-term success."

#### Conference Call Information

- - - - -

Interested shareholders are invited to listen to the third quarter earnings conference call scheduled for today, Wednesday, November 2, 2005 at 10:00 a.m. Eastern Time. The call will be broadcast live over the Internet and can be accessed by logging onto:

<http://phx.corporate-ir.net/phoenix.zhtml?p=irol-eventDetails&c=113367&eventID=1146022>

An online archive of the broadcast will be available within one hour of the conclusion of the call and will be accessible until November 16, 2005. Additionally, a replay of the call can be accessed by dialing 877-519-4471, pin number 6663118 and will be available through November 4, 2005.

Steven Madden, Ltd. designs and markets fashion-forward footwear for women, men and children. The shoes are sold through Steve Madden retail stores, department stores, apparel and footwear specialty stores, and on-line at [www.stevemadden.com](http://www.stevemadden.com). The Company has several licenses for the Steve Madden brand, including handbags, eyewear, hosiery, and belts, and owns and operates 95 retail stores under its Steve Madden brand and two retail stores under its Steven brand. The Company is also the licensee for l.e.i. Footwear, Candie's Footwear and UNIONBAY Men's Footwear.

Statements in this press release that are not statements of historical or current fact constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other unknown factors that could cause the actual results of the Company to be materially different from the historical results or from any future results expressed or implied by such forward-looking statements. In addition to statements which explicitly describe such risks and uncertainties readers are urged to consider statements labeled with the terms "believes", "belief", "expects", "intends", "anticipates" or "plans" to be uncertain and forward-looking. The forward looking statements contained herein are also subject generally to other risks and uncertainties that are described from time to time in the Company's reports and registration statements filed with the Securities and Exchange Commission.

(Tables Follow)

CONSOLIDATED STATEMENT OF OPERATIONS  
(in thousands, except per share data)  
(unaudited)

	Three Months Ended		Nine Months Ended	
	Sept 30, 2005	Sept 30, 2004	Sept 30, 2005	Sept 30, 2004
Net Sales	\$ 100,067	\$ 88,610	\$ 284,361	\$ 253,612
Cost of sales	63,836	57,160	181,302	158,178
Gross profit	36,231	31,450	103,059	95,434
Commission and licensing fee income - net	2,217	1,175	5,241	3,224
Operating expenses	29,447	26,758	88,902	79,635
Impairment of cost in excess of fair value of net assets acquired	--	--	(519)	--
Income from operations	9,001	5,867	18,879	19,023
Interest and other income, net	504	488	1,398	1,497
Income before provision for income tax	9,505	6,355	20,277	20,520
Provision for income tax	3,992	2,669	8,516	8,618
Net income	\$ 5,513	\$ 3,686	\$ 11,761	\$ 11,902
Basic income per share	\$ 0.41	\$ 0.28	\$ 0.89	\$ 0.90
Diluted income per share	\$ 0.39	\$ 0.26	\$ 0.85	\$ 0.83
Weighted average common shares outstanding - Basic	13,503	13,177	13,272	13,243
Weighted average common shares outstanding - Diluted	14,045	14,220	13,776	14,328

~ more ~



BALANCE SHEET HIGHLIGHTS

(in thousands)

	Sept 30, 2005 Consolidated ----- (Unaudited) -----	Dec 31, 2004 Consolidated -----	Sept 30, 2004 Consolidated ----- (Unaudited) -----
Cash and cash equivalents	\$ 55,708	\$ 30,853	\$ 18,128
Investment securities	43,919	49,124	50,408
Total current assets	146,558	121,094	112,445
Total assets	203,868	186,430	181,154
Total current liabilities	21,204	19,677	12,264
Total stockholder's equity	\$ 180,291	\$ 164,665	\$ 166,749

###

Company Contact: Ed Rosenfeld  
 Vice President, Strategic Planning/Finance  
 Steven Madden, Ltd.  
 (718) 446-1800

Investor Relations: Cara O'Brien/Lauren Puffer  
 Press: Melissa Merrill  
 Financial Dynamics  
 (212) 850-5600

FOR IMMEDIATE RELEASE  
 -----

STEVEN MADDEN, LTD. ANNOUNCES SPECIAL ONE-TIME CASH DIVIDEND

LONG ISLAND CITY, N.Y. - November 2, 2005 - Steven Madden, Ltd. (NASDAQ: SHOO), a leading designer, wholesaler and marketer of fashion footwear for women, men and children, today announced that its Board of Directors has authorized a special one-time cash dividend of \$1.00 per outstanding share of common stock. The dividend will be paid on November 23, 2005 to shareholders of record at the close of business on November 14, 2005.

Combined with the \$7.7 million of share repurchases so far this year, this one-time dividend will increase the amount of capital the Company has returned to shareholders in 2005 to approximately \$21.4 million. Furthermore, the Company plans to return to shareholders an additional \$15 million, at a minimum, in either share repurchases or dividends over the next 15 months. Final programs utilizing cash resources for this purpose are subject to market conditions and applicable legal requirements.

Jamieson Karson, Chairman and Chief Executive Officer of Steven Madden, Ltd., stated, "Steven Madden, Ltd. is perhaps better positioned than ever before. We are gratified by the consistently improving operating performance during fiscal 2005 and are confident about what this means for the future. Further, we continue to take comfort in the solid financial foundation that is afforded by our pristine balance sheet. We are quite pleased that the combination of these factors has enabled us to provide this additional return to our shareholders.

"Importantly, we believe that even with this special one-time dividend, Steven Madden Ltd. has and will continue to generate sufficient cash to fund the Company's general capital requirements, reinvestments in the business, and initiatives required to execute our growth strategies. We are optimistic as we continue to evolve into a true lifestyle branded Company, and look forward to continuing to drive growth and deliver significant value to our shareholders."

The Company separately announced today financial results for its third quarter of fiscal 2005.

Steven Madden, Ltd. designs and markets fashion-forward footwear for women, men and children. The shoes are sold through Steve Madden retail stores, department stores, apparel and footwear specialty stores, and on-line at [www.stevemadden.com](http://www.stevemadden.com). The Company has several licenses for the Steve Madden brand, including handbags, eyewear, hosiery, and belts, and owns and operates 95 retail stores under its Steve Madden brand and two retail stores under its Steven brand. The Company is also the licensee for l.e.i. Footwear, Candie's Footwear and UNIONBAY Men's Footwear.

Statements in this press release that are not statements of historical or current fact constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other unknown factors that could cause the actual results of the Company to be materially different from the historical results or from any future results expressed or implied by such forward-looking statements. In addition to statements which explicitly describe such risks and uncertainties readers are urged to consider statements labeled with the terms "believes", "belief", "expects", "intends", "anticipates" or "plans" to be uncertain and forward-looking. The forward looking statements contained herein are also subject generally to other risks and uncertainties that are described from time to time in the Company's reports and registration statements filed with the Securities and Exchange Commission.

###