

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 1, 2007

STEVEN MADDEN, LTD.  
(Exact name of registrant as specified in its charter)

Delaware	000-23702	13-3588231
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(State or other jurisdiction of incorporation)	(Registration Number)	(IRS Employer Identification No.)
52-16 Barnett Avenue, Long Island City, New York		11104
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(Address of principal executive offices)		(Zip Code)

Registrant's telephone number, including area code: (718) 446-1800

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(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 1, 2007, Steven Madden, Ltd. (the "Company") issued a press release announcing its financial results as of and for the quarter ended September 30, 2007. 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 Exhibit 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 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

(c) Exhibits

- 99.1 Press Release dated November 1, 2007 regarding the Company's announcement of its financial results as of and for the quarter ended September 30, 2007.



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

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Name: Jamieson A. Karson  
Title: Chief Executive Officer

Date: November 1, 2007

EXHIBIT INDEX

Exhibit Number	DESCRIPTION
Exhibit 99.1	Press Release dated November 1, 2007 regarding the Company's announcement of its financial results as of and for the quarter ended September 30, 2007.

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

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

FOR IMMEDIATE RELEASE

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STEVEN MADDEN, LTD. ANNOUNCES THIRD QUARTER 2007 RESULTS

LONG ISLAND CITY, N.Y. - November 1, 2007 - Steven Madden, Ltd. (NASDAQ: SHOO), a leading designer, wholesaler and marketer of fashion footwear and accessories for women, men and children, today announced financial results for the third quarter ended September 30, 2007.

Third quarter net sales were \$113.4 million compared to \$123.2 million in the third quarter of 2006. Gross margin was 41.3% compared to 41.4% in the third quarter of the prior year, reflecting a margin decline in the wholesale division, partially offset by a margin increase in the retail division. Operating expenses increased to \$38.4 million from \$33.0 million in last year's third quarter and were 33.8% of sales compared to 26.8% of sales in the same period of 2006. The increase was due primarily to a one-time charge of \$1.2 million related to a provision for prior-year customs duties, expenses associated with new store openings and increased salary expense related to new hires.

Operating income was \$12.8 million, or 11.3% of sales, compared to operating income of \$21.9 million, or 17.7% of sales, in the third quarter of 2006. Excluding the one-time charge for prior year customs duties, operating income was \$14.0 million, or 12.4% of sales. Net income for the quarter was \$10.9 million, or \$0.52 per diluted share, compared to \$12.6 million, or \$0.57 per diluted share, in the prior year's third quarter. In addition to the one-time charge for prior-year customs duties of \$0.03 per diluted share, net income in the third quarter of fiscal 2007 included a one-time gain of \$2.9 million, or \$0.13 per diluted share, resulting from tax savings related to prior periods. Excluding both one-time items, net income in the third quarter of 2007 was \$8.8 million, or \$0.42 per diluted share.

Revenues from the wholesale business were \$86.0 million compared to \$91.8 million in the third quarter of 2006 due to a challenging selling environment with a lack of strong direction in footwear fashion trends as well as generally softer retail trends compared to the prior year. Gross margin in the wholesale business was 36.2% compared to 37.9% in the prior year's third quarter, due primarily to higher markdown allowances relative to the year ago period.

Retail revenues were \$27.4 million compared to \$31.5 million in the third quarter of the prior year. Same store sales decreased 15.0% versus an increase of 10.5% in the third quarter of 2006. Retail gross margin increased to 57.4% compared to 51.7% in the same period of the prior year, due primarily to freight savings and fewer markdowns and close-outs.

For the first nine months of 2007, net sales were \$328.3 million compared to \$361.1 million in the same period last year. Net income totaled \$31.0 million, or \$1.43 per diluted share, for the first nine months of 2007, compared to \$36.2 million, or \$1.64 per diluted share, in the comparable period of 2006. Excluding the aforementioned one-time items recorded in the third quarter, net income in the first nine months of 2007 totaled \$28.9 million, or \$1.34 per diluted share.

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

"We generated results in the third quarter in line with our revised guidance," stated Jamieson Karson, Chairman and Chief Executive Officer. "As previously reported, we experienced challenges in both our wholesale and retail divisions due to a soft consumer spending environment and a lack of big fashion footwear trends. With that said, we are pleased with the consistently positive results from Madden Girl. Further, in our Daniel M. Friedman division we were able to sustain solid sales results while improving profitability compared to last year's third quarter. Importantly, we effectively controlled our inventory

which enabled us to maintain our overall gross margin on top of the significant increase we achieved in the same period last year."

Arvind Dharia, Chief Financial Officer, commented, "We continue to maintain a very strong financial position and effectively manage our balance sheet. We ended the quarter with \$79.2 million in cash, cash equivalents, and marketable securities, no debt and \$210.0 million in total stockholders equity."

#### Company Outlook

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As previously announced, based on trends to date this year, the Company expects net sales for 2007 to decline between 9% and 11% compared to 2006. The Company continues to expect full year earnings will be between \$1.60 and \$1.70 per diluted share, including the aforementioned one-time items recorded in the third quarter. Excluding these one-time items, the Company expects adjusted full-year earnings per diluted share to range between \$1.50 and \$1.60.

Reflecting management's confidence in the Company's long-term prospects and its longstanding commitment to return capital to shareholders, the Company purchased 1.3 million shares during the third quarter for a total of \$29.2 million.

Mr. Karson concluded, "We have taken a more conservative approach to our outlook for the year given recent business trends as well as the current macroeconomic environment. However, we are pleased that we are beginning to see positive response to our boot offerings as we experience more seasonal fall weather. In addition, our recently launched line of fashion sneakers, Steve Madden's Fix, has received positive feedback from our wholesale customers. We expect initial shipments of this line in the fourth quarter with expanded distribution early next year. One of the most unique aspects of our business is our design team and our ability to roll out new designs in the marketplace quickly, which allows us to capitalize on trends. We remain confident in the abilities of our design team, led by Steve, and the ongoing opportunities for our business. Our strong brand equity, diversified business model and solid balance sheet will continue to be key drivers of the business in our efforts to maximize shareholder value over time."

#### Conference Call Information

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Interested shareholders are invited to listen to the third quarter earnings conference call scheduled for today, November 1, 2007, at 10 a.m. Eastern Time. The call will be broadcast live over the Internet and can be accessed by logging onto <http://www.stevemadden.com>. An online archive of the broadcast will be available within one hour of the conclusion of the call and will be accessible until November 15, 2007. Additionally, a replay of the call can be accessed by dialing 877-519-4471, passcode 9393912 and will be available until November 8, 2007.

Steven Madden, Ltd. designs and markets fashion-forward footwear and accessories for women, men and children. The shoes and accessories are sold through company-owned retail stores, department stores, apparel and footwear specialty stores, and online at [www.stevemadden.com](http://www.stevemadden.com). The Company has several licenses for its brands, including dresses, outerwear, cold weather accessories, eyewear, and girls apparel and owns and operates 99 retail stores, including its online store. Through its wholly-owned subsidiary, Daniel M. Friedman & Associates, the Company is the licensee for Betsey Johnson handbags and belts, Ellen Tracy belts, and Tracy Reese handbags and belts.

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 to follow)

## STEVEN MADDEN LTD

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## CONSOLIDATED STATEMENT OF OPERATIONS

(In thousands, except per share data) - Unaudited

Consolidated:	Three Months Ended		Nine Months Ended	
	Sep 30, 2007	Sep 30, 2006	Sep 30, 2007	Sep 30, 2006
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Net Sales	\$ 113,395	\$ 123,240	\$ 328,305	\$ 361,055
Cost of Sales	66,577	72,217	193,873	209,194
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Gross Profit	46,818	51,023	134,432	151,861
Commission and Licensing Fee Income	4,335	3,850	15,450	10,437
Operating Expenses	38,352	32,999	103,922	100,654
Income from Operations	12,801	21,874	45,960	61,644
Interest and Other Income, Net	671	715	2,384	1,628
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Income Before Provision for Income Taxes	13,472	22,589	48,344	63,272
Provision for Income Tax	2,533	9,942	17,354	27,069
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Net Income	\$ 10,939	\$ 12,647	\$ 30,990	\$ 36,203
=====	=====	=====	=====	=====
Basic income per share	\$ 0.52	\$ 0.61	\$ 1.49	\$ 1.74
=====	=====	=====	=====	=====
Diluted income per share	\$ 0.52	\$ 0.57	\$ 1.43	\$ 1.64
=====	=====	=====	=====	=====
Weighted average common shares outstanding - Basic	20,863	20,880	20,832	20,850
=====	=====	=====	=====	=====
Weighted average common shares outstanding - Diluted	21,219	22,136	21,607	22,028
=====	=====	=====	=====	=====



BALANCE SHEET HIGHLIGHTS

	Sep 30, 2007 Consolidated ----- (Unaudited) -----	Dec 31, 2006 Consolidated -----	Sep 30, 2006 Consolidated ----- (Unaudited) -----
Cash and cash equivalents	\$ 24,632	\$ 19,204	\$ 43,356
Investment Securities	54,548	89,681	69,100
Total Current Assets	184,953	188,043	202,561
Total Assets	257,748	251,392	264,779
Total Current Liabilities	44,348	36,332	39,984
Total Stockholder Equity	209,975	211,924	221,260