STEVEN MADDEN, LTD.
Form PRE 14A
March 27, 2019

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A
(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934 (Amendment No. __)

Filed by the Registrant x

Filed by a Party other than the Registrant o

Check the appropriate box:

x Preliminary Proxy Statement

o Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

o Definitive Proxy Statement

o Definitive Additional Materials

o Soliciting Material Pursuant to §240.14a-12

Steven Madden, Ltd.
(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

x No fee required.

o Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:
(2) Aggregate number of securities to which transaction applies:
(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):
(4) Proposed maximum aggregate value of transaction:
(5) Total fee paid:

o Fee paid previously with preliminary materials.

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:
(2) Form, Schedule or Registration Statement No.:
(3) Filing Party:
(4) Date Filed:

PRELIMINARY COPY – SUBJECT TO COMPLETION

STEVEN MADDEN, LTD.

52-16 Barnett Avenue

Long Island City, New York 11104

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON MAY 24, 2019

TO THE STOCKHOLDERS:

The Annual Meeting of Stockholders (the "Annual Meeting") of Steven Madden, Ltd. (the "Company") will be held on Friday, May 24, 2019, at the Company's showroom located at 1370 Avenue of the Americas, 14th Floor, New York, New York at 10:00 a.m, local time, for the purposes stated below:

1. to elect nine (9) directors to the Board of Directors of the Company;
2. to approve an amendment to the Company's Certificate of Incorporation to increase the total number of authorized shares of the Company's common stock, $0.0001 par value, from 135,000,000 shares to 245,000,000 shares;
3. to approve the Steven Madden, Ltd. 2019 Incentive

Compensation Plan;

4. to ratify the appointment of EisnerAmper LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2019;
5. to approve, on a non-binding advisory basis, the compensation of certain executive officers as disclosed in the accompanying proxy statement;
6. to consider and vote upon a stockholder proposal, if properly presented at the Annual Meeting, requesting that the Company prepare a human rights risk assessment report and make it available on our website no later than December 31, 2019; and
7.

to transact such other business as may properly come before the Annual Meeting or any adjournments thereof.

Only those stockholders of record at the close of business on March 29, 2019, the record date for the Annual Meeting, are entitled to notice of and to vote at the Annual Meeting and any adjournments thereof. Stockholders of record at the close of business on March 29, 2019 will be admitted to the Annual Meeting upon presentation of valid, government-issued photo identification, such as a driver's license. Stockholders who own shares of the Company's common stock beneficially through a bank, broker or other nominee will be admitted to the Annual Meeting upon presentation of valid, government-issued photo identification and proof of ownership or a valid proxy signed by the record holder. A recent brokerage statement or a letter from a bank or broker are examples of proof of ownership. If you own shares of the Company's common stock beneficially and want to vote in person at the Annual Meeting, you should contact your broker or applicable agent in whose name the shares are registered to obtain a broker's proxy and bring it to the Annual Meeting in order to vote.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON MAY 24, 2019: THE NOTICE OF ANNUAL MEETING AND PROXY STATEMENT, ANNUAL REPORT, ELECTRONIC PROXY CARD AND ANY OTHER MATERIALS CONCERNING THE ANNUAL MEETING, TOGETHER WITH ANY AMENDMENTS TO ANY OF THESE MATERIALS, ARE AVAILABLE ON THE INTERNET AT WWW.PROXYVOTE.COM.

BY ORDER OF THE BOARD OF DIRECTORS

April [__], 2019
Long Island City, New York

Arvind Dharia
Secretary

WHETHER OR NOT YOU EXPECT TO BE PRESENT AT THE ANNUAL MEETING, PLEASE MARK, DATE AND SIGN THE ACCOMPANYING FORM OF PROXY AND MAIL IT PROMPTLY IN THE ENVELOPE PROVIDED TO: VOTE PROCESSING, C/O BROADRIDGE, 51 MERCEDES WAY, EDGEWOOD, NEW YORK 11717. ALTERNATIVELY, YOU MAY VOTE YOUR SHARES BY TELEPHONE OR THROUGH THE INTERNET AS DESCRIBED ON THE ACCOMPANYING PROXY CARD.

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PRELIMINARY COPY – SUBJECT TO COMPLETION

STEVEN MADDEN, LTD.

52-16 Barnett Avenue

Long Island City, New York 11104

PROXY STATEMENT

GENERAL INFORMATION

The Board of Directors of Steven Madden, Ltd. requests your proxy in connection with the Annual Meeting of Stockholders (the "Annual Meeting") of Steven Madden, Ltd. (the "Company", "we" or "us"). The Annual Meeting will be held at the Company's showroom located at 1370 Avenue of the Americas, 14th Floor, New York, New York on Friday, May 24, 2019 at 10:00 a.m., local time. Proxies also may be voted at any adjournments or postponements of the Annual Meeting.

On or about April [__], 2019 a notice containing instructions on how to access this Proxy Statement, the accompanying proxy card and related materials online is being mailed to holders of record of common stock, $0.0001 par value, of the Company (the "Common Stock") at the close of business on March 29, 2019 (the "Record Date"). The Company's Annual Report for the fiscal year ended December 31, 2018 (the "2018 Fiscal Year"), including audited financial statements, is included in the materials that are accessible online. This Proxy Statement contains information about the Annual Meeting as well as information regarding the voting process, director elections, our corporate governance programs and executive and director compensation, among other things. We recommend that you read all of these materials.

The Annual Meeting has been called to consider and take action on the following proposals:

- to elect nine (9) directors to the Board of Directors of the Company to serve until the next annual meeting of the Company's stockholders;
- to approve an amendment to the Company's Certificate of Incorporation to increase the total number of authorized shares of the Company's common stock, $0.0001 par value, from 135,000,000 shares to 245,000,000 shares;
- to approve the Steven Madden, Ltd. 2019 Incentive Compensation Plan;
- to ratify the appointment of EisnerAmper LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2019;
- to approve, on a non-binding advisory basis, the compensation of certain executive officers as disclosed in this Proxy Statement;
- to consider and vote upon a stockholder proposal, if properly presented at the Annual Meeting, requesting that the Company prepare a human rights risk assessment report and make it available on our website no later than December 31, 2019; and
- to transact such other business as may properly come before the Annual Meeting and any adjournments thereof.

The Board of Directors knows of no other matters to be presented for action at the Annual Meeting. However, if any other matters properly come before the Annual Meeting, the persons named in the proxy will vote on such other matters and/or for other nominees for director in accordance with their best judgment. The Company's Board of Directors recommends that the stockholders vote "FOR" each of Proposals One, Two, Three, Four and Five and "AGAINST" Proposal Six. Only holders of record of Common Stock of the Company at the close of business on the Record Date will be entitled to vote at the Annual Meeting.

The Company is incorporated in the State of Delaware. The principal executive offices of the Company are located at 52-16 Barnett Avenue, Long Island City, New York 11104 and the telephone number of the Company is (718) 446-1800.

Notice of Internet Availability of Proxy Materials

We continue to take advantage of the Securities and Exchange Commission (the "SEC") "e-proxy" rules allowing us to furnish proxy materials through the Internet for the benefit and convenience of our stockholders. By using the e-proxy rules, we can expedite the receipt by stockholders of proxy materials while lowering the costs and reducing the environmental impact associated with our Annual Meeting. On or about April [__], 2019, we will furnish a Notice of Internet Availability of Proxy Materials (the "Availability Notice") to most of our stockholders containing instructions on how to access the proxy materials and to vote online. In addition, instructions on how to request a printed copy of these materials will be found on the Availability Notice. If you received an Availability Notice by mail, you will not receive a paper copy of the proxy materials unless you request such materials by following the instructions contained in the Availability Notice.

For more information on voting your Common Stock, please refer to the following "Questions and Answers" section.

QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING AND VOTING

1. What is included in the proxy materials? What is a proxy statement and what is a proxy?
The proxy materials for our Annual Meeting include the Notice of Annual Meeting, this Proxy Statement and our Annual Report on Form 10-K for the year ended December 31, 2018. If you received a paper copy of these materials, the proxy materials also include a proxy card or voting instruction form.

A proxy is the delegation of your right to vote the Common Stock you own to another person, who is called your proxy. When you designate someone as your proxy in a written document, that document is called a proxy or a proxy card. SEC regulations require that we furnish a proxy statement to you when we ask you to sign a proxy designating individuals to vote your shares of Common Stock on your behalf. We have designated our officers Edward R. Rosenfeld and Arvind Dharia as proxies for the Annual Meeting.

2. Who may vote at the Annual Meeting?
Only stockholders of record are entitled to vote at the Annual Meeting. A stockholder of record is a stockholder of the Company as of the close of business on the Record Date. On the Record Date, there were [________] shares of our Common Stock outstanding (excluding treasury shares) held by approximately [__] registered holders of record and [__] beneficial owners.

3. What is the difference between holding shares as a stockholder of record and as a beneficial owner?
If your shares are registered directly in your name with the Company's registrar and transfer agent, American Stock Transfer & Trust Company, you are a "stockholder of record" with respect to those shares and, in such case, this Proxy Statement and the accompanying proxy materials have been provided directly to you by the Company. If your shares are held in a stock brokerage account or by a bank or nominee, your shares are held in "street name" and you are considered the "beneficial owner" of those shares and, in such case, this Proxy Statement and the accompanying proxy

materials have been provided to you by your broker, bank or other stockholder of record. As the beneficial owner, you have the right to direct your broker, bank or other stockholder of record how to vote your shares held in "street name."

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4. What is considered a quorum to conduct the Annual Meeting?
The presence, in person or by proxy, of the holders of a majority of the shares eligible to vote is necessary to constitute a quorum for the purpose of transacting business at the Annual Meeting. Under Delaware law (under which the Company is incorporated), abstentions and broker non-votes (meaning proxies from brokers, banks or nominees indicating that such persons have not received instructions on how to vote from the beneficial owner or other persons eligible to vote shares as to matters with respect to which the brokers, banks or nominees do not have discretionary power to vote) are counted as present for purposes of determining the presence or absence of a quorum for the transaction of business. If a quorum is not present, the Annual Meeting may be adjourned until a quorum is obtained.

5. What is a "broker non-vote"?
As discussed in the response to question 3, if your shares are held in "street name" by a broker, bank or other nominee, your broker, bank or other nominee is the record holder; however, the broker, bank or other nominee is required to vote the shares in accordance with your instructions. If you do not give instructions to your broker, bank or other nominee, as the case may be, the broker, bank or other nominee may, if permitted by the organizations of which it is a member, exercise discretionary voting power to vote your shares. A "broker non-vote" occurs when a broker, bank or other nominee of record holding shares for a beneficial owner has not received voting instructions from the beneficial owner and either chooses not to vote the shares on a particular proposal as to which the holder has discretionary voting power or does not vote on a particular proposal because that holder does not have discretionary voting power for that particular item. Broker non-votes are considered present in determining whether a quorum is present.

If you hold your shares in "street name," we strongly encourage you to provide instructions regarding the voting of your shares as your broker, bank or other nominee cannot vote your shares with respect to certain of the proposals being presented at the Annual Meeting without voting instructions from you.

6. How many votes do I have? What shares are included on the proxy card?
For each share of Common Stock that you own on the Record Date you are entitled to one vote on each matter presented at the Annual Meeting.

If you are a record holder, you will receive an Availability Notice or proxy card for all of the shares of Common Stock you hold in certificate form, in book-entry form and in any Company benefit plan. If you are a beneficial owner, you will receive information containing voting instructions from the broker, bank or other nominee through which you own your shares of Common Stock.

7. How many votes are required to approve each proposal and what is the effect of abstentions and broker non-votes?
Proposal One (Election of Directors): Under Delaware law, directors are elected by the affirmative vote of a plurality of the shares of Common Stock present in person or represented by proxy at the Annual Meeting and entitled to vote. This means that the director nominees who receive the greatest number of affirmative votes cast are elected as directors, subject to our Director Election (Majority Voting) Policy discussed in Proposal One below.

Proposal Two (Amendment of Certificate of Incorporation to Increase Authorized Shares): The affirmative vote of a majority of the shares of Common Stock outstanding and entitled to vote at the Annual Meeting is required to approve the proposal to amend the Company's Certificate of Incorporation to increase the total number of shares of Common Stock that the Company is authorized to issue.

Proposal Three (Adoption of 2019 Incentive Compensation Plan): The affirmative vote of a majority of the shares of Common Stock present in person or represented by proxy at the Annual Meeting and entitled to vote is required to approve the adoption of the Steven Madden, Ltd. 2019 Incentive Compensation Plan.

Proposal Four (Ratification of Appointment of EisnerAmper LLP): The affirmative vote of a majority of the shares of Common Stock present in person or represented by proxy at the Annual Meeting and entitled to vote is required to approve the ratification of the appointment of EisnerAmper LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2019.

Proposal Five (Non-Binding Advisory Vote on Executive Compensation): The affirmative vote of a majority of the shares of Common Stock present in person or represented by proxy at the Annual Meeting and entitled to vote is required to approve, on a non-binding advisory basis, the compensation of the Company's Named Executive Officers as described in this Proxy Statement.

Proposal Six (Stockholder Proposal Regarding Human Rights Risk Assessment Report): The affirmative vote of a majority of the shares of Common Stock present in person or represented by proxy at the Annual Meeting and entitled to vote is required to approve the stockholder proposal.

Other Matters: If any other matters are presented at the Annual Meeting, they must receive the affirmative vote of a majority of the shares of Common Stock present in person or represented by proxy at the Annual Meeting and entitled to vote in order to be approved.

Abstentions will have no effect on the election of directors, but will be treated as present and entitled to vote on the remaining proposals and, therefore, abstentions will have the effect of votes "AGAINST" such proposals.

If you do not provide your broker, bank or other nominee with instructions on how to vote your shares held in "street name", your broker, bank or other nominee will not be permitted to vote your shares on non-routine matters, and your shares will not affect the outcome of proposals concerning non-routine matters. Proposal Four is considered a routine matter under applicable rules. Proposals One, Two, Three, Five and Six are considered "non-routine" matters, which means that your broker or other nominee does not have discretion to vote your shares with respect to these proposals without voting instructions from you. If you hold your shares in "street name," we strongly encourage you to provide instructions regarding the voting of your shares to your broker, bank or other nominee.

8. How can I vote my shares?

Your vote is important. Your shares can be voted at the Annual Meeting only if you are present in person or represented by proxy. Even if you plan to attend the Annual Meeting, we urge you to authorize your proxy in advance. You may vote your shares by authorizing a proxy over the Internet or by telephone. In addition, if you received a paper copy of the proxy materials by mail, you can also submit a proxy by mail by following the instructions on the proxy card. Voting your shares by authorizing a proxy over the Internet, by telephone or by written proxy card will ensure your representation at the Annual Meeting regardless of whether you attend in person.

If you are the record holder of your shares, please authorize your proxy electronically by going to the http://www.proxyvote.com website or by calling the toll-free number listed below and on the proxy card. Please have your Proxy Statement or proxy card in hand when going online or calling. If you authorize your proxy via the Internet or by phone you do not need to return your proxy card. If you choose to authorize your proxy by mail, simply mark your proxy card and then date, sign and return it in the postage-paid envelope provided.

VOTE BY INTERNET	VOTE BY PHONE	VOTE BY MAIL

http://www.proxyvote.com	1-800-690-6903	Vote Processing, c/o Broadridge 51 Mercedes Way Edgewood, New York 11717
Use the Internet to transmit your voting instructions and for electronic delivery of information.	Use any touch-tone telephone to transmit your voting instructions.	If you receive paper proxy materials, mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to the address shown above.

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If you hold your shares beneficially in “street name” through a broker or nominee you may be able to authorize your proxy by telephone or the Internet as well as by mail, but you will need to obtain and follow instructions from your broker or nominee to vote these shares.

9. May I revoke my proxy for the Annual Meeting once I have given it?

You may revoke your proxy at any time before it is voted at the Annual Meeting by:

- properly executing and delivering a later dated proxy (including a telephone or Internet proxy authorization);
- voting by ballot at the Annual Meeting; or
- sending a written notice of revocation to the Secretary of the Company at Steven Madden, Ltd., 52-16 Barnett Avenue, Long Island City, New York 11104.

10. How does the Board of Directors recommend that I vote my shares?

The Board of Directors of the Company recommends that you vote:

- “FOR” the election of each of the nine (9) director nominees;
- “FOR” the approval of an amendment to the Company’s Certificate of Incorporation that increases the total number of shares of Common Stock authorized for issuance;
- “FOR” the adoption of the Steven Madden, Ltd. 2019 Incentive Compensation Plan;
- “FOR” the ratification of the appointment of EisnerAmper LLP as the Company’s independent registered public accounting firm for the fiscal year ending December 31, 2019;
- “FOR” the approval, on a non-binding advisory basis, of the executive compensation of the Company’s Named Executive Officers, as disclosed in this Proxy Statement; and
- “AGAINST” the stockholder proposal regarding a human rights risk assessment report.

ALL PROXIES RECEIVED WILL BE VOTED IN ACCORDANCE WITH THE CHOICES SPECIFIED ON SUCH PROXIES. PROXIES WILL BE VOTED IN FAVOR OF PROPOSALS ONE, TWO, THREE, FOUR AND FIVE IF NO CONTRARY SPECIFICATION IS MADE. PROXIES WILL BE VOTED AGAINST PROPOSAL SIX IF NO CONTRARY SPECIFICATION IS MADE. ALL VALID PROXIES OBTAINED WILL BE VOTED AT THE DISCRETION OF THE PERSONS NAMED IN THE PROXY WITH RESPECT TO ANY OTHER BUSINESS THAT MAY PROPERLY COME BEFORE THE ANNUAL MEETING OR ANY ADJOURNMENTS OR POSTPONEMENTS THEREOF. AS NOTED ABOVE, IF YOU HOLD YOUR SHARES BENEFICIALLY THROUGH A BROKER, BANK OR OTHER NOMINEE AND FAIL TO PROVIDE SPECIFIC VOTING INSTRUCTIONS TO THAT BROKER, BANK OR OTHER NOMINEE, YOUR SHARES WILL NOT BE VOTED IN THE ELECTION OF DIRECTORS, THE APPROVAL OF THE AMENDMENT TO THE COMPANY’S CERTIFICATE OF INCORPORATION, THE APPROVAL OF THE ADOPTION OF THE 2019 INCENTIVE COMPENSATION PLAN, THE ADVISORY VOTE ON EXECUTIVE COMPENSATION OR THE APPROVAL OF THE STOCKHOLDER PROPOSAL REGARDING A HUMAN RIGHTS RISK ASSESSMENT REPORT.

11. Who will bear the expenses of this solicitation and how are proxies being solicited?

The Company will pay the costs of soliciting proxies, including preparing, printing and mailing this Proxy Statement, any exhibits hereto and the proxies solicited hereby. In addition to the use of the mails, proxies may be solicited on the Company’s behalf by officers, directors and employees of the Company, without additional remuneration, by personal interviews, telephone or electronic transmission. The Company will also request brokerage firms, nominees, custodians and fiduciaries to forward proxy materials to the beneficial owners of shares of Common Stock held of record by them and will provide reimbursements for the cost of forwarding the material in accordance with customary charges. The Company has entered into an agreement with D.F. King & Co., Inc. to assist in the solicitation of proxies and provide related advice and informational support. The total expense of this engagement, which will be borne by the Company, including customary disbursements, is not expected to exceed $20,000 in the aggregate.

12. How will the voting results be reported?
The preliminary results of the voting on the proposals will be reported at the Annual Meeting. The final certified results will be reported in a Current Report on Form 8-K that will be filed with the SEC within four business days following the Annual Meeting.

13. How do I submit a proposal for action at the Company's 2020 Annual Meeting of Stockholders?
In accordance with rules promulgated by the SEC, any stockholder who wishes to submit a proposal for inclusion in the proxy materials to be distributed by the Company in connection with the 2020 Annual Meeting of Stockholders of the Company (the "2020 Annual Meeting") must do so no later than December [1,]2019. In addition, in accordance with Article I, Section 7(f) of the Company's Amended and Restated By-Laws (the "By-Laws"), in order to be properly brought before the 2020 Annual Meeting, a matter must be either (i) specified in the notice of such meeting given by or at the direction of the Board of Directors (or any duly authorized committee thereof), (ii) otherwise properly brought before such meeting by or at the direction of the Board of Directors (or any duly authorized committee thereof) or (iii) specified in a notice in proper written form given by a stockholder of record on the date of the giving of the notice and on the record date for such meeting, which notice conforms to the requirements of Article I, Section 7(f) of the By-Laws and is delivered to, or mailed and received at, the Company's principal executive offices not less than 120 days nor more than 150 days prior to the first anniversary of the date of the Company's 2019 Annual Meeting. Accordingly, any written notice given by or on behalf of a stockholder pursuant to the foregoing clause (iii) in connection with the 2020 Annual Meeting must be received no later than January 25, 2020 and no earlier than December 26, 2019. In addition, for business to be properly brought before the 2020 Annual Meeting by a stockholder pursuant to the foregoing clause (iii), such stockholder shall have complied with any other applicable requirements, including, but not limited to, the requirements of Rule 14a-8 promulgated by the SEC.

PROPOSAL ONE:

ELECTION OF DIRECTORS

The Company's By-Laws provide that the Board of Directors of the Company shall be comprised of a minimum of one director and that, subject to this limitation, the number of directors may be fixed from time to time by action of the directors. The Board of Directors has fixed the number of directors comprising the Board of Directors at nine members. Directors serve a one-year term and the term of each of the directors will expire at the Annual Meeting.

Stockholder Nominations for Board Membership

The Nominating/Corporate Governance Committee of the Board of Directors recommends to the Board director candidates for nomination and election at each annual meeting of stockholders or for appointment to fill vacancies on the Board. The Nominating/Corporate Governance Committee will review and evaluate the qualifications of proposed director candidates recommended to it from various sources, including candidates proposed by stockholders of the Company in accordance with the procedures established for that purpose. In accordance with Article II, Section 5 of the By-Laws, director nominations for the 2020 Annual Meeting can only be made by a stockholder of the Company who (i) is a stockholder of record on the date of the giving of the notice of such director nominations and on the record date for the determination of stockholders entitled to vote at the 2020 Annual Meeting and (ii) complies with the notice requirements and procedures set forth in Article II, Section 5 of the By-Laws. A stockholder's notice to the Secretary of the Company with respect to any such nominations must be timely and in proper written form pursuant to Article II, Section 5 of the Company's By-Laws, including containing certain information concerning the nominating or proposing stockholder and certain information concerning the nominee, and the notice must be delivered to, or mailed and received at, the Company's principal executive offices not less than 120 days nor more than 150 days prior to the first anniversary of the date of the Company's 2019 Annual Meeting. Accordingly, any written notice given by or on behalf of a stockholder pursuant to Article II, Section 5 of the Company's By-Laws in connection with the 2020 Annual Meeting must be received no later than January 25, 2020 and no earlier than December 26, 2019. A copy of the Company's By-Laws may be obtained by any stockholder, without charge, upon written request to the Secretary of the Company at the address set forth above.

[1] TBD: Insert date no less than 120 calendar days prior to the date of release of proxy statement for 2019 meeting.

Nominees for Election to the Board of Directors

Upon recommendation of the Nominating/Corporate Governance Committee of the Board of Directors, the Board of Directors has nominated and is recommending to the stockholders the election of each of the nine nominees named below to serve as a director of the Company until the next annual meeting of the Company's stockholders and until his or her successor is duly elected and qualified or until his or her earlier death, resignation or removal from office. All of the nominees were elected directors at last year's Annual Meeting of Stockholders. All nominees have agreed to be named in this Proxy Statement and to serve on the Board of Directors if elected.

The names and biographical summaries of the nine persons who have been recommended by the Nominating/ Corporate Governance Committee of the Board of Directors and nominated by the Board of Directors to stand for election at the Annual Meeting are provided below for your information.

Our Board of Directors is responsible for overseeing our business in a manner consistent with the Board's fiduciary duty to our stockholders. This significant responsibility requires that our directors consist of individuals who are well-qualified for service on our Board and its committees and demonstrate a commitment to the success of the Company and to service in the best interests of our stockholders.

The following matrix identifies the relevant skills, experience and qualifications of the director nominees. The skills and experience identified below are reviewed by the Nominating/Corporate Governance Committee, in addition to other qualifications, and nominees are selected with a view to establishing a Board of Directors that is comprised of individuals who have extensive business leadership experience, are independent, bring diverse perspectives to the Board, possess high ethical standards and sound business judgment and acumen and a willingness to devote the time necessary for the Board to effectively fulfill its responsibilities. We believe that all of the director nominees possess these qualifications and provide the Board with a full complement of knowledge, business skills and expertise for the effective management of our Company.

In addition to these general qualifications, provided below for each nominee for director is a discussion of the experience, qualifications, attributes and skills that led to the Board's conclusion that the nominee should serve as a director.

Name	**Principal Occupation**	**Age**	**Year Became a Director**
Edward R. Rosenfeld	Chairman of the Board and Chief Executive Officer, Steven Madden, Ltd.	43	2008
Mitchell S. Klipper	Retired Chief Executive Officer of Barnes & Noble, Inc.'s Retail Group, the nation's largest retail bookseller	61	2018
Rose Peabody Lynch	Owner of Marketing Strategies, LLC, New York based consulting firm of which she is founder and President, which focuses on strategic marketing and operating issues for small to medium-sized companies	69	2014
Peter Migliorini	Sales Manager, Greschlers, Inc., a building supplies company	70	1996

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Name	Principal Occupation	Age	Year Became a Director
Richard P. Randall	Retired Executive Vice President and Chief Financial Officer, Direct Holdings Worldwide, LLC, the parent company of Lillian Vernon Corp., a catalog and online retailer of gifts and household goods, and Time-Life, a music and video marketing company	81	2006
Ravi Sachdev	Partner, Clayton Dubilier & Rice, LLC	42	2008
Thomas H. Schwartz	Owner, Sumner and Forge Investors LLC, a real estate investment and property management company	71	2004
Robert Smith	Founder and Chief Executive Officer of Phluid Project, a retail store and community space, completely gender neutral, with a flagship Manhattan location and a website to offer products and programs worldwide	53	2014
Amelia Newton Varela	President, Steven Madden, Ltd.	47	2016

Additional Information About the Director Nominees

Other Public Company Directorships

Four of our directors also currently serve as directors of other public companies:

- Mr. Rosenfeld is a director and member of the Audit Committee of PVH Corp., one of the world's largest apparel companies.
- Mr. Randall serves as a director and member of the Audit, Corporate Governance and Nominating and Strategic Planning and Risk Assessment Committees of P&F Industries Inc., a manufacturer and importer of tools sold principally to the industrial, retail and automotive markets.
- Mr. Sachdev is a director and member of the Strategy and Compensation Committees of Covetrus, Inc., a global animal-health technology and services company.
- Ms. Lynch serves as a director and member of both the Pension and Nominating Committees of General American Investors, Inc., a closed-end fund that manages a global portfolio of investments consisting mainly of U.S. and foreign securities.

Other Employment Information

Each of our directors has been engaged in the principal occupation indicated in the foregoing table for more than the past five years, with the exceptions of Mr. Smith and Mr. Sachdev. Prior to founding Phluid Project in 2018, for which he currently serves as Chief Executive Officer, from 2013 to 2017, Mr. Smith was the Chief Merchandising Officer for Haddad Brands, a global children's apparel and accessories licensing partner for iconic brands such as Levi's, Hurley, Nike, Jordan and Converse. Prior thereto, from 2010 to 2012, Mr. Smith served as Executive Vice President, Merchandising for Limited Brands, at Victoria's Secret Direct, the largest direct-to-consumer women's apparel retailer in the United States. Mr. Sachdev has been a partner of Clayton Dubilier & Rice, LLC since 2015. Previously, from November 2010, he served as a Managing Director and Co-Head of Healthcare Services at J.P. Morgan.

Specific Qualifications, Attributes, Skills and Experience of Director Nominees

Edward R. Rosenfeld has served as Chairman of the Board and Chief Executive Officer since August 2008 and has been a director of the Company since February 2008. Mr. Rosenfeld, who joined our executive management team in May 2005, has more than two decades of experience focused on the retail, apparel and footwear industries and possesses particular knowledge of and experience in the industry that strengthens the Board's collective qualifications, skills and experience. His background in finance and his analytical skills gained through his years as a Vice President with Peter J. Solomon Company, an investment banking boutique, where he specialized in mergers and acquisitions in the retail, apparel and footwear industries, provide the Board with insight and guidance with respect to, among other things, strategic business development matters. Mr. Rosenfeld has strong leadership skills and an in-depth understanding of the Company and its goals from his positions as the Chairman of the Board and Chief Executive Officer. Mr. Rosenfeld serves as a director and member of the Audit & Risk Management Committee of PVH Corp., one of the world's largest apparel companies.

Mitchell S. Klipper has served as a director of the Company since April 2018 and as a member of the Audit Committee since June 2018. Mr. Klipper served as the Chief Executive Officer of the Retail Group of Barnes & Noble, Inc., the nation's largest retail bookseller, from March 2010 to May 2015. Mr. Klipper began his career at Barnes & Noble as Chief Financial Officer of B&N College in June 1986. He subsequently held a number of executive positions at Barnes & Noble, Inc., including Executive Vice President, President of Barnes & Noble Development and Chief Operating Officer. Prior to joining Barnes & Noble, Inc., Mr. Klipper was an Audit Manager with KMG Main Hurdman, a certified public accounting firm and predecessor to KPMG. He has also served on the advisory board of Modell's Sporting Goods for the past 14 years. Mr. Klipper's decades of relevant experience in retail management, general business and accounting will enhance the leadership and oversight capabilities of the Board.

Rose Peabody Lynch has served as a director of the Company since April 2014 and as a member of the Audit Committee and the Compensation Committee since June 2014. She possesses over 30 years of business experience, including tenures as the President and in other senior executive officer positions of major companies in the beauty and fashion industries, and has extensive executive level financial and operating experience. Her experience serving as a director and as a senior executive for a range of companies, including Victoria's Secret, Trowbridge Gallery (a supplier of fine art to the interior design trade) and Danskin, Inc., a leading manufacturer of women's dance and active wear, enhances the Board's leadership and oversight capabilities. Ms. Lynch has served on a number of boards, including The Harmony Group-LeRoi Princeton (a manufacturer of children's apparel), Salant Corporation (Perry Ellis Menswear) and Frederick's of Hollywood (a retailer of women's apparel and lingerie). Currently, Ms. Lynch serves on the board of General American Investors, Inc., and on both its Pension and Nominating Committees. She was a member of the Audit and Nominating and Governance Committees during her tenure at Salant and chaired the Compensation Committee during her tenure on the board of Frederick's of Hollywood. In addition, Ms. Lynch has held leadership positions with a variety of not-for-profit organizations. She currently serves on the Board of Directors of the Princeton University Varsity Club and is President of her Princeton University class. She also serves on the Board of Trustees of Concord Academy in Concord, Massachusetts. Ms. Lynch is a member of the Women and Foreign Policy Advisory Council at the Council on Foreign Relations.

Peter Migliorini has served as a director of the Company since October 1996 and has served on the Nominating/Corporate Governance Committee, as its Chair, since July 2004 and the Compensation Committee, as its Chair, since July 2004. Mr. Migliorini formerly served on the Company's Audit Committee, from October 1996 until June 2018. Mr. Migliorini is the Presiding Director over all executive sessions of the independent directors.
Mr. Migliorini possesses extensive executive level financial, sales and operations experience. Prior to serving as sales manager for Greschlers, Inc., from 1987 to 1994, Mr. Migliorini served as Director of Operations for Mackroyce Group, a construction company. Earlier, Mr. Migliorini held various positions of increasing responsibility from

Assistant Buyer to Chief Planner/Coordinator for several shoe companies, including Meldisco Shoes, Perry Shoes and Fasco Shoes. His numerous years of business experience at various levels and in various industries provide the Board with a measure of practical orientation regarding the Company's operations and growth endeavors. Mr. Migliorini's early experience in the shoe industry also provides relevant knowledge and expertise in the Company's specific industry.

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Richard P. Randall has served as a director of the Company since April 2006 and has served on the Company's Audit Committee, as its Chair, since 2006, and on the Nominating/Corporate Governance Committee since September 2008. Mr. Randall has decades of business experience, including tenures as Chief Financial Officer and Chief Operating Officer of both publicly traded and privately held companies in the retail industry, including Direct Holdings Worldwide, LLC, the parent company of Lillian Vernon Corp. and Time-Life, a music and video marketing company, and, prior thereto, Coach, Inc., a luxury leather goods company. Mr. Randall possesses extensive knowledge of accounting and finance, the retail industry and the issues impacting a publicly traded company. Mr. Randall has extensive executive level experience establishing his capabilities in management of complex organizations and is a certified public accountant. His expertise in finance qualifies him to serve as the Audit Committee "audit committee financial expert" and his service on the boards and board committees of other companies has allowed him to gain broad-based experience and sensitivity regarding best practices, which he shares with the Board. Mr. Randall also provides a perspective on proper governance for public companies. He currently serves as a member of the board of directors and Audit Committee, Corporate Governance and Nominating Committee and Strategic Planning and Risk Assessment Committee of P&F Industries, Inc., a manufacturer and importer of tools sold principally to the industrial, retail and automotive markets and, until December 31, 2014, served as a member of the board of directors and chair of the Audit and Risk Committee of Aceto Corporation, a generic pharmaceutical, nutraceutical and chemical distribution company. Mr. Randall is a former director and member of the Executive, Finance, Audit and Research Committees of The Burke Rehabilitation Hospital ("Burke"). He served as a Member Emeritus of Burke's Executive Committee and retains a board seat on The Burke Foundation's board. Mr. Randall served as a director and chair of the Audit Committee of Universal Travel Group, a travel services provider in the People's Republic of China, and of Home Systems Group, a manufacturer and distributor of household appliances in the People's Republic of China, from 2007 until 2008 when he resigned from these boards.

Ravi Sachdev has been a director of the Company since September 2008 and has served on the Company's Audit Committee since September 2008. As a Partner of the private equity firm Clayton Dubilier & Rice, LLC since June 2015, Mr. Sachdev focuses on the healthcare sector. Earlier, Mr. Sachdev was a Managing Director and Co-Head of Healthcare Services at J.P. Morgan from November 2010 and prior to that held the positions of Managing Director at Deutsche Bank Securities, Inc. from January 2009 until November 2010 and Director at Deutsche Bank from January 2007 until January 2009. Prior to joining Deutsche Bank in 2006 as a Vice President, Mr. Sachdev served as a Vice President at Peter J. Solomon Company, an investment banking boutique, specializing in mergers and acquisitions in the healthcare sector, from 1998 to 2006. Mr. Sachdev possesses knowledge of finance and the financial analytics used to measure business performance. His 20 years of professional experience in investment banking and private equity brings to the Board a thorough understanding of the financial issues affecting public companies and greater insights in business valuation together with a practical orientation with respect to acquisitions and integrations. Mr. Sachdev also serves on the Board of Directors and the Strategy Committee and Compensation Committee of Covetrus, Inc., a global animal-health technology and services company, Agilon Health, a technology-enabled services platform for the physicians market, and naviHealth, Inc., a technology-enabled services provider in the value-based care sector.

Thomas H. Schwartz has served as a director of the Company since May 2004 and has served on the Company's Compensation Committee since July 2004. With more than twenty years of experience as a Managing Director of Helmsley-Spear, Inc. and twelve years as the owner of his own real estate investment firm, Mr. Schwartz brings to the Board extensive executive level experience in handling operations issues and practical expertise in management.

Robert Smith has served as a director of the Company since April 2014 and as a member of the Compensation Committee and the Nominating/Corporate Governance Committee since June 2014. Mr. Smith is the Chief Executive Officer of Phluid Project, a part retail concept, part experiential platform, completely gender neutral, which he founded in 2018. Phluid Project's flagship retail store is located in Manhattan and its website reaches young consumers worldwide. Prior to Phluid Project and his former positions with Haddad Brands and Victoria's Secret Direct, Mr. Smith held various senior merchandising positions at Macy's Inc. between 1998 and 2010, beginning with Vice

President, Merchandise Manager, Macy's West and culminating with Executive Vice President, Merchandising for Juniors, Kids, Intimate Apparel, Dresses, Suits, Coats and Swimwear. Earlier, Mr. Smith was a Merchandiser for XOXO Apparel Company and held various positions with Burdine's Department Stores. Mr. Smith possesses nearly 30 years of business experience in the fashion industry and has extensive executive level expertise in merchandising. His experience in this area further enhances the Board's depth of understanding of the industry.

Amelia Newton Varela has been President of the Company since September 2015 and has served as a director of the Company since 2016. Prior to this tenure, Ms. Varela was Executive Vice President of Wholesale of the Company since April 2008 and Executive Vice President of Wholesale Footwear of the Company from November 2004 to April 2008. Previously, she was Vice President of Sales for Steve Madden Women's Wholesale Division from January 2000. Ms. Varela began her career with the Company in 1998 in the role of Account Executive for Steve Madden Women's Wholesale Division. She graduated from The Fashion Institute of Technology in 1995.

Required Vote

Proxies will be voted for the election of the nine nominees as directors of the Company unless otherwise specified in the proxy. A plurality of the votes cast by the holders of shares of Common Stock present in person or represented by proxy and entitled to vote at the Annual Meeting will be necessary to elect the nominees as directors. This means that the director nominees who receive the greatest number of affirmative votes cast are elected as directors subject to our Director Election (Majority Voting) Policy, which is described below. If, for any reason, any nominee is unable or unwilling to serve, the proxies will be voted for a substitute nominee who will be designated by the Board of Directors at the Annual Meeting. Stockholders may abstain from voting by marking the appropriate boxes on the accompanying proxy. Abstentions will be counted separately and used for purposes of calculating whether a quorum is present at the Annual Meeting, but will have no effect on the outcome of the vote.

Director Election (Majority Voting) Policy

It is the policy of the Company that any nominee for director who receives a greater number of “WITHHOLD” votes than “FOR” votes for his or her election must promptly submit a letter offering his or her resignation to the Nominating/Corporate Governance Committee following the certification of the stockholder vote. In such event, the Nominating/Corporate Governance Committee would then consider the offer of resignation and make a recommendation to the Board of Directors as to whether or not the resignation should be accepted. This policy does not apply in contested elections. For more information about this policy, see “Corporate Governance – Director Election (Majority Voting) Policy” below.

Recommendation of the Board of Directors

The Nominating/Corporate Governance Committee of the Board and the entire Board of Directors unanimously recommend a vote “FOR” the election of Ms. Rose Peabody Lynch, Ms. Amelia Newton Varela and Messrs. Edward R. Rosenfeld, Mitchell S. Klipper, Peter Migliorini, Richard P. Randall, Ravi Sachdev, Thomas H. Schwartz and Robert Smith.

CORPORATE GOVERNANCE

The Board of Directors

Our business is managed under the direction and oversight of the Board of Directors who are elected by the Company's stockholders. Directors meet their responsibilities by participating in meetings of the Board of Directors and the various committees of the Board on which they sit, as well as through communicating with our Chairman and Chief Executive Officer, other officers and employees of the Company and by consulting with our independent registered public accounting firm and other third parties. The size of the Board is fixed at nine members, seven of whom are independent and two of whom are non-independent directors.

Director Independence

The Board of Directors has determined that the following director nominees are "independent" for purposes of the criteria of the SEC and The Nasdaq Global Select Market listing standards: Ms. Lynch and Messrs. Klipper, Migliorini, Randall, Sachdev, Schwartz and Smith. If the nine nominees set forth above are elected, the Board will be comprised of a majority of independent directors. The Board of Directors has held regularly scheduled executive sessions for the independent directors, with Mr. Migliorini serving as Presiding Director of such executive sessions.

Director Attendance at Meetings

Attendance at Annual Meetings of Stockholders

The Company has no specific policy regarding director attendance at its annual meetings of stockholders. The Company encourages all of its directors to attend annual meetings of the Company's stockholders and three directors attended the Company's 2018 annual meeting of stockholders.

Attendance at Meetings of the Board of Directors

The Board of Directors held four regularly scheduled meetings during the 2018 Fiscal Year and acted by unanimous written consent on three occasions during the 2018 Fiscal Year. In the 2018 Fiscal Year, each director attended at least 75% of the aggregate number of Board meetings, and each director attended at least 75% of the aggregate number of meetings held by all committees on which he or she then served.

Director Election (Majority Voting) Policy

The Company has adopted a Director Election (Majority Voting) Policy. Pursuant to this policy, in an uncontested election of directors (that is, an election where the number of nominees is equal to the number of seats open) any nominee for director who receives a greater number of "WITHHOLD" votes than "FOR" votes for his or her election must promptly submit an offer of resignation to the Nominating/Corporate Governance Committee following the certification of the stockholder vote for consideration in accordance with the following procedures.

In such event, upon receipt of the resignation, the Nominating/Corporate Governance Committee would promptly consider the appropriateness of the director's continued service on the Board of Directors and recommend to the Qualified Independent Directors (as defined below) the action to be taken with respect to the resignation, which could include (1) accepting the resignation; (2) rejecting the resignation; (3) retaining the director but addressing what the Qualified Independent Directors believe to be the underlying cause of the "WITHHOLD" votes; or (4) determining that the director will not be renominated by the Board of Directors in future elections. The Nominating/Corporate Governance Committee would consider factors such as (a) the reasons expressed by the stockholders for withholding votes from such director; (b) any possibilities for curing the underlying cause of the “WITHHOLD” votes; (c) the tenure and qualifications of the director and his or her past and expected future contributions to the Company; (d) the overall composition of the Board of Directors, including, without limitation, whether accepting the resignation would cause the Company to fail to meet any applicable SEC or Nasdaq requirement; (e) the availability of other qualified candidates; and (f) the Company’s Board of Director Candidate Guidelines.

The Qualified Independent Directors would then act on the Nominating/Corporate Governance Committee's recommendation no later than 90 days following the date of the stockholders' meeting at which the director election occurred. In considering the Nominating/Corporate Governance Committee's recommendation, the Qualified Independent Directors would review the factors considered by the Nominating/Corporate Governance Committee and such additional information and factors that they believe to be relevant. Following the Qualified Independent Directors' decision, the Company would promptly disclose the decision in a Current Report on Form 8-K. The Form 8-K would include a full explanation of the process by which the decision of the Qualified Independent Directors was reached and, if applicable, the reasons why the offer of resignation was rejected.

In the event that an offer of resignation were to be accepted, the Nominating/Corporate Governance Committee would recommend to the Board of Directors whether to fill the vacancy or reduce the size of the Board of Directors accordingly. Any director required to submit his or her resignation pursuant to this policy would not participate in the Nominating/Corporate Governance Committee's recommendation or the Qualified Independent Directors' consideration of the resignation but, prior to voting on the director's resignation offer, the Qualified Independent Directors would provide to the director an opportunity to submit any information or statement that he believes relevant to the Qualified Independent Directors' consideration of the resignation.

For purposes of this policy, "Qualified Independent Directors" means all directors who (1) are "independent" for purposes of The Nasdaq Global Select Market listing standards and (2) are not required to offer their resignation in accordance with this policy. If there are fewer than three independent directors then serving on the Board of Directors who are not required to submit their resignations in accordance with this policy, then the Qualified Independent Directors shall consist of all of the independent directors and each independent director who is required to offer his or her resignation in accordance with this policy shall recuse himself or herself from the deliberations and voting only with respect to his or her individual offer to resign.

Committees of the Board

Among other committees, the Board of Directors has a standing Audit Committee, Compensation Committee and Nominating/Corporate Governance Committee. Each committee has a written charter. The table below provides current membership for each Board committee and the number of meetings held by each Board committee in the 2018 Fiscal Year.

Committees of the Board of Directors

Director	**Audit**	**Compensation**	**Nominating/ Corporate Governance**
Edward R. Rosenfeld			
Mitchell S. Klipper	Member		
Rose Peabody Lynch	Member	Member	
Peter Migliorini		Chair	Chair
Richard P. Randall	Chair		Member
Ravi Sachdev	Member		
Thomas H. Schwartz		Member	
Robert Smith		Member	Member
Amelia Newton Varela			
Number of Meetings in 2018 Fiscal Year	4	3*	1*

* In the 2018 Fiscal Year, each of the Compensation Committee and the Nominating/Corporate Governance Committee acted by unanimous written consent on one occasion.

Audit Committee

The Audit Committee is comprised of directors who are "independent" for purposes of The Nasdaq Global Select Market listing standards and who meet the independence requirements contained in Securities Exchange Act of 1934, as amended (the "Exchange Act") Rule 10A-3(b)(1). The Board has determined that each of Messrs. Randall and Sachdev meets the SEC criteria of an "audit committee financial expert" as defined in Item 407 of Regulation S-K under the Exchange Act. The Audit Committee is primarily responsible for reviewing the services performed by the Company's independent registered public accountants, evaluating the Company's accounting policies and its system of internal controls, and reviewing significant financial transactions.

The Audit Committee is responsible for reviewing and striving to ensure the integrity of the Company's financial statements and oversight of our compliance with legal and regulatory requirements and our internal audit function. Among other matters, the Audit Committee, with management and independent and internal auditors, reviews the adequacy of the Company's internal accounting controls that could significantly affect the Company's financial statements. The Audit Committee is also directly and solely responsible for the appointment, retention, compensation, oversight and termination of the Company's independent registered public accountants. In addition, the Audit Committee functions as the Company's Qualified Legal Compliance Committee (the "QLCC"). The purpose of the QLCC is to receive, retain and investigate reports made directly, or otherwise made known, of evidence of material violations of any United States federal or state law, including any breach of fiduciary duty by the Company, its officers, directors, employees or agents, and if the QLCC believes appropriate, to recommend courses of action to the Company.

Management has primary responsibility for the Company's financial statements and the overall reporting process, including the Company's system of internal controls. The Company's independent registered public accountants audit the annual financial statements prepared by management, express an opinion as to whether those financial statements present fairly the financial position, results of operations and cash flows of the Company in conformity with accounting principles generally accepted in the United States and discuss with the Audit Committee any issues they believe should be raised with the Audit Committee.

The Audit Committee is also responsible for the oversight of the Company's risk management process, which is discussed in the "Risk Oversight" section below.

In performing its functions, the Audit Committee meets with management on at least a quarterly basis to review and discuss the annual audited financial statements, quarterly financial statements and related reports and to consider the adequacy of the Company's internal controls and the objectivity of its financial reporting. The Audit Committee discusses these matters with the Company's independent registered public accountants and with appropriate Company financial personnel. Meetings are held with the independent registered public accountants, who have unrestricted access to the Audit Committee. In addition, the Audit Committee reviews the Company's financing plans and reports and makes recommendations to the full Board of Directors for approval and to authorize action. The Board has adopted a written charter setting out the functions the Audit Committee is to perform. A copy of the Audit Committee Charter is available on the Company's website at www.stevemadden.com.

Nominating/Corporate Governance Committee

The Nominating/Corporate Governance Committee is comprised of directors who are "independent" for purposes of The Nasdaq Global Select Market listing standards.

The Nominating/Corporate Governance Committee provides oversight with respect to a wide range of issues relating to the composition and operation of the Board, including consideration of and recommendations regarding the size and composition of the Board of Directors and identification of potential candidates to serve as directors. The

Nominating/Corporate Governance Committee identifies candidates to the Board of Directors by introductions from management, members of the Board of Directors, employees of the Company or other sources, including stockholders that satisfy the Company's policy regarding stockholder recommended candidates. The Nominating/Corporate Governance Committee does not evaluate director candidates recommended by stockholders differently than director candidates recommended by other sources.

Stockholders wishing to submit recommendations for director nominations for the 2020 Annual Meeting should write to the Secretary, Steven Madden, Ltd., 52-16 Barnett Avenue, Long Island City, New York 11104. Any such stockholder must (i) comply with the director nomination provisions of the Company's By-Laws, (ii) meet and evidence the minimum eligibility requirements specified in Exchange Act Rule 14a-8, and (iii) submit, within the same timeframe for submitting a stockholder proposal required by Rule 14a-8: (1) evidence in accordance with Rule 14a-8 of compliance with the stockholder eligibility requirements, (2) the written consent of the candidate(s) for nomination as a director, (3) a resume or other written statement of the qualifications of the candidate(s) for nomination as a director and (4) all information regarding the candidate(s) and the submitting stockholder that would be required to be disclosed in a proxy statement filed with the SEC if the candidate(s) were nominated for election to the Board of Directors.

In considering candidates for the Board of Directors, the Nominating/Corporate Governance Committee considers the Company's Board of Director Candidate Guidelines and Director Election (Majority Voting) Policy, available on the Company's website at www.stevemadden.com, the Company's policy regarding stockholder recommended director candidates, as set forth above, and all other factors that are deemed appropriate including, but not limited to, the individual's character, education, experience, knowledge and skills. While the Nominating/Corporate Governance Committee's Board of Directors Candidate Guidelines does not expressly identify diversity as a factor for consideration regarding the evaluation of director candidates, diversity is among the many factors the Nominating/Corporate Governance Committee considers in the candidate evaluation process. To assess the effectiveness of the mandate set forth in the Nominating/Corporate Governance Committee's charter, the Nominating/Corporate Governance Committee reviews annually with the Board the composition of the Board as a whole and recommends, if necessary, measures to be taken so that the Board reflects the appropriate balance of knowledge, experience, skills, expertise and diversity required for the Board as a whole.

In addition, the Nominating/Corporate Governance Committee develops and recommends corporate governance principles for the Company; makes recommendations to the Board of Directors in support of such principles; takes a leadership role in the shaping of the corporate governance of the Company; and oversees the evaluation of the Board of Directors and management. The Nominating/Corporate Governance Committee operates under a formal charter that governs the Committee's composition, powers and responsibilities. A copy of the Nominating/Corporate Governance Committee Charter is available on the Company's website at www.stevemadden.com.

Compensation Committee

The Compensation Committee is comprised of directors who are "independent" for purposes of The Nasdaq Global Select Market listing standards and applicable tax and securities rules.

The Compensation Committee is responsible for establishing and overseeing the Company's compensation and incentive plans and programs; determining and approving compensation for the Company's executive officers, including salaries, bonuses, perquisites and equity awards; reviewing and approving compensation and awards for the Company's executive officers under the Company's compensation and incentive plans and programs; administering the Company's equity compensation plans; reviewing and approving a compensation program for independent members of the Board; and assisting the Board in discharging the Board's responsibilities relating to management organization, performance, compensation and succession. The Compensation Committee operates under a formal charter adopted by the Board of Directors that governs its composition, powers and responsibilities. A copy of the Compensation Committee Charter is available on the Company's website at www.stevemadden.com.

Board Leadership Structure, Risk Oversight, Executive Sessions of Non-Employee Directors, and Communications Between Stockholders and the Board

Board Leadership Structure

As noted above, our Board is currently comprised of seven independent and two non-independent directors.

Mr. Rosenfeld has served as Chairman of the Board and Chief Executive Officer since August 2008, and has been a member of the Board since February 2008. The Board has designated one of the independent directors as Presiding Director to preside over executive sessions. We believe that the number of independent, experienced directors that comprise our Board, along with the independent oversight of our Presiding Director, benefits the Company and its stockholders.

We recognize that different board leadership structures may be appropriate for companies in different situations and believe that no one structure is suitable for all companies. We believe our current Board leadership structure is optimal for the Company because it demonstrates to our employees, suppliers, customers, and other stakeholders that the Company is under strong leadership, with a single person setting the tone and having primary responsibility for managing our operations and leading the Board in setting long-term strategy. Having a single leader for both the Company and the Board eliminates confusion and duplication of efforts, and provides clear leadership for the Company. We believe the Company, like many U.S. companies, has been well-served by this leadership structure.

Because the positions of Chairman of the Board and Chief Executive Officer are held by the same person, the Board believes it is appropriate for the independent directors to elect one independent director to serve as a Presiding Director. In addition to presiding at executive sessions of the independent directors, the Presiding Director has various responsibilities including coordinating with the Chairman of the Board and Chief Executive Officer in establishing agenda and discussion items for Board meetings; retaining independent advisors on behalf of the Board as the Board may determine to be necessary or appropriate and performing such other functions as the independent directors may designate from time to time. Mr. Migliorini is currently serving as the Presiding Director.

Our Board conducts an annual evaluation in order to determine whether it and its committees are functioning effectively. As part of this annual self-evaluation, the Board evaluates whether the current leadership structure continues to be optimal for the Company and its stockholders.

Risk Oversight

Our Board is responsible for overseeing the Company’s risk management process. The Board focuses on the Company’s general risk management strategy, the most significant risks facing the Company, and ensures that appropriate risk mitigation strategies are implemented by management. The Board is also apprised of particular risk management matters in connection with its general oversight and approval of corporate matters.

The Board has delegated to the Audit Committee oversight of the Company’s risk management process. Among its duties, the Audit Committee reviews with management (a) the Company’s policies with respect to risk assessment and management of risks that may be material to the Company, (b) the Company’s system of disclosure controls and system of internal controls over financial reporting, and (c) the Company’s compliance with legal and regulatory requirements. The Audit Committee is also responsible for reviewing major legislative and regulatory developments that could materially impact the Company’s contingent liabilities and risks. Our other Board committees also consider and address risks as they perform their respective committee responsibilities. All committees report to the full Board as appropriate, including when a matter rises to the level of a material or enterprise level risk.

The Company's management is responsible for day-to-day risk management. Our risk management and internal audit areas serve as the primary monitoring and testing function for company-wide policies and procedures, and manage the day-to-day oversight of the risk management strategy for the ongoing business of the Company. This oversight includes identifying, evaluating, and addressing potential risks that may exist at the enterprise, strategic, financial, operational, and compliance and reporting levels.

We believe the division of risk management responsibilities described above is an effective approach for addressing the risks facing the Company and that our Board leadership structure supports this approach.

Executive Sessions of Independent Directors

The Board holds executive sessions of its independent directors generally at each regularly scheduled meeting. The Presiding Director serves as the chairperson for these executive sessions.

Communications between Stockholders and the Board

The Company has adopted a procedure by which stockholders may send communications to one or more members of the Board of Directors by writing to such director(s) or to the entire Board of Directors in care of the Secretary, Steven Madden, Ltd., 52-16 Barnett Avenue, Long Island City, New York 11104. The Board has instructed the Secretary of the Company to review all communications so received and to exercise his discretion not to forward to the Board correspondence that is inappropriate, such as business solicitations, frivolous communications and advertising, routine business matters (i.e. business inquiries, complaints, or suggestions) and personal grievances. However, any director may at any time request that the Secretary forward to such director any and all communications received by the Secretary but not forwarded to the directors.

Codes of Business Conduct and Ethics

The Company has adopted a Code of Ethics for the Chief Executive Officer and Senior Financial Officers, which is applicable to our Chief Executive Officer, Chief Financial Officer, controller, principal accounting officer, head of internal audit and other employees of the Company who are designated from time to time as "senior financial officers" of the Company. In addition, the individuals who serve on our Board of Directors are subject to a Code of Business Conduct and Ethics for the Board of Directors and all of the Company's employees are held accountable for adherence to a Code of Conduct. Each of the Code of Ethics for the Chief Executive Officer and senior financial officers and the Code of Business Conduct and Ethics for the Board of Directors is included as an exhibit to our Annual Report on Form 10-K for the fiscal year ended December 31, 2014. The Code of Conduct applicable to all of our employees is an exhibit to the Company's Annual Report on Form 10-K for the 2018 Fiscal Year. The Code of Ethics for the Chief Executive Officer and senior financial officers, the Code of Business Conduct and Ethics for the Board of Directors and the Code of Conduct applicable to all of our employees (collectively, the "Conduct Code") are available on the Company's website at www.stevemadden.com and, in addition, may be obtained by any stockholder without charge upon request by writing to the Secretary, Steven Madden, Ltd., 52-16 Barnett Avenue, Long Island City, New York 11104. The Conduct Code is intended to establish standards necessary to deter wrongdoing and to promote compliance with applicable governmental laws, rules and regulations and honest and ethical conduct. The Conduct Code covers all areas of professional conduct, including conflicts of interest, fair dealing, financial reporting and disclosure, protection of Company assets and confidentiality. Employees have an obligation to promptly report any known or suspected violation of the Conduct Code without fear of retaliation. Waiver of any provision of the Conduct Code for executive officers and directors may only be granted by the Board of Directors or the Nominating/Corporate Governance Committee and any such waiver or modification of the Conduct Code relating to such individuals will be disclosed by the Company.

Corporate Governance Guidelines

The Board of Directors has adopted Corporate Governance Guidelines as a set of guiding principles by which the Company is governed. Various matters of corporate governance are addressed in the Corporate Governance Guidelines, such as board size and composition, director qualifications and responsibilities, director compensation, limitations on service on other boards, board committees, director orientation and education, director access to management, management development and succession planning and annual performance evaluations for the Board. The Corporate Governance Guidelines include a policy for the clawback of executive incentive compensation paid to senior executive officers in the event of an accounting restatement by the Company due to intentional misconduct of a senior executive officer. In addition, in circumstances in which the Board of Directors believes it is appropriate, the clawback policy allows for the reimbursement, forfeiture or cancellation of incentive compensation paid or awarded to a senior executive officer of the Company who has engaged in willful misconduct in the performance of his or her duties that results in material financial harm or significant reputational harm to the Company.

The Nominating/Corporate Governance Committee reviews the Corporate Governance Guidelines annually to determine whether to recommend changes to the Corporate Governance Guidelines to reflect new laws, rules and regulations and developing governance practices. A copy of the Corporate Governance Guidelines may be obtained by any stockholder without charge upon request by writing to the Secretary, Steven Madden, Ltd., 52-16 Barnett Avenue, Long Island City, New York 11104.

Stock Ownership Guidelines

The Board of Directors has adopted Stock Ownership Guidelines, which require a level of ownership of shares of our Common Stock by our directors and executive officers in order to align their interests with those of our stockholders. The Stock Ownership Guidelines require our Chief Executive Officer to own shares of our Common Stock equal in value to five times his annual base salary. Other executive officers of the Company are required to own shares of our Common Stock equal in value to two times their annual base salary. The Stock Ownership Guidelines further require that non-employee directors of the Company must own shares of our Common Stock equal in value to two times the cash portion of the directors' annual retainer or the equivalent if a retainer is not received in certain circumstances. Individuals subject to the Stock Ownership Guidelines must attain the required level of share ownership by the fifth anniversary of the later of the Stock Ownership Guidelines' adoption date and the date that the individual became an executive officer or director and must retain an amount equal to 25% of the net shares of our Common Stock received as a result of the exercise, vesting or payment of any equity award made by the Company until the share ownership requirement is satisfied.

Prohibition on Hedging and Pledging of Our Common Stock

Our directors and executive officers and certain other persons designated from time to time by the Company's Chief Financial Officer are prohibited from entering into hedging transactions and from pledging our Common Stock pursuant to a formal policy concerning such activities adopted by the Board of Directors.

Corporate Social Responsibility Policy

The Company is committed to operating its business in a socially responsible manner. We strive to incorporate this commitment into every aspect of our business, including the design of our products, the quality, safety and sourcing of our products, the safety and fair treatment of our employees, animal welfare and compliance with laws, including the Foreign Corrupt Practices Act and the SEC's Conflict Minerals rule. These guiding principles are set forth in our Corporate Social Responsibility Policy and we expect all of our employees to be familiar with and to adhere to them. We strive to do business with vendors and suppliers that share our views and commitments to quality products and ethical business principles. We will only engage vendors and suppliers that demonstrate a commitment to meeting our standards.

Certain Relationships and Related Party Transactions

Steven Madden Employment Agreement. The Company believes that Steven Madden, the Company's founder and Creative and Design Chief, provides unique and significant value in guiding the leadership of the Company's creative process, both in his hands on work for the Company and his collaboration with the Company's designers, product professionals and marketing executives. In addition, the public's association of Mr. Madden's name and likeness with our branded products is significant, meaningful, and integral to the Company's success and has been, and continues to be, instrumental in creating long-term stockholder value. Based upon that belief, the Company further believes that his continuing involvement with the Company is essential and to this end has for many years had an employment agreement with Mr. Madden as described below.

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Mr. Madden's agreement in its current form dates back to July 1, 2005, as subsequently amended on various occasions most recently on March 25, 2019 (the "SM Employment Agreement"). Under the SM Employment Agreement, Mr. Madden has agreed to continue to serve as the Company's Creative and Design Chief for a term continuing through December 31, 2026, for a base salary of $7,026,042 per annum together with the potential for cash bonuses at the sole discretion of the Company's Board of Directors and an annual life insurance premium reimbursement of up to $200,000. Pursuant to the SM Agreement, on February 8, 2012, Mr. Madden was granted 2,194,584 restricted shares of Common Stock (the number of shares indicated having been adjusted for an October 11, 2018 three-for-two stock split effected as a stock dividend), valued at approximately $40 million, under the Company's Amended and Restated 2006 Stock Incentive Plan, which is referred to herein as the "2006 Plan," vesting in equal annual installments over seven years commencing on December 31, 2017 through December 31, 2023, subject to Mr. Madden's continued employment with the Company on each such vesting date. On June 30, 2012, as allowed under the SM Agreement, Mr. Madden elected to receive an additional restricted stock award valued at approximately $40 million in consideration of a reduction in his annual base salary in years subsequent to 2012 to the amount reflected above. As a consequence, on July 3, 2012, Mr. Madden received 2,840,013 restricted shares of Common Stock vesting in six annual installments commencing on December 31, 2018 through December 31, 2023, again, subject to his continued employment with the Company on each such vesting date.

Under the SM Agreement, Mr. Madden is also eligible to receive annually, on or about the date of the Company's annual meeting of stockholders (but not later than June 30th), an option (the "Annual Option") to purchase shares of Common Stock equal to the greater of (a) 100% of the largest aggregate number of shares of Common Stock available upon the exercise of an option or options granted to any other continuing full-time employee of the Company during the preceding twelve-month period and (b) 225,000 shares of Common Stock; provided, however, that a grant to Mr. Madden in excess of 150% of the number of shares of Common Stock subject to options granted to such other continuing full-time employee would require stockholder approval. Any Annual Option so granted vests quarterly over a one-year period and is exercisable at a price equal to the closing price of the Company's Common Stock on the grant date for a period of five years. In addition, pursuant to the SM Agreement, on March 1, 2017, Mr. Madden received a one-time stock option grant to purchase 1,125,000 shares of the Company's Common Stock at an exercise price of $24.90 as a result of the Company having achieved for the fiscal year ended December 31, 2016 earnings per share performance criteria set forth in the SM Agreement; such option vests in equal annual installments over a five-year period which commenced on the first anniversary of the grant date.

Under the SM Agreement, in the event of Mr. Madden's death, his estate would receive a payment equal to his base salary for the 12-month period immediately subsequent to the date of his death. Further, in the event that Mr. Madden's employment is terminated due to his total disability (as defined in the agreement), "for cause" (as defined in the agreement) or due to Mr. Madden's resignation, the Company is obligated to pay Mr. Madden the amount of compensation that is accrued and unpaid through the date of termination. In the event that Mr. Madden's employment is terminated for any reason (other than "for cause" or due to his death, total disability or resignation), the Company is obligated to pay Mr. Madden, in installments, the balance of his base salary through the end of the term of the SM Agreement. If, during the period commencing 120 days prior to a "change of control" transaction (as defined in the agreement) and ending on the first anniversary of a change of control transaction, Mr. Madden's employment is terminated other than for cause or by his resignation for "good reason" (as defined in the agreement), or if Mr. Madden resigns for good reason or without good reason within 30 days following a change of control transaction, all unvested options held by Mr. Madden will be accelerated and vest on the date of termination or resignation and Mr. Madden will be entitled to receive a lump sum cash payment equal to the amount of compensation that is accrued and unpaid through the date of termination plus $35 million. The SM Agreement contains other customary provisions, including provisions regarding expense reimbursement, confidentiality, solicitation and competition.

For the 2018 Fiscal Year, Mr. Madden earned $7,026,042 in base salary and received $200,000 for the payment of an annual life insurance premium. Mr. Madden also received as his Annual Option for the 2018 Fiscal Year an option to purchase 225,000 shares of Common Stock at a price per share of $35.95.

The most recent amendment entered into on March 25, 2019, effected the extension of the term of the SM Agreement for three years through December 31, 2026. In consideration of this extension, the Company has granted to Mr. Madden 200,000 shares of Common Stock under the 2006 Plan, which shares are subject to certain restrictions including, without limitation, that the Employee will not sell, transfer, pledge, hypothecate, assign or otherwise dispose of the restricted shares except as set forth under the 2006 Plan or Mr. Madden’s award agreement. Vesting of the shares occurs in annual installments over three years commencing on December 31, 2024 on which date 66,666 shares will vest and continuing to vest thereafter on each of December 31, 2025 and December 31, 2026 when 66,667 shares will vest; provided, in each case, that Mr. Madden continues to be employed by the Company on each such date through December 31, 2026.

Loan to Steven Madden. On June 25, 2007, the Company made a loan to Mr. Madden in the amount of $3,000,000, in order for Mr. Madden to satisfy a personal tax obligation resulting from the exercise of a stock option which was due to expire and hold the underlying shares of Common Stock. The loan is evidenced by a secured promissory note executed by Mr. Madden in favor of the Company, the security for which is a security interest in a certain securities brokerage account maintained by Mr. Madden with his broker; none of the securities in the securities brokerage account are shares of the Company's Common Stock. There have been successive amendments to the secured promissory note, the most recent of which occurred in April 2016, at which time the secured promissory note was amended to substitute the collateral securing the secured promissory note from shares of the Company's Common Stock to the security interest in Mr. Madden's securities brokerage account noted above. Previously, on January 3, 2012, the secured promissory note was amended and restated to extend the maturity date of the obligation to December 31, 2023 and eliminate the accrual of interest after December 31, 2011. Prior to the January 3, 2012 amendment, the secured promissory note had been accruing interest at the rate of 6% per annum. In addition, the secured promissory note provides that, commencing on December 31, 2014 and annually on each December 31 thereafter through the maturity date, one-tenth of the principal amount thereof, together with accrued interest, will be cancelled by the Company provided that Mr. Madden continues to be employed by the Company on each such December 31. Contemporaneously, on each such December 31, the Company will release its security interest in a portion of the securities held in Mr. Madden's securities brokerage account generally correlating to the amount of indebtedness cancelled on such date. As of December 31, 2011, interest in the amount of $1,090,000 had accrued on the principal amount of the secured promissory note and, as noted above, interest was eliminated after December 31, 2011. On December 31, 2018, the required one-tenth of the principal amount of the secured promissory note, together with accrued interest, was written-off by the Company.

Review, Approval or Ratification of Transactions with Related Persons

The Company's written Conduct Code and Employee Handbook prohibit all conflicts of interest. Under the Conduct Code, conflicts of interest occur when private or family interests interfere in any way, or even appear to interfere, with the interests of the Company. The Company's prohibition on conflicts of interest under the Conduct Code includes any related person transaction.

Related person transactions must be approved by the Board, or by a committee of the Board consisting solely of independent directors, who will approve the transaction only if they determine that it is in the best interests of the Company. In considering the transaction, the Board or committee will consider all relevant factors, including, as applicable, (i) the Company's business rationale for entering into the transaction; (ii) the alternatives to entering into a related person transaction; (iii) whether the transaction is on terms comparable to those available to third parties or, in the case of employment relationships, to employees generally; (iv) the potential for the transaction to lead to an actual or apparent conflict of interest and any safeguards imposed to prevent such actual or apparent conflicts; and (v) the overall fairness of the transaction to the Company.

The Company has multiple processes for reporting conflicts of interests, including related person transactions. Under the Conduct Code, all employees are required to report any actual or apparent conflict of interest, or potential conflict of interest, to management. The Chief Financial Officer distributes a questionnaire to the Company's executive officers and management personnel on a quarterly basis and distributes a questionnaire to the members of the Board of Directors on an annual basis requesting certain information regarding, among other things, their immediate family members, employment and beneficial ownership interests, which information is then reviewed for any conflicts of interest under the Conduct Code.

The Board of Directors, the Audit Committee and the Disclosure Committee, which is comprised of management personnel, discuss the related party transactions, specifically, and in connection with the regular review processes attendant to the Company's periodic filings, including related party transaction disclosures.

If a director is a party to or in some manner involved in a transaction involving the Company, he or she will be recused from all discussions and decisions about the transaction. The transaction must be approved in advance whenever practicable, and if not practicable, must be ratified as promptly as practicable.

COMPENSATION OF DIRECTORS IN THE 2018 FISCAL YEAR

The Compensation Committee is responsible for establishing and overseeing all matters pertaining to compensation paid to directors for service on the Board and its committees.

The following table sets forth information concerning the compensation of the Company's non-employee directors in the 2018 Fiscal Year. Following the table is a discussion of material factors related to the information disclosed in the table.

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)(1)	All Other Compensation ($)	Total ($)
Mitchell S. Klipper	63,750 (2)	121,017 (3)	—	184,767
Peter Migliorini	105,000	121,017 (4)	—	226,017
Richard P. Randall	120,000	121,017 (5)	—	241,017
Ravi Sachdev	85,000	121,017 (6)	—	206,017
Thomas H. Schwartz	85,000	121,017 (7)	—	206,017
Rose Peabody Lynch	95,000	121,017 (8)	—	216,017
Robert Smith	95,000	121,017 (9)	—	216,017

(1) Reflects the grant date fair value of stock awards calculated in accordance with the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 718. Assumptions used in the calculation of these amounts are included in Note I to the Company's audited financial statements for the fiscal year ended December 31, 2018 included in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 28, 2019.

(2) Mr. Klipper joined the Board of Directors on April 2, 2018 and, therefore, did not receive first quarter director fees.

(3) At December 31, 2018, the aggregate number of shares of restricted Common Stock held by Mr. Klipper was 3,393, all of which was issued in the 2018 Fiscal Year, and Mr. Klipper had no options outstanding.

(4) At December 31, 2018, the aggregate number of shares of restricted Common Stock held by Mr. Migliorini was 3,393, all of which was issued in the 2018 Fiscal Year, and Mr. Migliorini had no options outstanding.

(5) At December 31, 2018, the aggregate number of shares of restricted Common Stock held by Mr. Randall was 3,393, all of which was issued in the 2018 Fiscal Year, and Mr. Randall had no options outstanding.

(6) At December 31, 2018, the aggregate number of shares of restricted Common Stock held by Mr. Sachdev was 3,393, all of which was issued in the 2018 Fiscal Year, and Mr. Sachdev had no options outstanding.

(7) At December 31, 2018, the aggregate number of shares of restricted Common Stock held by Mr. Schwartz was 3,393, all of which was issued in the 2018 Fiscal Year, and Mr. Schwartz had no options outstanding.

(8) At December 31, 2018, the aggregate number of shares of restricted Common Stock held by Ms. Lynch was 3,393, all of which was issued in the 2018 Fiscal Year, and Ms. Lynch had no options outstanding.

(9) At December 31, 2018, the aggregate number of shares of restricted Common Stock held by Mr. Smith was 3,393, all of which was issued in the 2018 Fiscal Year, and Mr. Smith had no options outstanding.

Directors who are also employees of the Company are not paid any fees or other remuneration for service on the Board of Directors or any of its committees. In the 2018 Fiscal Year, each non-employee director received the following compensation: (i) a grant of 3,393 shares of restricted Common Stock, vesting on the first anniversary of the grant date, May 25, 2019 and (ii) $75,000.

In the 2018 Fiscal Year, members of the Audit Committee, Nominating/Corporate Governance Committee and Compensation Committee each received an additional $10,000 for serving on such committees, except that (a) the Chairman of the Audit Committee received $35,000 for serving in this role and (b) the Chairman of the Compensation Committee received $15,000, instead of $10,000. The Company reimburses its directors for any out-of-pocket expenses incurred by them in connection with services provided in such capacity.

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STOCK OWNERSHIP

Security Ownership of Certain Beneficial Owners

The following table sets forth information as of the Record Date (unless otherwise indicated) with respect to the beneficial ownership of the Common Stock of the Company by each person known by the Company to be the beneficial owner of more than 5% of the outstanding shares of the Common Stock of the Company. A person is deemed to be a beneficial owner of any securities which that person has the right to acquire within 60 days.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership (1)	Percentage of Class	
BlackRock Inc. 55 East 52nd Street New York, NY 10055	11,790,955	13.5	% (2)
The Vanguard Group 100 Vanguard Boulevard Malvern, Pennsylvania 19355	8,025,146	9.17	% (3)
Steven Madden c/o Steven Madden, Ltd. 52-16 Barnett Avenue Long Island City, NY 11104	6,375,327	[__]	% (4)

(1) Beneficial ownership as reported in the table below has been determined in accordance with Item 403 of Regulation S-K and Rule 13d-3 of the Exchange Act and based upon [________] shares of Common Stock outstanding (excluding treasury shares) as of the Record Date.

(2) Based solely on a Statement on Schedule 13G filed with the SEC on January 31, 2019 by BlackRock, Inc. ("BlackRock"), BlackRock has sole voting power with respect to 11,596,816 of such shares and sole dispositive power with respect to all such shares.

(3) Based solely on a Statement on Schedule 13G filed with the SEC on February 11, 2019 by The Vanguard Group ("Vanguard"), Vanguard has sole voting power with respect to 177,906 of such shares, shared voting power with respect to 10,900 of such shares, sole dispositive power with respect to 7,843,814 of such shares and shared dispositive power with respect to 181,332 of such shares.

(4) Mr. Madden's beneficial ownership includes: (i) 50,000 shares of Common Stock held by BOCAP Corp, a corporation wholly-owned by Mr. Madden; (ii) 4,134,238 shares of restricted Common Stock granted under the 2006 Plan (which restricted stock includes (A) 1,567,560 shares which will vest in equal annual installments over five years commencing on December 31, 2019 through December 31, 2023, (B) 2,366,678 shares which will vest in equal annual installments over five years commencing on December 31, 2019 through December 31, 2023 and (C) 200,000 shares which will vest in substantially equal annual installments over three years commencing on December 31, 2024, in each case subject to forfeiture pursuant to the terms of the 2006 Plan and of Mr. Madden's employment agreement, as amended); (iii) 1,068,750 shares of Common Stock that may be acquired through the exercise of options that are

exercisable as of, or will become exercisable within 60 days of, the Record Date; and (iv) 1,122,339 shares of Common Stock held by Mr. Madden directly.

Security Ownership of Directors and Executive Officers

The following table sets forth information as of the Record Date (unless otherwise indicated) with respect to the beneficial ownership of Common Stock held by (a) each current director and nominee; (b) the Chief Executive Officer, the Chief Financial Officer and the three most highly compensated executive officers of the Company other than the Chief Executive Officer and the Chief Financial Officer (the "Named Executive Officers"); and (c) all current directors and executive officers as a group. A person is deemed to be a beneficial owner of any securities which that person has the right to acquire within 60 days. Each director and executive officer has sole voting power and sole dispositive power with respect to all shares beneficially owned by him or her.

Name of Beneficial Owner (1)	Amount and Nature of Beneficial Ownership (2)	Percentage of Class	
Edward R. Rosenfeld	935,666	*	%(3)
Amelia Newton Varela	231,276	*	%(4)
Arvind Dharia	109,607	*	%(5)
Awadhesh Sinha	86,767	*	%(6)
Karla Frieders	123,207	*	%(7)
Mitchell S. Klipper	3,393	*	%(8)
Rose Peabody Lynch	10,654	*	%(9)
Peter Migliorini	10,239	*	%(10)
Richard P. Randall	34,105	*	%(11)
Ravi Sachdev	57,973	*	%(12)
Thomas H. Schwartz	24,402	*	%(13)
Robert Smith	20,347	*	%(14)
All Directors and Executive Officers as a Group (13 persons)	1,679,476		[%](15)

*Indicates beneficial ownership of less than 1%.

(1) The address for each of the individuals named above is c/o Steven Madden, Ltd., 52-16 Barnett Avenue, Long Island City, New York 11104.

(2) Beneficial ownership as reported in the table above has been determined in accordance with Item 403 of Regulation S-K and Rule 13d-3 of the Exchange Act and based upon [______] shares of Common Stock outstanding (excluding treasury shares) as of the Record Date.

(3) Mr. Rosenfeld's beneficial ownership includes: (i) 496,587 shares of restricted Common Stock; and (ii) 439,079 shares of Common Stock held by Mr. Rosenfeld.

(4) Ms. Varela's beneficial ownership includes: (i) 75,000 shares of Common Stock that may be acquired through the exercise of options that are exercisable as of, or will become exercisable within 60 days of, the Record Date; (ii) 24,838 shares of restricted Common Stock; and (iii) 131,438 shares of Common Stock held by Ms. Varela.

(5) Mr. Dharia's beneficial ownership includes: (i) 18,163 shares of restricted Common Stock; and (ii) 91,444 shares of Common Stock held by Mr. Dharia.

(6) Mr. Sinha's beneficial ownership includes: (i) 16,910 shares of restricted Common Stock; and (ii) 69,857 shares of Common Stock held by Mr. Sinha.

(7)

Ms. Frieders' beneficial ownership consists of (i) 62,130 shares of restricted Common Stock; and (ii) 61,077 shares of Common Stock held by Ms. Frieders.

(8) Mr. Klipper's beneficial ownership consists of 3,393 shares of restricted Common Stock.

(9) Ms. Lynch's beneficial ownership consists of (i) 3,393 shares of restricted Common Stock; and (ii) 7,261 shares of Common Stock held by Ms. Lynch.

(10) Mr. Migliorini's beneficial ownership includes: (i) 3,393 shares of restricted Common Stock; and (ii) 6,846 shares of Common Stock held by Mr. Migliorini.

(11) Mr. Randall's beneficial ownership includes: (i) 3,393 shares of restricted Common Stock; and (ii) 30,712 shares of Common Stock held by Mr. Randall.

(12) Mr. Sachdev's beneficial ownership includes: (i) 3,393 shares of restricted Common Stock; and (ii) 54,580 shares of Common Stock held by Mr. Sachdev.

(13) Mr. Schwartz's beneficial ownership includes: (i) 3,393 shares of restricted Common Stock; and (ii) 21,009 shares of Common Stock held by Mr. Schwartz.

(14) Mr. Smith's beneficial ownership includes: (i) 3,393 shares of restricted Common Stock; and (ii) 16,954 shares of Common Stock held by Mr. Smith.

(15) Includes, in the aggregate, 75,000 shares of Common Stock that may be acquired through the exercise of options that are exercisable as of, or will become exercisable within 60 days of, the Record Date; (ii) 670,501 shares of restricted Common Stock; and (iii) 933,975 shares of Common Stock held by such beneficial owners.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires that the Company's directors and officers, and persons who beneficially own more than 10% of a registered class of the Company's equity securities, file with the SEC reports of initial ownership of Common Stock and subsequent changes in that ownership and furnish the Company with copies of all forms they file with the SEC pursuant to Section 16(a) of the Exchange Act.

Based solely on our review of the copies of such forms received by us, or written representations received from certain Section 16(a) reporting persons, the Company believes that, during the fiscal year ended December 31, 2018, all Section 16(a) filing requirements applicable to its officers, directors and greater than 10% beneficial owners were complied with during, or in respect of, the 2018 Fiscal Year.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Executive Summary

This Compensation Discussion and Analysis describes the overall principals and objectives and specific features of our executive compensation program, primarily focused on the executive compensation program's application to our Chief Executive Officer and the other executive officers of the Company included in the Summary Compensation Table, whom we refer to collectively in this Proxy Statement as the "Named Executive Officers."

Over the last ten years our stock price has increased at an annual rate of 21.8% after adjusting for stock splits. Our 2018 year-end stock price decreased 2.8% from our 2017 year-end stock price after adjusting for a three-for-two stock split of our Common Stock that occurred on October 11, 2018. However, after including the effect of dividends, total stockholder return declined just 0.8%. This resulted in a one-year total stockholder return at the 35th percentile as compared with our peer group for 2019.

In February 2018, the Board of Directors of the Company approved the initiation of a quarterly cash dividend on the Company's outstanding shares of Common Stock as part of its cash deployment strategy to drive shareholder value or enhance shareholder returns. A quarterly cash dividend of $0.13 per share was paid to stockholders on each of March 29, 2018, June 29, 2018 and September 28, 2018 and a quarterly cash dividend of $0.14 per share was paid to stockholders on December 31, 2018.

On September 11, 2018, the Company's Board of Directors declared a three-for-two stock split of the Company's outstanding shares of Common Stock, effected in the form of a stock dividend on the Company's outstanding Common Stock. Stockholders of record at the close of business on October 1, 2018 received one additional share for every two shares of Common Stock owned on that date. The additional shares were distributed to the Company's stockholders on October 11, 2018. All share data provided herein gives effect to this stock split, applied retroactively.

During 2018, the Company delivered solid financial results, driven by the strong performance of the Company's Steve Madden and Blondo businesses in both domestic and international markets as well as strong growth in Steve Madden and private label handbags. Net sales for the 2018 Fiscal Year increased by 7.0% to $1.65 billion from $1.55 billion in the year ended December 31, 2017. Net income was $129.1 million, or $1.50 per diluted share, for the 2018 Fiscal Year as compared to net income of $117.9 million, or $1.36 per diluted share, for the year ended December 31, 2017. On an adjusted basis, net income was $157.7 million, or $1.83 per diluted share, for the 2018 Fiscal Year as compared to net income of $129.3 million, or $1.49 per diluted share, for the year ended December 31, 2017.[2]

Reflecting the Company's financial and stock price performance in 2018, overall Named Executive Officer bonus awards, which are paid in the form of both cash and time-vested restricted stock grants, decreased 3.9% from the previous year. As our general practice is to award bonuses and grant equity based on Named Executive Officer performance for the preceding year, we are able to maintain relative alignment between pay and performance.

[2] A reconciliation of adjusted results is included in Annex A to this Proxy Statement.

Compensation Objectives and Strategy

The Company's executive officer compensation program is designed to attract and retain the caliber of officers needed to ensure the Company's continued growth and profitability and to reward them for their performance, for the Company's performance and for creating longer-term value for our stockholders. The primary objectives of the program are to:

- align rewards with performance that creates stockholder value;
- support the Company's strong team orientation;
- encourage high-potential team players to build a career at the Company; and
- provide rewards that are cost-efficient, competitive with other similarly-positioned organizations and fair to employees and stockholders.

The Company's executive compensation programs are approved and administered by the Compensation Committee of the Board of Directors. Working with management and outside advisors, the Compensation Committee has developed a compensation and benefits strategy that rewards performance and reinforces a culture that the Compensation Committee believes will drive long-term success.

The compensation program rewards team accomplishments while promoting individual accountability. The executive officer compensation program depends in significant measure on Company results, but business unit results and individual accomplishments are also very important factors in determining each executive's compensation. The Company has a robust planning and goal-setting process that is fully integrated into the compensation system, enhancing a strong relationship among individual efforts, Company results and financial rewards.

A major portion of total compensation is placed at risk through annual and long-term incentives. As noted below, discretionary bonuses were paid to the Named Executive Officers. The combination of incentives is designed to balance annual operating objectives and Company earnings performance with longer-term stockholder value creation.

To implement its primary objectives, the Company seeks to provide competitive compensation that is commensurate with performance. The Company targets compensation at the median of the market and calibrates both annual and long-term incentive opportunities to generate less-than-median awards when goals are not fully achieved and greater-than-median awards when goals are exceeded.

The Company believes that there is great value to the Company in having a team of long-tenured, seasoned managers and seeks to promote a long-term commitment from its senior executives. The Company's team-focused culture and management processes are designed to foster this commitment. In addition, restricted Common Stock awards granted to Named Executive Officers in the 2018 Fiscal Year reinforce this long-term orientation with annual vesting over four to five-year periods.

Role of the Compensation Committee

General. The Compensation Committee provides overall guidance for the Company's executive compensation policies and determines the amounts and elements of compensation for the Company's executive officers and outside directors. The Compensation Committee currently consists of four members of the Company's Board of Directors, Ms. Lynch and Messrs. Migliorini, Schwartz and Smith, each of whom is an independent director under Rule 5605 of The Nasdaq Global Select Market listing standards and a "non-employee director" as defined under the SEC's rules.

When considering decisions concerning the compensation of executives, other than the Chief Executive Officer, the Compensation Committee asks for the recommendations of the Chief Executive Officer, including his detailed evaluation of each executive's performance. No executive has a role in recommending compensation for outside directors. With respect to the application of the Company's incentive compensation plans to non-employee directors, the Board of Directors functions as the Compensation Committee.

Use of Outside Advisors. In making its determinations with respect to executive compensation, the Compensation Committee has historically engaged the services of an independent compensation consulting firm. The Compensation Committee has retained the services of Arthur J. Gallagher & Co.'s Human Resources & Compensation Consulting Practice ("Gallagher") since 2005 to assist with its review of the compensation packages and employment agreements of the Chief Executive Officer and other executive officers. In 2018 and 2019, Gallagher worked with the Compensation Committee to assess the reasonableness of discretionary cash bonus payments and equity grants to Messrs. Rosenfeld, Dharia and Sinha and Mses. Frieders and Varela based on the Company's and the individual's performance in the 2018 Fiscal Year and the reasonableness of the terms of a new employment agreement for Mr. Rosenfeld and an amendment of Mr. Dharia's employment agreement as compared with comparable positions in the peer group listed below. Executive compensation for the Named Executive Officers was based on employment agreements with pay structures and levels guided by Gallagher's market studies just prior to the consummation of the agreements. Position-specific market studies were completed at the time of the employment agreement extension in support of the design of these agreements. The Compensation Committee also consulted Gallagher with respect to the establishment of a performance-based bonus pool based on a percentage of the Company's net income in the 2018 Fiscal Year as well as the adoption of the Steven Madden, Ltd. 2019 Incentive Compensation Plan (the "2019 Plan"), which will replace the 2006 Plan, the term of which will expire on April 6, 2019. Gallagher provides only executive compensation consulting services and works with management only at the behest of the Compensation Committee.

The Compensation Committee retains Gallagher directly, although in carrying out assignments, Gallagher also interacts with Company management, when necessary and appropriate, in order to obtain compensation and performance data for the executives and the Company. In addition, Gallagher may, in its discretion, seek input and feedback from management regarding its consulting work product for the Compensation Committee in order to confirm alignment with the Company's business strategy and identify data questions or other similar issues, if any, prior to completion of a project for the Compensation Committee.

Independence of Outside Advisors. The Compensation Committee has the sole authority to retain, terminate, approve the fees and set the terms of the Company's relationship with any outside advisors who assist the Committee in carrying out its responsibilities, and may select or receive advice from any compensation consultant or other advisor only after taking into consideration all factors relevant to the consultant's independence from management, including the factors set forth in the Nasdaq's rules.

Accordingly, the Compensation Committee reviews annually its relationship with Gallagher to ensure its independence on executive compensation matters. Prior to selecting and receiving advice from Gallagher with respect to executive compensation in the 2018 Fiscal Year, the Compensation Committee reviewed the independence of Gallagher and the individual representatives of Gallagher who served as the committee's advisors. The Compensation Committee determined that no conflicts of interest exist between the Company and Gallagher (or any individuals working on the Company's account on behalf of Gallagher). In reaching such determination, the Compensation Committee considered, among other things, the following factors: (i) that Gallagher provides no services to the Company other than the executive compensation consulting services; (ii) the fees paid by us to Gallagher as a percentage of Gallagher's total revenue; (iii) the representations by Gallagher as to its policies and procedures that are designed to prevent a conflict of interest; (iv) any business or personal relationships between the individual representatives of Gallagher who advised the Compensation Committee and any member of the Compensation Committee; and (v) any business or personal relationships between our executive officers and Gallagher or the individual representatives of Gallagher.

Consideration of 2018 Stockholder Say on Pay Vote. At our 2018 Annual Meeting of Stockholders, our stockholders overwhelmingly approved, on an advisory basis, the compensation of our Named Executive Officers (96% of votes cast). This continues the string of 94% or higher approvals that began with the initial say on pay vote in 2011. The Compensation Committee believes this level of stockholder support reflects a very strong endorsement of our compensation policies and decisions. The Compensation Committee has considered the results of this advisory vote on executive compensation in determining the Company's compensation policies and decisions for 2019, and has determined that these policies and decisions are appropriate and in the best interests of the Company and its stockholders at this time.

Compensation Structure

Pay Elements - Overview

The Company utilizes four main components of compensation:

- base salary;
- annual performance-based bonuses;
- long-term equity incentives (consisting of stock options and/or restricted stock); and
- benefits and perquisites.

Pay Elements - Details

Base Salary. The Company paid base salaries to each of the Named Executive Officers to provide them with fixed pay commensurate with the Named Executive Officer's role and responsibilities, experience, expertise and individual performance. As more fully described in the section of this Proxy Statement captioned "Employment Arrangements," as of December 31, 2018, the Company had employment agreements with each of the Named Executive Officers. The Compensation Committee, as constituted at the time the parties entered into the employment agreements or any amendments thereof, reviewed and approved the salary established in each such agreement or amendment. The Compensation Committee considered each employee's salary history, value in the marketplace and performance (including at the Company and previous employment).

The annual base salary of our Chief Executive Officer, Edward R. Rosenfeld, was fixed at $900,000 for the 2018 Fiscal Year under his prior employment agreement which expired on December 31, 2018. Mr. Rosenfeld's new employment agreement dated December 31, 2018, which remains in effect until December 31, 2021, provides Mr. Rosenfeld with an annual base salary of $945,000 for the year ending December 31, 2019, $992,250 for the year ending December 31, 2020 and $1,041,863 for the year ending December 31, 2021. The annual base salary of our President, Amelia Newton Varela, was fixed at $650,000 for the year ended December 31, 2018 and is $670,000 for the year ending December 31, 2019 under an employment agreement dated December 30, 2016, which remains in effect until December 31, 2019. The annual base salary of our Chief Operating Officer, Awadhesh Sinha, was fixed at $702,000 for the year ended December 31, 2018 and is $723,000 for the year ending December 31, 2019 under an employment agreement dated December 30, 2016, which remains in effect until December 31, 2019. Under the employment agreement, as amended, of our Chief Financial Officer, Arvind Dharia, which remains in effect until December 31, 2020, Mr. Dharia's annual base salary was $582,455 for the year ended December 31, 2019 and is $611,578 for the year ending December 31, 2019 and $642,157 for the year ending December 31, 2020. Our Chief Merchandising Officer, Karla Frieders, began the 2018 Fiscal Year with an annual base salary of $550,000 under an employment agreement dated April 11, 2017, which remains in effect through April 30, 2020, and provides Ms. Frieders with an annual base salary of $570,000 from May 1, 2018 through April 30, 2019 and an annual base salary of $590,000 from May 1, 2019 through April 30, 2020. Please see the section of this Proxy Statement captioned

“Summary Compensation Table” and “Employment Arrangements” for a more detailed description of their employment agreement and compensation. The 2019 salary increases, if any, for our Named Executive Officers, as reflected in the following table, are generally consistent with those of other management employees.

Named Executive Officer	2018 Salary		2019 Salary	
Edward R. Rosenfeld	$ 900,000		$ 945,000	
Amelia Newton Varela	$ 650,000		$ 670,000	
Arvind Dharia	$ 582,455		$ 611,578	
Awadhesh Sinha	$ 702,000		$ 723,000	
Karla Frieders	$ 570,000	*	$ 590,000	*

* As noted above, Ms. Frieders began the 2018 Fiscal Year with an annual base salary of $550,000. Her annual base salary increased to $570,000 for the period May 1, 2018 through April 30, 2019 and will increase to $590,000 for the period May 1, 2019 through April 30, 2020.

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Annual Performance-based Bonus - Based on Specific Performance Metrics. Annual performance-based cash bonuses, if any, for Named Executive Officers are established in their respective employment agreements. The Compensation Committee reviewed and approved the bonus provisions fixed in each such employment agreement at the time the parties entered into such agreements and any amendments thereof. Such bonus provisions generally provide for variable or discretionary bonuses designed to reward attainment of business goals.

Mr. Sinha's employment agreement entitles him to an annual performance-based bonus for the 2018 Fiscal Year in an amount equal to 2% of the increase in the Company's EBITDA for that year over the Company's EBITDA for the immediately preceding year. For any business acquired after December 30, 2016, EBITDA from the acquired business is included in the bonus calculation starting with the first full quarter under Company ownership, provided that the prior year's EBITDA will likewise be adjusted to include EBITDA from the acquired business for comparable quarters in the prior year on a pro forma basis assuming the Company had owned the business. The maximum annual bonus is $600,000, the first $300,000 of which is payable in cash and for any amount of the annual bonus in excess of $300,000 by a grant of restricted shares of Common Stock, which restricted shares of Common Stock will vest in three equal annual installments commencing on the first anniversary of the grant date. For the 2018 Fiscal Year, on March 15, 2019, Mr. Sinha received an annual performance-based cash bonus of $274,600, reflecting 2% of $13,729,980, the increase in 2018 EBITDA over that of 2017.

Ms. Varela's employment agreement entitles her to an annual performance-based cash bonus for the 2018 Fiscal Year in an amount equal to 2% of the increase in the Company's total EBIT for that year over the Company's EBIT for the immediately preceding year, less any deductions as shall be required to be withheld by any applicable laws or regulations. EBIT attributable to any business acquired by the Company after December 30, 2016 will not be included in the calculation of this bonus. For the 2018 Fiscal Year, on March 15, 2019, Ms. Varela received an annual performance-based cash bonus of $263,302, reflecting 2% of $13,165,123, the increase in 2018 EBIT over that of 2017.

As provided in the 2006 Plan and the 2019 Plan, the maximum payment that may be made to an individual under any performance-based cash award during any fiscal year and subject to the attainment of specified performance goals is $10,000,000. The Compensation Committee may, in its sole discretion, elect to pay an individual an amount that is less than the individual's target award regardless of the degree of attainment of the performance goals.

For the 2018 Fiscal Year, the Compensation Committee established a bonus pool for Named Executive Officers and other key executives of the Company based on 6% of net income of the Company achieved in the 2018 Fiscal Year. Net income was selected because it is highly correlated with stock price performance. The Compensation Committee also fixed for each executive his or her maximum share of the 2018 bonus pool, which was 30% for Mr. Rosenfeld and 14% for each of the other Named Executive Officers. In the 2018 Fiscal Year, the Company achieved net income of $129,136,000, which resulted in a bonus pool of $7,748,160. The Compensation Committee determined to pay a bonus to Mr. Rosenfeld in an amount in excess of his individual target award and bonuses to certain of the other Named Executive Officers in amounts that were below their individual target awards for the 2018 Fiscal Year and to pay the bonuses in a combination of cash and restricted shares of Common Stock that vest annually over five years. Accordingly, on March 15, 2019, the Company paid performance-based cash bonuses of $500,000, $220,000 and $100,000 to Mr. Rosenfeld, Mr. Dharia and Ms. Frieders, respectively, and, on March 15, 2019, the Company paid performance-based bonuses in the form of restricted stock to two of our Named Executive Officers as indicated in the following table.

Named Executive Officer	**2019 Restricted Stock Grant Value for 2018 Performance**	**Number of Shares of Restricted Stock Awarded***	**Annual Vesting**
Edward R. Rosenfeld	$ 2,981,686	91,547	5 years
Amelia Newton Varela	—	—	—
Arvind Dharia	—	—	—
Awadhesh Sinha	—	—	—
Karla Frieders	$ 496,953	15,258	5 years

* In accordance with applicable SEC rules, the Summary Compensation Table included in this Proxy Statement does not report the grant date fair value of these restricted stock awards because, while earned in 2018, the grants were not made until after the close of the 2018 Fiscal Year. The 2019 Summary Compensation Table to be included in our proxy statement for our 2020 Annual Meeting of Stockholders will contain the grant date fair value of these restricted stock awards provided these individuals are named executive officers in that proxy statement.

The decision to pay cash bonuses to Messrs. Rosenfeld and Dharia and Ms. Frieders, and to award restricted shares of Common Stock to Mr. Rosenfeld and Ms. Frieders for the 2018 Fiscal Year and the amount of each such Named Executive Officer's bonus was determined at the discretion of the Compensation Committee, but within the parameters of the bonus pool for Named Executive Officers, with the exception of Mr. Rosenfeld who received in cash and restricted shares 44.9% of the 2018 bonus pool. The Compensation Committee evaluated a variety of indicators of the Company's overall financial performance, including total shareholder return, operating income, earnings per share and return on invested capital, and assessed and made subjective judgments as to each of these executive's individual contribution towards the Company's performance in the 2018 Fiscal Year in determining whether to pay bonuses to these executives and establishing the amounts to be paid. With respect to the determination to award bonuses to Mr. Dharia and Ms. Frieders, the Compensation Committee also considered the recommendations of the Chief Executive Officer, Mr. Rosenfeld.

The Compensation Committee consulted Gallagher regarding the establishment of the bonus pool and the individual target awards for the 2018 Fiscal Year to ensure the bonus pool and the individual target awards were within market range for each executive.

Long-term Equity Incentives. Management and the Compensation Committee believe that equity-based awards are an important factor in aligning the long-term financial interest of the executive officers and stockholders. The Compensation Committee continually evaluates the use of equity-based awards and intends to continue to use such awards in the future as part of designing and administering the Company’s compensation program. Beginning in 2006, the Compensation Committee modified its prior practice of granting equity incentives solely in the form of stock options with periodic awards of restricted stock in order to grant awards that contain both substantial incentive and retention characteristics. These awards are designed to provide emphasis on preserving stockholder value generated in recent years while providing significant incentives for continuing growth in stockholder value.

In the 2018 Fiscal Year, the Company made grants of 100,000 and 16,666 restricted shares of Common Stock to Mr. Rosenfeld and Ms. Frieders, respectively, for performance in the fiscal year ended December 31, 2017. The restricted stock awards made to Mr. Rosenfeld and Ms. Frieders vest in five equal annual installments. Gallagher reviewed the individual grant values relative to market practice. These equity awards in the 2018 Fiscal Year were made under the 2006 Plan.

The restricted stock awards in the 2018 Fiscal Year also included a grant to (a) Mr. Sinha of 2,493 restricted shares of Common Stock on March 15, 2018, which restricted stock award will vest in three equal annual installments on December 15, 2018, December 15, 2019 and December 15, 2020, and was awarded as a portion of his annual performance-based bonus based on the increase in 2017 EBITDA over that of 2016, (b) Mr. Dharia of 18,750 restricted shares of Common Stock on May 1, 2018 in respect of an April 20, 2018 amendment of his employment agreement, which restricted stock award will vest in three nearly equal installments on December 15, 2018, December 15, 2019 and December 15, 2020 and (c) Mr. Rosenfeld of 87,500 restricted shares of Common Stock on December 31, 2018 in respect of his new three-year employment agreement, which restricted stock award will vest in five equal annual installments commencing on December 1, 2019. Each of these restricted stock awards was made under the 2006 Plan.

The Committee intends to continue to review the equity mix to achieve the ideal incentive for both performance and retention. With respect to stock options, the 2019 Plan provides generally that the exercise price shall be the fair market value of the Company's Common Stock at the time of grant, which is defined for purposes of the 2019 Plan to mean the closing price reported for the Common Stock on the applicable date (a) as reported on the principal national securities exchange on which it is then traded or (b) if not traded on any such national securities exchange, the last sale price quoted in the principal over-the-counter market on which the Common Stock is quoted.

Other Benefits and Perquisites. The Company's executive compensation program also includes other benefits and perquisites. These benefits and perquisites include annual matching contributions to executive officers' 401(k) plan accounts, company-paid medical benefits, automobile allowances and leased automobiles and life insurance coverage. The Compensation Committee annually reviews these other benefits and perquisites and makes adjustments as warranted based on competitive practices, the Company's performance and the individual's responsibilities and performance. The Compensation Committee has approved these other benefits and perquisites as a reasonable component of the Company's executive officer compensation program. Please see the section of this Proxy Statement captioned "Summary Compensation Table and, specifically, the column entitled "All Other Compensation" and the corresponding footnotes.

Pay Mix

The Company utilizes the particular elements of compensation described above because the Company believes that it provides a well-proportioned mix of secure compensation, retention value and at-risk compensation, which produces short-term and long-term performance incentives and rewards. By following this approach, the Company provides the executives a measure of security in the minimum expected level of compensation, while motivating the executives to focus on business metrics and other variables within their particular sector which will increase sales and margins and at the same time lower costs so as to produce a high level of short-term and long-term performance for the Company and long-term wealth creation for the executives, as well as reducing the risk of recruitment of top executive talent by competitors. The mix of metrics used for the annual performance bonuses and the Company's long-term incentive program likewise provides an appropriate balance between short-term financial performance and long-term stock performance.

For the Named Executive Officers, the mix of compensation is weighted heavily toward at-risk pay (annual incentives and long-term incentives). Maintaining this pay mix results fundamentally in a pay-for-performance orientation for the Company's executives, which is aligned with the Company's stated compensation philosophy of providing compensation commensurate with performance.

Pay Levels and Benchmarking

Pay levels for executives are determined based on a number of factors, including the individual's roles and responsibilities within the Company, the individual's experience and expertise, the pay levels for peers within the

Company, pay levels in the marketplace for similar positions and performance of the individual and the Company as a whole. The Compensation Committee is responsible for approving pay levels for the Named Executive Officers. In determining the pay levels, the Compensation Committee considers all forms of compensation and benefits.

The Compensation Committee assesses "competitive market" compensation using a number of sources. The primary data source used in setting competitive market levels for the Named Executive Officers is the information publicly disclosed by a peer group of the Company, which is reviewed annually and may change from year to year. For the 2018 Fiscal Year, executive compensation and compensation design was reviewed for the purpose of assessing bonus awards in early 2018 in the context of overall compensation and in relation to the following peer companies:

Caleres, Inc.	Guess, Inc.	RTW Retailwinds, Inc.
Cato Corp.	Kate Spade & Co.*	Shoe Carnival, Inc.
Crocs, Inc.	Lululemon Athletica, Inc.	Skechers U.S.A. Inc.
Deckers Outdoor Corp.	Movado Group, Inc.	Under Armour, Inc.
G-III Apparel Group, Ltd.	Oxford Industries, Inc.	Wolverine World Wide, Inc.
Genesco, Inc.	Perry Ellis International, Inc.*	

* Kate Spade & Co. was acquired by Tapestry, Inc. (f./k/a Coach, Inc.) and Perry Ellis International, Inc. became a privately held company subsequent to the competitive market study.

The market capitalization and trailing twelve months revenue of the Company and each peer company follows:

Company	**Market Cap***	**TTM Revenue****
Steven Madden, Ltd.	$ 2.65 B	$ 1.65 B
Caleres, Inc.	$ 1.19 B	$ 2.83 B
Cato Corp.	$ 0.35 B	$ 0.82 B
Crocs, Inc.	$ 1.74 B	$ 1.09 B
Deckers Outdoor Corp.	$ 3.73 B	$ 2.03 B
G-III Apparel Group, Ltd.	$ 1.38 B	$ 3.08 B
Genesco, Inc.	$ 0.89 B	$ 2.19 B
Guess, Inc.	$ 1.68 B	$ 2.63 B
Kate Spade & Co.	—	—
Lululemon Athletica, Inc.	$ 16.10 B	$ 2.65 B
Movado Group, Inc.	$ 0.73 B	$ 0.57 B
Oxford Industries, Inc.	$ 1.20 B	$ 1.10 B
Perry Ellis International, Inc.	—	—
RTW Retailwinds, Inc.	$ 0.18 B	$ 0.89 B
Shoe Carnival, Inc.	$ 0.52 B	$ 1.02 B
Skechers U.S.A. Inc.	$ 3.61 B	$ 4.66 B
Under Armour, Inc.	$ 7.58 B	$ 5.19 B
Wolverine World Wide, Inc.	$ 2.92 B	$ 2.24 B

* Market capitalization is as of 12/31/2018.

** TTM is last four quarters of publicly reported revenue.

After consideration of the data collected on external competitive levels of compensation and internal needs, the Compensation Committee makes decisions regarding the Named Executive Officer's target total compensation opportunities based on the need to attract, motivate and retain an experienced and effective management team. Relative to the competitive market data, the Compensation Committee generally intends that the base salary and target annual incentive compensation for each Named Executive Officer will be at the median of the competitive market.

As noted above, notwithstanding the Company's overall pay positioning objectives, pay opportunities for specific individuals vary based on a number of factors such as scope of duties, tenure, institutional knowledge and/or difficulty in recruiting a new executive. Actual total compensation in a given year will vary above or below the target compensation levels based primarily on the attainment of operating goals and the creation of stockholder value.

Compensation Committee Discretion

The Compensation Committee retains the discretion to decrease all forms of incentive payouts based on significant individual or Company performance shortfalls, with the exception of any such payouts that are to be made pursuant to contractual commitments, such as the bonuses that may be paid to Mr. Sinha and Ms. Varela, which are tied to the Company's EBITDA and EBIT, respectively, for the preceding year pursuant to their employment agreements. Similarly, the Compensation Committee retains the discretion to increase payouts and/or consider special awards for significant achievements, including, but not limited to, superior asset management, investment or strategic accomplishments and/or consummation of acquisitions, divestitures, capital improvements to existing properties, or sales made by certain of the Company's divisions.

Pay Ratio

As required by the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"), the following disclosure provides the relationship of the total annual compensation of our median-paid employee to the total annual compensation of our Chief Executive Officer, Mr. Rosenfeld. The table below sets forth the total annual compensation for Mr. Rosenfeld and the median-paid employee of the Company, who is a full-time stock associate, and the ratio between the two.

Median employee annual total compensation	$23,416
Mr. Rosenfeld annual total compensation	$7,081,968
Ratio of Chief Executive Officer to median employee compensation	302:1

We determined our median employee as of October 1, 2018, which date is within the last three months of the 2018 Fiscal Year, as permitted by the pay ratio rule under the Dodd-Frank Act. In determining our median employee, we applied the "de minimis" exemption under the rule, which allows the exemption of 5% or less of the Company's total global workforce in jurisdictions outside of the U.S., which amounts to 184 employees based on our total global workforce of 3,688 employees. As such, we excluded all of our employees in each of Hong Kong (28 employees), The Netherlands (28 employees) and South Africa (84 employees), which in total amount to 140 employees or 4%. We did not exclude from consideration any employees who joined the Company during the 2018 Fiscal Year as the result of a business acquisition or combination. Employees on leave of absence were excluded and wages and salaries were annualized for those employees that were not employed for the entire 2018 Fiscal Year. To identify our median employee, we used payroll data consisting of salary, hourly wage, overtime wage, bonus, commissions, vesting of equity awards and any similar payroll items for all of our employees included in the calculation.

Once we identified our median employee, we determined that employee's annual total compensation amount for the 2018 Fiscal Year using the same method required for calculating our Chief Executive Officer's (and other named executive officers') total annual compensation for purposes of the Summary Compensation Table, except that, for simplicity, employer contributions to the Company's 401(k) plan and medical benefits were excluded as all employees, including our Chief Executive Officer, are offered the same benefits and the Company utilizes the Internal Revenue Service safe harbor provision for 401(k) discrimination testing.

The ratio stated above is a reasonable estimate calculated in a manner consistent with Item 402(u) of Regulation S-K. It is based on the methodologies, assumptions and estimates described below and is not necessarily comparable to the ratios reported by other companies.

Risk Assessment

Bonus payments to executives are based either on the discretion of the Compensation Committee or are tied to growth in various indicators of financial performance, such as EBITDA and EBIT. Long-term incentives have been granted in the form of stock options and time-vested restricted stock that generally vest over four or five years. These programs have been in place for several years and have proved effective in rewarding performance while not encouraging inappropriate risk-taking.

The Compensation Committee undertook to review and evaluate all of our executive and company-wide compensation plans and programs to assess whether any aspect of these plans and programs would encourage inappropriate risk-taking by the Company's executives and non-executive employees that could have a material adverse effect on the Company and to confirm that the Company has adequate risk management controls in place to ensure that executive and company-wide compensation is reasonable and achieves its intended incentive without creating unacceptable risk. Based on such review and evaluation, the Compensation Committee believes there is no material adverse risk to the Company that is related to our compensation programs for executives and non-executives.

This review and evaluation of the risks associated with our compensation plans and programs consisted of:

- identifying those business risks that could be material to the Company and identifying our existing risk management system;
- reviewing and analyzing our compensation plans and programs to identify plan and program features that could potentially encourage or introduce excessive or imprudent risk taking of a material nature;
- identifying the business risks that our compensation plan and program features could potentially encourage or create;
- balancing these business risks against our existing internal control systems designed to manage and mitigate these business risks; and
- analyzing whether the unmitigated risks, as a whole, are reasonably likely to have a material adverse effect on the Company.

Various persons were consulted during the course of the assessment, including our executive officers and senior members of our human resources department. The Compensation Committee engages Gallagher to review our executive and company-wide compensation plans and programs and provide advice regarding appropriate levels of incentive.

The Compensation Committee noted several features of our compensation structure that mitigate risk, including, for example:

- the Company utilizes a pay mix that is well balanced between short-term financial performance and long-term stock performance, comprised of secure compensation in the form of base salary, short-term incentives in the form of potential for cash bonuses, and long-term incentives in the form of stock options and time-vested restricted stock that generally vest over four or five years;
- in most instances, management or the Compensation Committee retains the discretion to decrease all forms of incentive compensation based on significant individual or Company performance shortfalls;
- we periodically benchmark our compensation plans and programs and target executive and non-executive compensation within the normal limits of the competitive market; and
- the Compensation Committee provides oversight of the Company's compensation plans and programs and compensation philosophy, makes recommendations to the Board with respect to improvements to our compensation plans and programs, and is responsible for reviewing and approving executive compensation and administering and awarding incentive, deferred and equity compensation to our senior executives.

In light of the assessment described above, it was concluded that the risks associated with our compensation plans and programs (executive and company-wide) are not reasonably likely to have a material adverse effect on the Company.

Implications of Tax and Accounting Matters

As a general matter, the Compensation Committee considers the various tax and accounting implications of compensation vehicles employed by the Company. While the Compensation Committee reviews and considers both the accounting and tax effects of various components of compensation, those effects are not a significant factor in the Compensation Committee's allocation of compensation among the different components.

As a result of changes to federal tax laws, which became effective in 2018, compensation paid to certain executive officers under arrangements entered into or materially modified after November 2, 2017 generally are not deductible to the extent they result in compensation that exceeds $1 million in any one year for any such executive officer. Before 2018, a deduction was allowed for certain performance-based pay in excess of $1 million for executive officers who were subject to the limitation. Recognizing the importance of linking pay and performance, the Company intends to continue to impose performance conditions on a portion of the compensation of our executive officers.

As more fully described below under the heading "Termination, Change-in-Control and Non-Competition/Non-Solicitation," with the exception of Ms. Frieders, all of our Named Executive Officers are entitled to receive certain compensation in the event of a termination of employment in connection with a change-in-control event for the Company, which payments may trigger the application of the "golden parachute" provisions of Sections 280G and 4999 of the Code. Section 280G of the Code disallows a tax deduction with respect to excess parachute payments to certain executives of companies that undergo a change-in-control. In addition, Section 4999 of the Code imposes a 20% excise tax on the individual receiving the excess parachute payment. Excess parachute payments are golden parachute payments that exceed an amount determined under Section 280G based on the executive's prior compensation. In approving the compensation arrangements of our Named Executive Officers, our Compensation Committee considers all elements of the cost to our Company of providing such compensation, including the potential impact of Sections 280G and 4999, which, under certain circumstances, may limit the deductibility to the Company of executive compensation. However, our Compensation Committee may determine, in its judgment, to authorize compensation arrangements that could give rise to loss of deductibility under Section 280G and the imposition of excise taxes under Section 4999 when it believes that such arrangements are appropriate to attract and retain executive talent.

Conclusion

The level and mix of compensation that is finally decided upon as to each executive is considered within the context of both the objective data from the Company's competitive assessment of compensation and performance, as well as discussion of the subjective factors as outlined above. The Compensation Committee believes that each of the compensation packages for the Named Executive Officers is within the competitive range of practices when compared to the objective comparative data even where subjective factors have influenced the compensation decisions.

Compensation Committee Interlocks and Insider Participation

During the 2018 Fiscal Year, the following directors served on the Compensation Committee: Peter Migliorini (Chairman), Thomas H. Schwartz, Rose Peabody Lynch and Robert Smith. During the 2018 Fiscal Year:

- none of the members of the Compensation Committee was an officer (or former officer) or employee of the Company or any of its subsidiaries;
-

none of the members of the Compensation Committee had a direct or indirect material interest in any transaction in which the Company was a participant and the amount involved exceeded $120,000;

- none of the Company's executive officers served on the compensation committee (or another board committee with similar functions or, if none, the entire board of directors) of another entity where one of that entity's executive officers served on the Company's Compensation Committee;