

**UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION
OFFICE OF ADMINISTRATIVE LAW JUDGES**

In the Matter of

**Tapestry Inc.,
a corporation, and**

**Capri Holdings Limited,
a corporation,**

Respondents.

Docket No. 9429

**NON-PARTY STEVEN MADDEN, LTD.'S CONSENT MOTION
FOR *IN CAMERA* TREATMENT**

Pursuant to 16 C.F.R. § 3.45(b), non-party Steven Madden, Ltd. (“Steve Madden”) respectfully moves for *in camera* treatment of two documents: an extraordinarily detailed sales file, and the testimonial transcript, which together are attached as Exhibit D (the “Confidential Documents”). Steve Madden provided the Confidential Documents to Complaint Counsel and to Respondent Tapestry Inc. (“Tapestry”) under compulsory process. The Confidential Documents have all been designated as “Confidential” under the April 25, 2024 Protective Order Governing Confidential Material (the “Protective Order”) entered by this Court. All of the Confidential Documents contain highly confidential and competitively sensitive information that, if disclosed to the public or Steve Madden’s competitors, could cause serious and significant competitive injury to Steve Madden. Steve Madden therefore respectfully requests that the sales file be granted *in camera* treatment indefinitely, and that the testimonial transcript be afforded *in camera* treatment for a period of at least five years. Counsel for Tapestry and Complaint Counsel both consent to Steve Madden’s motion.

In support of this Motion, Steve Madden incorporates the Declaration of its General Counsel & Secretary, Lisa Keith (“Decl.”), attached as Exhibit A.

INTRODUCTION

Steve Madden is a publicly traded corporation whose primary business is the manufacture and sale of fashion-forward footwear, accessories, and apparel products. Decl. ¶ 3. Steve Madden has received and cooperated with four separate subpoenas in connection with this case.¹ At significant cost and burden, Steve Madden has produced confidential business documents and generated several customized data reports; and Steve Madden’s President of Branded Handbags has sat for a deposition as the corporate designee of Steve Madden pursuant to Federal Rule of Civil Procedure 30(b)(6). Steve Madden has consistently invoked the confidentiality protections afforded it under the Protective Order and the Commission’s statutes and rules, and all of the Confidential Documents have been duly designated as “Confidential.” *Id.* ¶ 11.

Complaint Counsel has informed Steve Madden that it intends to offer into evidence at the upcoming Part 3 administrative hearing one Steve Madden document and the deposition transcript of Steve Madden’s corporate designee. *See* Exhibit B. Tapestry has indicated it intends to offer into evidence two Steve Madden documents (including the same document designated by Complaint Counsel) and the deposition transcript of Steve Madden’s corporate designee. *See* Exhibit C.

¹ Steve Madden was issued a Subpoena to Produce Documents, Information, or Objects or to Permit Inspection of Premises in a Civil Action on May 9, 2024 by Tapestry and May 10, 2024 by the Federal Trade Commission (“FTC”). Steve Madden was later issued a Subpoena to Testify at a Deposition in a Civil Action on June 18, 2024 by the FTC and on June 24, 2024 by Tapestry.

THE CONFIDENTIAL DOCUMENTS

Steve Madden has carefully reviewed the Steve Madden documents and the deposition transcript designated to be offered into evidence. In undertaking this review, Steve Madden not only endeavored to identify those documents that are truly secret and material to Steve Madden's business, but moreover differentiated between documents that are secret and material in full from those that are only secret and material in part. Based upon this review, Steve Madden seeks *in camera* treatment in full for one document designated to be offered into evidence and for portions of the deposition transcript. Specifically, Steve Madden seeks *in camera* treatment in full for PX3025/DX0711 and *in camera* treatment in part for PX5040/ DX0934.

Ex. No.	Description	Date	Bates-Begin	Bates-End	Portion of Exhibit for <i>in camera</i> Treatment
PX3025 / DX0711	Steven Madden Spreadsheet: CONFIDENTIAL- Steve Madden Handbag Sales		MDDN-TAP000075	MDDN-TAP000075	<i>In camera</i> treatment requested in full.
PX5040 / DX0934	Deposition Transcript of Sloan Tichner	7/22/2024			Steve Madden seeks <i>in camera</i> treatment for lines 20:8-21:6; 23:1-23:15; 32:21-33:3; 34:9-34:12; 36:10-36:13; 49:10-49:15; 49:20-50:10; 56:15-56:18; 57:1-57:13; 83:14-84:4; 88:18-89:9; 99:10-101:16; 103:17-104:1.

ARGUMENT

A. Legal Standard

Pursuant to Rule 3.45(b), *in camera* treatment is appropriate if “public disclosure will likely result in a clearly defined, serious injury to the person, partnership or corporation requesting *in camera* treatment.” 16 C.F.R. § 3.45(b). *In camera* treatment may be afforded to any business documents that are “sufficiently secret and sufficiently material to [the applicant’s] business that disclosure would result in serious competitive injury.” *In re Jerk, LLC*, 2015 FTC LEXIS 39, at *2 (Feb. 23, 2015) (quoting *In re General Foods Corp.*, 1980 FTC LEXIS 99, at *10 (Mar. 10, 1980)). To demonstrate a likelihood of serious competitive injury, the applicant must show that “the documents in question are secret and material to the applicant’s business and would less likely be produced if it were known that they had to be publicly disclosed.” *In re Bristol-Myers Co.*, 1977 FTC LEXIS 25, at *4 (Nov. 11, 1977). “The likely loss of business advantages is a good example of a ‘clearly defined, serious injury.’” *In re Hoechst Marion Roussel, Inc.*, 2000 FTC LEXIS 138, at *6 (Sept. 19, 2000) (citation omitted). Courts generally attempt “to protect confidential business information from unnecessary airing.” *In re H.P. Hood & Sons, Inc.*, 1961 FTC LEXIS 368, at *11–12 (1961).

The Court considers six factors in making its determination:

- (1) the extent to which the information is known outside of [the applicant’s] business;
- (2) the extent to which it is known by employees and others involved in [the] business;
- (3) the extent of measures taken by [the applicant] to guard the secrecy of the information;
- (4) the value of the information to [the applicant] and to [its] competitors;
- (5) the amount of effort or money expended by [the applicant] in developing the information;
- (6) the ease or difficulty with which the information could be properly acquired or duplicated by others.

In re Bristol-Myers Co., 90 F.T.C. 455, 1977 FTC LEXIS 25, at *5. The first three of these factors consider the secrecy of the information for which *in camera* treatment is sought, and the last three consider the materiality of the information.

B. The Confidential Documents Contain Steve Madden's Business Secrets.

The Confidential Documents contain proprietary, secret, and competitively sensitive information regarding Steve Madden's business, which is only shared on a confidential basis to a small group of senior-level employees and outside counsel of Steve Madden who have reason to access the information in order to perform their roles and responsibilities. Decl. ¶¶ 12–15. But for the confidentiality protections set forth in the Protective Order, Steve Madden would have resisted producing the Confidential Documents to Complaint Counsel, and it would have refused to produce the Confidential Documents to Tapestry. Decl. ¶ 19.

PX3025/DX0711 is [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] The information contained in PX3025/DX0711 is the product of significant time and financial resources of Steve Madden, and Steve Madden has taken all reasonable precautions and safeguards in maintaining the secrecy of the information contained therein. *Id.* The data behind PX3025/DX0711 [REDACTED]

[REDACTED]

[REDACTED] *Id.* at ¶ 12. In producing PX3025/DX0711 to Complaint Counsel and to Respondents, Steve Madden made sure to designate it as “Confidential” and made clear that it was producing the information pursuant to the Protective Order of this proceeding. The information contained in the Confidential Documents is highly material to Steve Madden's

business. All of the Confidential Documents for which Steve Madden seeks *in camera* treatment are less than three years old and the disclosure of such documents would result in the loss of a significant business advantage of Steve Madden. See *In re Dura Lube Corp.*, 1999 FTC LEXIS 255, at *7 (Dec. 23, 1999). The Keith Declaration describes in detail the confidential and competitively sensitive nature of each Confidential Document. Decl. ¶¶ 16–19.

Given the extraordinary level of detail in PX3025/DX0711 { [REDACTED] } the public disclosure of PX3025/DX0711 would put Steve Madden at a significant competitive disadvantage. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] Such information should therefore be granted *in camera* treatment. See, e.g., *1-800 Contacts, Inc.*, 2017 FTC LEXIS 55, at *9–*26 (granting motions for *in camera* treatment of the following non-party documents among others: documents relating to “prices, sales and financial performance”; documents which “include financial statements that detail profit and loss”; and documents “which contain pricing strategies and data, sales data, revenues, documents concerning marketing strategies and budgets, and information on incentives, discounts, and rebates.”).

PX5040/DX0934 is the deposition transcript of Sloan Tichner, Steve Madden’s President of Branded Handbags. During her deposition, Ms. Tichner testified about Steve Madden’s business and the handbag industry generally, including Steve Madden’s business strategies and competitors. Certain parts of her testimony concerned information that is highly

competitively sensitive. The disclosure of this information would cause Steve Madden to lose significant competitive advantage by providing detailed information about Steve Madden's competitively sensitive internal documents and processes. Specifically, the deposition discusses in detail sensitive and confidential business information regarding the following categories of competitively sensitive information:

- Prices and Sales Channel Strategies: Page 23, Lines 1-15; Page 49, Lines 10-15; Page 49, Line 20 through Page 50, Line 10; Page 56, Lines 15-18; Page 57, Lines 1-13;
- Product, Marketing, Production and Promotional Strategies: Page 20, Line 8 through Page 21, Line 6; Page 34, Lines 9-12; Page 36, Lines 10-13;
- Competitor and Customer Research: Page 32, Line 21 through Page 33, Line 3; Page 83, Line 14 through Page 84, Line 4; Page 88, Line 18 through Page 89, Line 9; Page 99, Line 10 through Page 101, Line 16; Page 103, Line 17 through Page 104, Line 1.

Steve Madden maintains the secrecy of this information by disclosing it only to those senior level employees who have a specific need to know the information in order to perform their duties and responsibilities. Decl. ¶¶ 12–13. Steve Madden has taken all measures to protect the secrecy of the information contained in the deposition testimony, and at the beginning of the deposition, confidentiality was requested for the information disclosed.

C. Disclosure of the Confidential Documents Would Cause Steve Madden Serious Competitive Harm.

The Confidential Documents described above would cause Steve Madden serious harm if released to the public. As noted, the Confidential Documents contain Steve Madden's internal competitive assessments, detailed financial information including profit, customer information and sales details, and cost and margin information, Steve Madden's market analyses, business strategies, and other highly sensitive competitive intelligence. If disclosed publicly, these

materials would enable Steve Madden's competitors to obtain Steve Madden's market knowledge and strategies. Decl. ¶¶ 17–18.

The testimony from Steve Madden's President of Branded Handbags is also highly sensitive. Steve Madden has carefully reviewed and identified the portions of the deposition transcript which reveal confidential and competitively sensitive topics about Steve Madden and its operations. *Id.* ¶ 17. If disclosed publicly, this testimony would cause Steve Madden significant business harm by revealing sensitive business strategies, practices, considerations, and plans to competitors. *Id.*

The information in the Confidential Documents is extremely valuable to Steve Madden. If disclosed publicly, Steve Madden would lose its business advantage against competitors and other business partners, suffering serious injury. *In re Hoechst*, 2000 FTC LEXIS at *6. The Confidential Documents also contain business information that has been developed by Steve Madden through the expenditure of significant time and expense and is not information that could be reasonably acquired or duplicated by others. Decl. ¶¶ 14, 17. Accordingly, *in camera* treatment of the Confidential Documents is necessary to protect Steve Madden from serious competitive harm.

D. Steve Madden's Status As A Third Party Weighs in Favor of *In Camera* Treatment.

As an additional consideration, the Commission has recognized that, “[a]s a policy matter, extensions of confidential or *in camera* treatment in appropriate cases involving third party bystanders encourages cooperation with future adjudicative discovery requests.” *In re Kaiser Aluminum & Chemical Corp.*, 103 F.T.C. 500, 1984 FTC LEXIS 60, *2–*3 (May 25, 1984). Here, where Steve Madden—a company that sells handbags in the marketplace, like both Tapestry and Capri—has duly and timely complied in good faith with four subpoenas at great cost and effort,

and in reliance on the confidentiality provisions of the Protective Order, Steve Madden's request for *in camera* treatment "deserve[s] special solicitude." *Id.* at *2.

E. Steve Madden's Sales Data Should be Afforded *In Camera* Treatment Indefinitely.

Given the highly sensitive and in-depth nature of the sales information contained in PX3025/DX0711, Steve Madden respectfully requests that the document be given *in camera* treatment indefinitely. Steve Madden anticipates that the information in PX3025/DX0711 will remain competitively sensitive indefinitely, [REDACTED]

[REDACTED] Decl. ¶ 12. The need for confidentiality of this data file meets the "unusual circumstances" where the information will remain sensitive "with the passage of time." *In re Hoechst*, 2000 FTC LEXIS at *8 (citations omitted); *see In re Jerk*, 2015 FTC LEXIS at *4–*5. [REDACTED]

F. The Deposition Transcript Should Be Afforded *In Camera* Treatment For At Least Five Years.

Steve Madden respectfully requests that Ms. Tichner's deposition transcript be kept *in camera* for at least five years. Steve Madden respectfully submits that the information contained in the Confidential Documents—including sales, price, and strategies for the future—deserves no

² Alternatively, if the Court finds that the requirements for indefinite *in camera* treatment are not satisfied, because of the highly detailed and commercially sensitive nature of this data then, at a minimum, the Court should grant *in camera* treatment for at least ten years. *In re Tronox Ltd.*, 2018 FTC LEXIS 78, at *14–*25 (May 15, 2018) (affording ten-year *in camera* treatment to business documents); *In re E.I. DuPont de Nemours & Co.*, 1990 FTC LEXIS 134, at *5–*6 (same).

less than five years *in camera* treatment. See *In re Tronox Ltd.*, 2018 FTC LEXIS 83, at *3, *7 (May 18, 2018) (affording *in camera* treatment to deposition testimony for ten and five years, respectively); *In re Otto Bock Healthcare N. Am., Inc.*, No. 9378, 2018 FTC LEXIS 111, at *9 (July 6, 2018) (providing *in camera* treatment for five years for depositions that contain competitively sensitive information).

RELIEF REQUESTED

Steve Madden respectfully requests that the sales data file be granted *in camera* treatment indefinitely, or in the alternative, at least ten years, and the relevant portions of Ms. Tichner's deposition sections be granted *in camera* treatment for at least five years.

Additionally, Steve Madden respectfully requests that any party that offers any Steve Madden documents for which *in camera* treatment has been granted into evidence first specify on the record that such documents have been granted such treatment and limit any discussion of such documents to an *in camera* session. Finally, Steve Madden respectfully requests that all of its documents for which *in camera* treatment is granted also continue to be treated as confidential under the Protective Order, such that they may only be disclosed to those persons identified in Paragraph 7 of the Protective Order. See generally *In re Tronox Ltd.*, 2018 FTC LEXIS 78, at *33–*34 (granting these same conditions).

Dated: September 9, 2024

Respectfully submitted,

s/ Mark C. Grundvig
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Counsel for Steven Madden, Ltd.

STATEMENT REGARDING MEET AND CONFER

The undersigned certifies that counsel for non-party Steven Madden, Ltd. (“Steve Madden”) notified Complaint Counsel via email on September 5, 2024 that it would be seeking *in camera* treatment of the Confidential Documents. Complaint Counsel indicated that they would not object to Steve Madden’s motion. Separately, Respondent Counsel in its evidentiary notice (Exhibit C) informed Steve Madden that it would not object to Steve Madden’s motion.

Dated: September 9, 2024

s/ Mark C. Grundvig

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Counsel for Steven Madden, Ltd.

CERTIFICATE OF SERVICE

I hereby certify that on September 9, 2024, I filed the foregoing document electronically using the FTC's E-Filing System, which will send notification of such filing to:

April Tabor
Secretary
Federal Trade Commission
600 Pennsylvania Ave., NW, Rm. H-113
Washington, D.C. 20580
electronicfilings@ftc.gov

The Honorable Dania L. Ayoubi
Office of Administrative Law Judges
Federal Trade Commission
600 Pennsylvania Ave., NW, Rm. H-110
Washington, D.C. 20580
ojl@ftc.gov

I also certify that I caused the foregoing document to be served via email to:

Peter Colwell
Federal Trade Commission, Bureau of Competition
600 Pennsylvania Ave., NW
Washington, D.C. 20580
Tel.: 202.677.9486
pcolwell@ftc.gov
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Dated: September 9, 2024

By: s/ Mark C. Grundvig
Mark C. Grundvig

Counsel for Non-Party Steven Madden, Ltd.

**UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION
OFFICE OF ADMINISTRATIVE LAW JUDGES**

In the Matter of

Tapestry, Inc., a corporation, and

Capri Holdings Limited, a corporation,

Respondents.

Docket No. 9429

[PROPOSED] ORDER

Upon consideration of Steven Madden, Ltd.’s Consent Motion for *In Camera* Treatment (“Consent Motion”), it is HEREBY ORDERED that Exhibit PX3025/DX0711 is to be provided permanent *in camera* treatment under 16 C.F.R. § 3.45. The Consent Motion is also GRANTED for five years as to the excerpts requested within exhibit PX5040/DX0934.

At the time either of the above referenced exhibits is offered into evidence, the parties shall first specify on the record that such documents have been granted *in camera* treatment and limit any discussion of such documents to an *in camera* session.

ORDERED:

The Honorable Dania L. Ayoubi
Administrative Law Judge

Date: _____

EXHIBIT A

**UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION
OFFICE OF ADMINISTRATIVE LAW JUDGES**

In the Matter of

Tapestry, Inc., a corporation, and

Capri Holdings Limited, a corporation,

Respondents.

Docket No. 9429

DECLARATION OF LISA KEITH

I, Lisa Keith, hereby declare as follows:

1. I am over eighteen years of age and am competent to testify. I make this declaration pursuant to Federal Trade Commission Rules of Practice § 3.45 and § 4.10(g), in connection with Non-Party Steven Madden, Ltd.’s Motion for *In Camera* Treatment (the “Motion”). This declaration is based upon certain business records of Steven Madden, Ltd. (“Steve Madden”) and on my own personal knowledge.

2. I am the General Counsel and Corporate Secretary of Steve Madden. I was appointed General Counsel in November 2019, and I have been a member of Steve Madden’s Legal Department since May 2017.

3. Steve Madden is a publicly traded corporation whose primary business is the manufacture and sale of fashion-forward footwear, accessories, and apparel. Steve Madden’s brands include Steve Madden, Dolce Vita, Betsey Johnson, and a license in the footwear and handbag categories for the Anne Klein brand.

4. Complaint Counsel and Respondent Counsel in the above-captioned matter have advised Steve Madden that they intend to use certain documents and testimony relating to Steve Madden as potential trial exhibits for the upcoming administrative hearing in the above referenced

matter. As explained in the Motion, Steve Madden is seeking *in camera* treatment for certain of these documents contained in Exhibit D to the Motion and addressed herein (the “Confidential Documents”).

5. I have reviewed and am familiar with the Confidential Documents contained in Exhibit D.

6. The Confidential Documents consist of (i) a comprehensive data file with Steve Madden’s handbag sales, including discount rates, manufacturing locations, and individual, stockkeeping-unit-level (“SKU-level”) sales and margin data produced in response to subpoenas issued by both Respondent and Complaint Counsel in the above-captioned matter; and (ii) the transcript of a July 22, 2024 deposition of Sloan Tichner, Steve Madden’s President of Branded Handbags, serving as the corporate designee of Steve Madden pursuant to Federal Rule of Civil Procedure 30(b)(6), which Steve Madden gave pursuant to subpoenas *ad Testificandum* issued by Complaint Counsel and Respondent Counsel.

7. Given my positions at Steve Madden, I am broadly and personally knowledgeable about the competitive significance to Steve Madden of the information contained in the Confidential Documents.

8. Based on my review of the Confidential Documents, my knowledge of Steve Madden’s business, and my familiarity with the confidentiality that Steve Madden ascribes to this type of information, I have determined that the disclosure of the Confidential Documents to the public or to Steve Madden’s customers, suppliers, or competitors would cause serious, and in certain cases irreparable, harm to Steve Madden.

9. The Confidential Documents include highly sensitive and detailed information on Steve Madden’s handbag sales and product information, such that if they became public, Steve

Madden would be significantly harmed in its ability to compete in the handbag industry.

10. Steve Madden places a high priority on protecting its confidential information, and takes significant measures as noted below to protect against any unauthorized disclosure of its material, non-public business information.

Steve Madden’s Commitment to Protecting the Confidentiality of Proprietary Information

11. All of the documents for which Steve Madden seeks *in camera* treatment were provided or produced to Complaint Counsel and to Respondent Counsel in response to compulsory process served on Steve Madden. In producing these Confidential Documents to Complaint Counsel and to Respondent Counsel, Steve Madden relied upon and specifically invoked its rights under the April 25, 2024 Protective Order Governing Confidential material in the above-captioned matter (the “Protective Order”), and/or the protective order entered by the U.S. District Court for the Southern District of New York. More specifically:

- a. PX3025 was produced with the title of the document reading: “CONFIDENTIAL – Steve Madden Handbag Sales.” The document also contains a footer, labeling the file “CONFIDENTIAL.”
- b. Ms. Tichner’s deposition testimony was designated, at the time it was taken, as “Confidential” under the Protective Order.

12. Steve Madden takes the confidentiality of its business and strategic information very seriously and has strict policies in place to protect the confidentiality of information, including information contained in the Confidential Documents, as discussed in more detail below. Very few people within Steve Madden have access to the sort of competitively sensitive information reflected in the Confidential Documents. [REDACTED]

[REDACTED]

[REDACTED]

13. It is Steve Madden’s policy not to divulge in the ordinary course of business any of the information contained in the Confidential Documents to any of its customers or suppliers, much less to any of Steve Madden’s competitors or to the general public. Steve Madden considers information in the Confidential Documents to be critical both to its internal business practices as well as to Steve Madden’s ability to compete in the handbag space.

14. Steve Madden has not released or disclosed any of the confidential information contained in the Confidential Documents in its filings or in public or private communications with investors. The confidential information contained in the Confidential Documents includes non-public information about Steve Madden’s business that, given its importance to Steve Madden, is material to the business. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

15. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

The Confidential Documents


16. The two documents for which Steve Madden seeks *in camera* treatment both contain competitively sensitive, proprietary, confidential business information [REDACTED]. [REDACTED] Steve Madden safeguards this information in the ordinary course of business as described in Paragraphs 11 through 15.

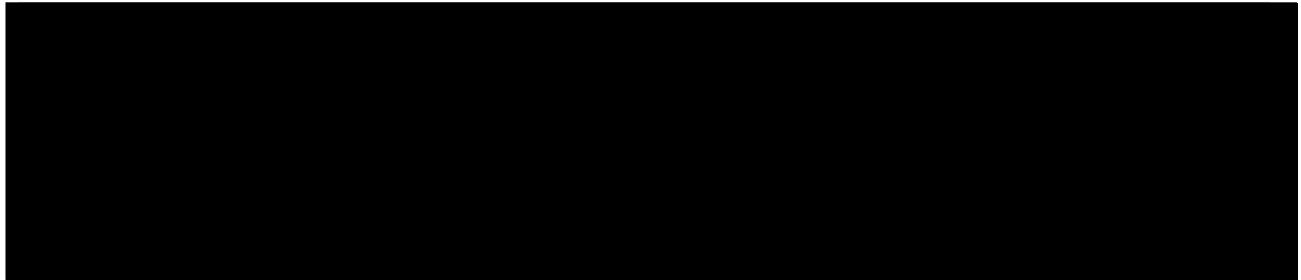
17. As described in the Motion, Steve Madden seeks *in camera* treatment for five years for the Confidential Document PX5040. PX5040 is the deposition transcript of corporate designee, Sloan Tichner, President of Branded Handbags. Within the designated parts of her deposition marked for redaction, Ms. Tichner testifies about Steve Madden’s pricing, sales channel strategies and segment information, product, marketing, production, and promotional strategies, and on competitor, market, and customer research. This information is specific to Steve Madden.

18. As described in the Motion, Steve Madden seeks *in camera* treatment indefinitely for the Confidential Document PX3025. [REDACTED]

[REDACTED]



19. If any of the Confidential Documents were to become publicly available, Steve Madden would face serious competitive harm. 



Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 9 th day of September, 2024.



Lisa Keith

EXHIBIT B

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION

WASHINGTON, D.C. 20580

Bureau of Competition
Mergers II Division

August 29, 2024

VIA EMAIL TRANSMISSION

Steven Madden, Ltd. c/o
Benjamin Dryden & Mark C. Grundvig
Foley & Lardner
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RE: *In the Matter of Tapestry, Inc. and Capri Holdings Limited*, Docket No. 9429

Dear Benjamin Dryden & Mark C. Grundvig:

By this letter we are providing formal notice, pursuant to Rule 3.45(b) of the Commission's Rules of Practice, 16 C.F.R. § 3.45(b), that Complaint Counsel intends to offer the documents and testimony referenced in the enclosed Attachment A into evidence in the administrative trial in the above-captioned matter. Please let me know if you need copies of the documents and testimony referenced in Attachment A.

The administrative trial is scheduled to begin on September 25, 2024. All exhibits admitted into evidence become part of the public record unless Administrative Law Judge Dania L. Ayoubi grants *in camera* status (i.e., non-public/confidential).

For documents or testimony that include sensitive or confidential information that you do not want on the public record, you must file a motion seeking *in camera* status or other confidentiality protections pursuant to 16 C.F.R §§ 3.45 and 4.10(g). Judge Ayoubi may order materials, whether admitted or rejected as evidence, be placed *in camera* only after finding that their public disclosure will likely result in a clearly-defined, serious injury to the person, partnership, or corporation requesting *in camera* treatment.

Motions for *in camera* treatment for evidence to be introduced at trial must meet the strict standards set forth in 16 C.F.R. § 3.45 and explained in *In re 1-800 Contacts, Inc.*, 2017 FTC LEXIS 55 (April 4, 2017); *In re Jerk, LLC*, 2015 FTC LEXIS 39 (Feb. 23, 2015); *In re Basic Research, Inc.*, 2006 FTC LEXIS 14 (Jan. 25, 2006). Motions also must be supported by a declaration or affidavit by a person qualified to explain the confidential nature of the material. *In re 1-800 Contacts, Inc.*, 2017 FTC LEXIS 55 (April 4, 2017); *In re North Texas Specialty Physicians*, 2004 FTC LEXIS 66 (Apr. 23, 2004). For your convenience, we included, as links in the cover email, an example of a third-party motion (and the accompanying declaration or affidavit) for *in camera* treatment that was filed and granted in an FTC administrative

proceeding. If you choose to move for *in camera* treatment, you must provide a copy of the document(s) for which you seek such treatment to the Administrative Law Judge. Also, you or your representative will need to file a Notice of Appearance in the administrative proceeding. For more information regarding filing documents in adjudicative proceedings, please see <https://www.ftc.gov/about-ftc/bureaus-offices/office-secretary/document-filing>.

Please be aware that under the current Scheduling Order **the deadline for filing motions seeking *in camera* treatment is September 10, 2024**. A copy of the May 16, 2024 Scheduling Order can be found at [Tapestry/Capri](#). If you have any questions, please feel free to contact me at (202) 677-9486 or pcolwell@ftc.gov.

Sincerely,

/s/ Peter Colwell

Peter Colwell

Counsel Supporting the Complaint

Attachment

**ATTACHMENT A
CONFIDENTIALITY NOTICE****PUBLIC**

Ex No.	Description	Date	Bates-Begin	Bates-End
PX3025	Steven Madden Spreadsheet: CONFIDENTIAL - Steve Madden Handbag Sales		MDDN-TAP000075	MDDN-TAP000075
PX5040	Deposition Transcript of Sloan Tichner (Steve Madden) (July 22, 2024)	7/22/2024	PX5040-001	PX5040-031

EXHIBIT C

Beveridge, Jacqueline

From: Kimon.Triantafyllou@lw.com
Sent: Friday, August 30, 2024 5:59 PM
To: Grundvig, Mark C.; Beveridge, Jacqueline
Cc: David.Johnson@lw.com; Mary.Casale@lw.com
Subject: FTC v. Tapestry, Inc. - Steve Madden Materials
Attachments: 2024.04.25 - Protective Order Governing Confidential Material.pdf; 2024.05.16 - Scheduling Order.pdf

**** EXTERNAL EMAIL MESSAGE ****

Counsel,

Pursuant to the Scheduling Order and Protective Order *In the Matter of Tapestry Inc., and Capri Holdings Ltd.*, Dkt No. 9439 (attached for reference) and 16 C.F.R. § 3.45(b), we are providing notice that we intend to offer materials or testimony provided by Steven Madden, LTD. (the “third party”) as evidence at the FTC’s Part 3 administrative evidentiary hearing beginning on September 25, 2024 in Washington, DC. Accordingly, pursuant to the Scheduling Order in this matter, if a third party wishes *in camera* treatment for a document or transcript that a party intends to introduce into evidence, that third party shall file an appropriate motion with the Administrative Law Judge within ten (10) days after it receives notice of a party’s intent to introduce such material. Respondents will not oppose any proposed *in camera* treatment. The materials and/or testimony included are:

- MDDN-TAP000075
- MDDN-TAP000026
- Deposition transcript of Sloan Tichner (Steve Madden)

We are also filing in *FTC v. Tapestry, Inc.*, No. 24-cv-3109 (S.D.N.Y.) proposed findings of fact and conclusions of law that contain some of the Confidential Material of Steven Madden, LTD. that we have previously identified to you and filed under seal in the federal proceeding. The materials and/or testimony included are:

- Deposition transcript of Sloan Tichner (Steve Madden)

We plan on filing any Confidential Material under seal and believe that, under the protective order, any third-party Confidential Material may be filed under seal without a motion and no further motion or letter is required of third-parties, unless ordered by the Court. See P.O. Para. 9, ECF No. 70.

Best,
Kimon

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EXHIBIT D

Exhibit Nos.
PX3025/DX0711 and
PX5040/DX0934

Exhibit No.
PX3025/DX0711

**Confidential – Redacted
in Entirety**

Exhibit No.
PX5040/DX0934

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IN THE UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

- - - - -x

FEDERAL TRADE COMMISSION, :

Plaintiff, :

v. : Case No.

TAPESTRY, INC., and : 1:24-cv-03109-JLR

CAPRI HOLDINGS LIMITED, :

Defendants. :

- - - - -x

Monday, July 22, 2024

- - - - -

Confidential

Subject to Protective Order

- - - - -

Remote Videotaped Deposition of SLOAN TICHNER,
called for oral examination by counsel for the
Plaintiffs, pursuant to notice, before Christina S.
Hotsko, RPR, CRR, CA CSR, of Veritext Legal
Solutions, a Notary Public in and for the District
of Columbia, beginning at 9:30 a.m., when were
present on behalf of the respective parties:

Job No. CS6786201

Page 2

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Page 3

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 9 kimon.triantafyllou@lw.com
 10
 Also Present:
 11 Ellen Hebert, Video Technician
 Lisa Keith, Steve Madden General Counsel
 12 Beata Safari, Steve Madden Privacy Counsel
 Alexander Aufrichtig, Steve Madden Associate Counsel
 13
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1 C O N T E N T S
 2
 3 EXAMINATION BY: PAGE
 4 Counsel for Plaintiff 09
 5 Counsel for Tapestry, Inc. 58
 6
 7 FURTHER EXAMINATION BY: PAGE
 8 Counsel for Plaintiff 99
 9
 10
 11 TICHNER DEPOSITION EXHIBITS: * PAGE
 12 Exhibit PX3025 Excel Spreadsheet, Steve Madden 43
 Wholesale and Retail Sales,
 13 January 2019 through April 2024
 14 Exhibit DX707 SEC Form 10-K 60
 15 Exhibit DX708 Stella McCartney v. Steve Madden 96
 Complaint
 16
 Exhibit DX709 Valentino v. Steve Madden First 96
 17 Amended Complaint
 18 Exhibit DX710 Balenciaga Complaint 97
 19
 20
 21 * (Exhibits attached to transcript.)
 22

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1 P R O C E E D I N G S
 2 VIDEO TECHNICIAN: Good morning. We are
 3 going on the record. The time is 9:30 a.m.
 4 Eastern. Today's date is July 22nd, 2024.
 5 Please note that this deposition is being
 6 conducted virtually. Quality of recording depends
 7 on quality of camera and internet connection of
 8 participants. What is seen on heard on screen is
 9 what will be recorded.
 10 Audio and video recording will continue
 11 to take place unless all parties agree to go off
 12 the record.
 13 This is media unit number 1 of the
 14 30(b)(6) video-recorded deposition of
 15 Steve Madden. The witness' name is Sloan Tichner.
 16 This is taken by counsel for the
 17 plaintiff in the matter of Federal Trade
 18 Commission v. Tapestry, Inc., and Capri Holdings
 19 Limited, filed in the United States District Court
 20 for the Southern District of New York, case number
 21 1:24-cv-03109-JLR.
 22 This deposition is being conducted

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1 remotely using virtual technology.
 2 My name is Ellen Hebert representing
 3 Veritext. I am the videographer. The court
 4 reporter is Christina Hotsko from Veritext.
 5 If there are any objections to
 6 proceeding, please state them at the time of your
 7 appearance.
 8 Counsel and all present will now state
 9 their appearances and affiliations for the record,
 10 beginning with the noticing attorney.
 11 MR. COLWELL: Thank you. My name is
 12 Peter Colwell. I'm an attorney with the Federal
 13 Trade Commission. And I'm joined by my colleague
 14 from the FTC, Blake Risenmay.
 15 MR. BUTERMAN: Lawrence Buterman from
 16 Latham & Watkins, LLP, on behalf of Tapestry, Inc.
 17 I have a couple of colleagues who are also on the
 18 Zoom, and I'll let them introduce themselves.
 19 MR. TRIANTAFYLLOU: Good morning. Kimon
 20 Triantafyllou of Latham & Watkins on behalf of
 21 Tapestry.
 22 MS. BOURASSA: Nikki Bourassa from

Page 7

1 Latham & Watkins on behalf of Tapestry.
 2 VIDEO TECHNICIAN: Will all others please
 3 identify themselves for the record.
 4 MR. GRUNDTVIG: This is Mark Grundvig from
 5 Foley & Lardner. I am outside counsel for
 6 Steve Madden. I am sitting with Sloan Tichner,
 7 who is the corporate representative appearing on
 8 behalf of Steve Madden for this 30(b)(6)
 9 deposition. I have some others with me that will
 10 introduce themselves in a moment, but I also want
 11 to make clear that Sloan Tichner is appearing
 12 today pursuant to the subpoena request, and the
 13 information that she provides we are asserting is
 14 confidential information and that it should
 15 receive all the protections that are appropriate
 16 and due pursuant to the protective order in this
 17 case.
 18 And so to the extent any information she
 19 shares here today, and the parties seek to
 20 disclose it in further proceedings, we request
 21 notice and an opportunity to object to any of that
 22 information being made public in any proceeding.

Page 8

1 So again, Sloan, if you want to introduce
 2 yourself, and then we'll go through the others
 3 that are here present as well.
 4 MS. TICHNER: I'm Sloan Tichner,
 5 president of handbags for Steve Madden.
 6 MS. KEITH: And I'm Lisa Keith. I'm in
 7 the room too. I'm the general counsel of Steve
 8 Madden.
 9 MR. GRUNDTVIG: And then we have some
 10 others that are joining through their laptops, so
 11 if they could introduce themselves, please.
 12 MS. BEVERIDGE: I'm Jacqueline Beveridge
 13 of Foley & Lardner. I'm outside counsel on behalf
 14 of Steve Madden.
 15 MR. AUFRICHTIG: Alexander Aufrichtig,
 16 associate counsel for Steve Madden.
 17 MS. SAFARI: Hi. This is Beata Safari.
 18 I'm privacy counsel for Steve Madden.
 19 VIDEO TECHNICIAN: Will the court
 20 reporter please swear in the witness.
 21
 22

Page 9

1 Whereupon,
 2 SLOAN TICHNER,
 3 being first duly sworn or affirmed to testify to
 4 the truth, the whole truth, and nothing but the
 5 truth, was examined and testified as follows:
 6 EXAMINATION BY COUNSEL FOR PLAINTIFF
 7 BY MR. COLWELL:
 8 Q. Good morning, Ms. Tichner.
 9 A. Good morning.
 10 Q. Thank you for appearing here today. As I
 11 mentioned earlier, my name is Peter Colwell. I'm
 12 an attorney with the Federal Trade Commission.
 13 Have you ever been deposed or testified
 14 before?
 15 A. No, I have not.
 16 Q. The court reporter is transcribing
 17 everything we say today. So for the court
 18 reporter's benefit and to keep the record clear,
 19 please try to respond to all of my questions
 20 verbally instead of using gestures, nods of the
 21 head or the like.
 22 Does that make sense?

Page 10

1 A. Yes.
2 Q. Also, please let me know if at any time
3 you cannot hear me or see me. Also, let me know
4 if you do not understand a question, and I may
5 rephrase it or clarify.
6 From time to time, counsel may object to
7 a question. Unless your counsel instructs you to
8 not answer a question, you should still please
9 answer the question after the objection.
10 We will take periodic breaks. But if you
11 need a break at any time, please let me know and I
12 will do my best to accommodate you.
13 A. Thank you.
14 Q. This deposition is being conducted
15 remotely, and so we are in different locations.
16 Where are you located today, Ms. Tichner?
17 A. New York City.
18 Q. Other than your counsel, is there anyone
19 else in the room with you?
20 A. No, there is not.
21 Q. Are you aware of anything that would
22 affect your ability to give full and truthful

Page 11

1 testimony today?
2 A. No.
3 Q. I'd like to talk about your current
4 position at Steve Madden, Ms. Tichner.
5 Can you please tell me what your current
6 position is?
7 A. Yes. I'm president of handbags.
8 Q. And how long have you been president of
9 handbags?
10 A. About 18 years.
11 Q. Have you held any other positions at
12 Steve Madden?
13 A. Yes. I had a position as vice-president
14 of handbags. And I also worked in product
15 development.
16 Q. Approximately when were you in those
17 positions?
18 A. 2006 to '7, I believe, I was in product
19 development. And then I believe vice-presidency
20 through 2008 or 2009.
21 Q. Have you held any other positions at
22 Steve Madden?

Page 12

1 A. No, I have not.
2 Q. Moving back to your current position of
3 president of handbags at Steve Madden, what are
4 your responsibilities in your current position?
5 A. I manage both the sales and the design
6 part of our branded handbag lines.
7 Q. Do you have any other responsibilities?
8 A. Those would be the primary.
9 Q. What were your responsibilities as
10 vice-president of handbags at Steve Madden?
11 A. The responsibilities were much of the
12 same, but I had an intermediate report.
13 Q. Can you explain what you mean by
14 intermediate report?
15 A. Sure. Instead of reporting in to the
16 president of the company, I reported in to the
17 president of handbags, who in turn reported in to
18 the president of the company.
19 Q. What were your responsibilities in your
20 product development role at Steve Madden?
21 A. I worked primarily on handbags that were
22 designed to match back directly to the bags in our

Page 13

1 retail stores.
2 Q. Can you explain what you mean by that?
3 A. The handbags and the shoes are on the
4 same pad in our own retail stores, so we often
5 have handbags that might have characteristics more
6 closely related to the shoes than we would in,
7 let's say, the wholesale piece of the business
8 where they are separate.
9 Q. Thank you for explaining that for me,
10 Ms. Tichner.
11 Moving back to your current role and
12 responsibilities, do you have any role in pricing
13 of handbags?
14 A. Yes. All of the pricing structure, I
15 manage sales and design, so sort of at the end.
16 That's, like, all funnel in together, so the
17 answer would be yes.
18 Q. Do you have any role in marketing
19 handbags?
20 A. Small. Most of our marketing is done
21 corporately.
22 Q. Do you have any role related to the

Page 14

1 supply chain or production of handbags?
 2 A. The supply chain and the production piece
 3 are handled by my counterpart.
 4 Q. Who is your counterpart?
 5 A. Jeff Goldstein.
 6 Q. What is his title?
 7 A. VP of global sourcing.
 8 Q. For Steve Madden?
 9 A. Correct.
 10 Q. In your current role, do you have any
 11 role or responsibilities related to analyzing
 12 competition?
 13 A. Yes.
 14 Q. Can you please describe what that role
 15 is?
 16 A. I'm actively responsible for always being
 17 conscious of other brands that are selling
 18 handbags in the same retailers that I operate in.
 19 Q. Before joining Steve Madden, did you have
 20 a job that concerned handbags?
 21 A. Yes.
 22 Q. What job or jobs were those?

Page 15

1 A. I worked as an independent salesperson
 2 for a small designer.
 3 Q. What designer was that?
 4 A. Clara Kasavina.
 5 Q. Approximately when did you have that job?
 6 A. 2000 through 2005, I believe.
 7 Q. And what were your responsibilities
 8 there?
 9 A. I was an independent sales rep selling to
 10 specialty stores across the country.
 11 Q. What are specialty stores?
 12 A. It would be small independent retailers,
 13 as opposed to large chains or large department
 14 stores.
 15 Q. Could you provide an example?
 16 A. Sure. Ritz-Carlton gift shops.
 17 Q. Do you understand that you are testifying
 18 today, Ms. Tichner, as the corporate designee for
 19 Steve Madden in response to a subpoena?
 20 A. Yes.
 21 Q. Did you speak to anyone other than your
 22 counsel about this deposition?

Page 16

1 A. One -- the financial -- my financial
 2 partner, who works for the company.
 3 Q. What is that person's name?
 4 A. Dante Gioia.
 5 Q. What is that person's title?
 6 A. VP of finance and operations.
 7 Q. And why did you speak with Mr. Gioia
 8 about this deposition?
 9 A. It was in reference to the documents that
 10 were included in the deposition [sic], the
 11 financial documents, to review the ones that we
 12 would be presenting today.
 13 Q. Did you discuss anything else with
 14 Mr. Gioia?
 15 A. No.
 16 Q. For about how long did you speak with
 17 Mr. Gioia?
 18 A. Probably about an hour and a half total.
 19 Q. Do you recall specifically which document
 20 or documents you discussed with Mr. Gioia?
 21 A. Yes. May I look at the list of what you
 22 would refer to them as? I want to just make sure

Page 17

1 I'm calling it the correct document. It's the
 2 financial sales for wholesale and retail and the
 3 production data. I have -- I don't know exactly
 4 what the code number is of your -- on the list of
 5 documents.
 6 Q. Unfortunately, I do not have a list that
 7 I can share with you, but --
 8 A. Let me see if I can find a reference
 9 code.
 10 Q. Was it an Excel document?
 11 A. Yes. It was an Excel document with a lot
 12 of tabs with sales data by division.
 13 Q. Thank you, Ms. Tichner.
 14 I'd like to talk about Steve Madden's
 15 business.
 16 Can you provide a brief description of
 17 Steve Madden's business?
 18 A. Sure. We're a fashion-forward lifestyle
 19 brand that markets footwear, accessories, and
 20 apparel globally.
 21 Q. Does Steve Madden sell handbags in the
 22 United States?

Page 22

1 A. Yes. Wholesale accounts.
 2 VIDEO TECHNICIAN: Apologies, Counsel.
 3 I'm getting some interference. It sounds like
 4 it's coming from a cell phone. Hard to say where
 5 it's coming from.
 6 MR. COLWELL: If we can go off the record
 7 for a moment.
 8 VIDEO TECHNICIAN: Going off the record.
 9 The time is 9:58 a.m.
 10 (Discussion off the record.)
 11 VIDEO TECHNICIAN: Going back on the
 12 record. The time is 10:00 a.m.
 13 THE WITNESS: May I amend an answer to
 14 your previously asked question in regard to the
 15 parent company of the Anne Klein brand?
 16 BY MR. COLWELL:
 17 Q. Yes, Ms. Tichner.
 18 A. That's -- WHP-Global is the parent
 19 company.
 20 Q. So Steve Madden has a license agreement
 21 for the Anne Klein brand with that company?
 22 A. Correct.

Page 23

1 [REDACTED]
 2 [REDACTED]
 3 [REDACTED]
 4 [REDACTED]
 5 [REDACTED]
 6 [REDACTED]
 7 [REDACTED]
 8 [REDACTED]
 9 [REDACTED]
 10 [REDACTED]
 11 [REDACTED]
 12 [REDACTED]
 13 [REDACTED]
 14 [REDACTED]
 15 [REDACTED]
 16 Q. Thank you, Ms. Tichner.
 17 And retail includes what?
 18 A. Steve Madden retail stores, as well as
 19 our dot-com direct-to-consumer business.
 20 Q. Is there a resale market for Steve Madden
 21 handbags?
 22 A. Can you rephrase that question or clarify

Page 24

1 the question, please?
 2 Q. Sure. Do Steve Madden handbags have
 3 resale value?
 4 A. I don't know. There are certain handbags
 5 that may be sold on resale to -- in second-party
 6 sources, or handbags that have been gently used
 7 can sometimes be found on secondary sites. But
 8 that's the extent of my knowledge.
 9 Q. Does Steve Madden, itself, sell resale
 10 handbags?
 11 A. We do not.
 12 Q. Why not?
 13 MR. BUTERMAN: Objection. Form.
 14 THE WITNESS: We sell new product through
 15 our own retail distribution sites and new product
 16 to our wholesale partners.
 17 BY MR. COLWELL:
 18 Q. You mentioned that you have
 19 responsibilities related to pricing for Steve
 20 Madden's handbags; is that right?
 21 A. Correct.
 22 Q. What is the price range for Steve Madden

Page 25

1 handbags sold in the United States?
 2 MR. BUTERMAN: Object to form.
 3 THE WITNESS: The bulk of the handbags
 4 suggested retails are a hundred -- about a hundred
 5 dollars and under.
 6 BY MR. COLWELL:
 7 Q. When you say bulk, what do you mean by
 8 that?
 9 A. There are styles that might be outliers
 10 that would have a suggested retail that is higher
 11 than a hundred dollars.
 12 Q. How do you determine the prices for Steve
 13 Madden's handbags?
 14 MR. BUTERMAN: Object to form.
 15 THE WITNESS: Well, the consumer sets a
 16 lot of this groundwork for us, depending on the --
 17 you know in our tier of distribution. I just work
 18 within the frame of the divisions to place the
 19 bags, make sure that we're priced competitively.
 20 BY MR. COLWELL:
 21 Q. And what do you mean by priced
 22 competitively?

Page 26

1 A. If you would -- if we talk about the
 2 other brands that sit in our area of distribution,
 3 we would be priced equivalent or have like or same
 4 suggested retails for similar brands.
 5 Q. What is that distribution tier that you
 6 just mentioned?
 7 A. Can you rephrase the question?
 8 Q. Sure. If I heard you correctly,
 9 Ms. Tichner, you described a tier of distribution
 10 for Steve Madden handbags.
 11 I'd like to understand what that is.
 12 MR. BUTERMAN: Objection.
 13 THE WITNESS: The segment of business has
 14 several names. It can be referred to as opening
 15 price point, moderate, trend, fashion.
 16 BY MR. COLWELL:
 17 Q. And Steve Madden's handbags are within
 18 that opening price point tier that you just
 19 described?
 20 MR. BUTERMAN: Objection.
 21 THE WITNESS: They're in that segment.
 22

Page 27

1 BY MR. COLWELL:
 2 Q. Are you familiar with any other tiers for
 3 handbags sold in the United States?
 4 MR. BUTERMAN: Objection.
 5 MR. GRUNDVIG: Objection to form.
 6 MR. BUTERMAN: Counsel, please stop
 7 trying to put the word "tiers" into the witness'
 8 mouth. She hasn't used it once yet.
 9 MR. COLWELL: Counsel, I believe the
 10 witness has used the word "tier."
 11 BY MR. COLWELL:
 12 Q. Did I mishear you, Ms. Tichner?
 13 A. I don't remember if I used the
 14 word "tier" or "segment." I -- I don't remember.
 15 Q. Thank you, Ms. Tichner.
 16 Based on your knowledge and experience in
 17 the industry, Ms. Tichner, are you familiar with
 18 any other segments aside from the one you just
 19 described?
 20 A. Yes.
 21 Q. What are those other segments?
 22 A. There are a lot. There are -- my

Page 28

1 handbags are about a hundred -- as I said, a
 2 hundred dollars and under. There's ranges above
 3 and ranges below as well.
 4 Q. What are the ranges above?
 5 A. Over 150 and up to -- to \$1500 and up.
 6 Q. What is the \$1500 and up segment?
 7 A. Luxury designer.
 8 MR. GRUNDVIG: Objection to form.
 9 BY MR. COLWELL:
 10 Q. What brands are in the luxury designer
 11 segment?
 12 A. Gucci, LV, Prada.
 13 Q. You mentioned another segment, and I
 14 believe you said over \$150; is that right?
 15 A. I was just referring to price points that
 16 would cover bags that were above sort of the
 17 highest price point at Steve Madden.
 18 Q. Thank you, Ms. Tichner.
 19 Are you familiar with any segments
 20 between opening price point and designer luxury?
 21 A. Yes. There are many: designer, emerging
 22 designer, contemporary, advanced contemporary.

Page 29

1 Q. Are you familiar with the brand Coach?
 2 A. Yes.
 3 Q. In -- in what segment do you consider
 4 Coach handbags to be?
 5 MR. BUTERMAN: Objection.
 6 THE WITNESS: Designer.
 7 BY MR. COLWELL:
 8 Q. Are you familiar with Kate Spade, the
 9 brand?
 10 A. Yes.
 11 Q. What segment --
 12 A. Designer.
 13 Q. -- are Kate Spade handbags in?
 14 A. Designer.
 15 Q. And what segment is Michael Kors?
 16 MR. BUTERMAN: Objection.
 17 THE WITNESS: Designer.
 18 BY MR. COLWELL:
 19 Q. Are you familiar with any subcategories
 20 or segments to the designer category or segment
 21 that you described?
 22 MR. BUTERMAN: Object to form.

Page 30

1 THE WITNESS: It could be emerging
 2 designer, select designer, designer boutique.
 3 Each retailer classifies brands distinctively to
 4 that retailer.
 5 BY MR. COLWELL:
 6 Q. Based on your knowledge and experience in
 7 the handbag industry, are you familiar with the
 8 phrase "accessible luxury"?
 9 MR. BUTERMAN: Objection.
 10 THE WITNESS: Yes.
 11 BY MR. COLWELL:
 12 Q. What do you understand that phrase to
 13 mean?
 14 A. Those would represent brands that the
 15 customer would view as designer that are at
 16 affordable -- what they view -- what are
 17 affordable price points for that segment of
 18 customer.
 19 Q. What handbag brands are in that segment?
 20 A. There's a lot.
 21 MR. BUTERMAN: Objection.
 22 THE WITNESS: Michael Kors, Kate Spade,

Page 31

1 Coach, Marc Jacobs, Tory Burch. There are other
 2 ones as well.
 3 BY MR. COLWELL:
 4 Q. What are the differences between that
 5 segment and the opening price point segment that
 6 you described?
 7 A. Two primary differences. One would be
 8 opening price point segment, most of the handbags
 9 are constructed of non-leather material; and two,
 10 price point.
 11 Q. So do one of those segments use certain
 12 kinds of materials?
 13 A. The handbags in the opening price point
 14 segment are non- -- for all practical purposes,
 15 non-leather materials.
 16 Q. Based on your knowledge and experience,
 17 is Louis Vuitton in that accessible luxury
 18 segment?
 19 MR. BUTERMAN: Objection.
 20 THE WITNESS: No.
 21 BY MR. COLWELL:
 22 Q. Why not?

Page 32

1 A. I would classify Louis Vuitton as a true
 2 luxury designer.
 3 Q. And what makes a true luxury designer
 4 different from the other segment?
 5 MR. GRUNDTVIG: Objection. Form.
 6 THE WITNESS: Price points -- opening
 7 price points starting in true luxury are higher.
 8 BY MR. COLWELL:
 9 Q. How much higher?
 10 MR. BUTERMAN: Objection.
 11 THE WITNESS: I can only give you the
 12 range of where I believe the bulk of true luxury
 13 handbags begins at, and I believe it is at about
 14 \$1500 and up.
 15 BY MR. COLWELL:
 16 Q. Are there any other brands that you would
 17 categorize as true luxury designers?
 18 A. I can repeat. I don't know if I said
 19 them when you asked me before, but Louis Vuitton,
 20 Gucci, Prada, Celine.
 21 [REDACTED]
 22 [REDACTED]

Page 33

1 [REDACTED]
 2 [REDACTED]
 3 [REDACTED]
 4 Q. What are stores' private brands?
 5 A. Individual retailers have brands that are
 6 their own, intrinsic to that specific retailer.
 7 Q. Does Steve Madden produce any private
 8 label products?
 9 A. Yes.
 10 Q. Does Steve Madden produce private label
 11 handbags?
 12 A. Yes.
 13 Q. Are Steve Madden's private label handbags
 14 different from other handbags that it sells?
 15 A. I don't manage that segment of our
 16 business, so I could not answer the question
 17 completely accurately for you.
 18 Q. That's fine. Thank you, Ms. Tichner.
 19 Do you have responsibilities,
 20 Ms. Tichner, related to sourcing materials for
 21 Steve Madden's handbags?
 22 A. The sourcing and the production are

Page 34

1 handled by my counterpart.

2 Q. Who is your counterpart?

3 A. Jeff Goldstein.

4 Q. Are you familiar with where Steve Madden

5 produces handbags?

6 A. Yes.

7 Q. Where is that?

8 A. About 95 percent is produced in Asia.

█ [REDACTED]

█ [REDACTED]

█ [REDACTED]

13 Q. Does Steve Madden manufacture handbags

14 itself in those locations?

15 A. Can you please repeat the question --

16 rephrase the question?

17 Q. Sure.

18 Does Steve Madden actually manufacture

19 the handbags it sells itself?

20 A. We are not -- we work with valued

21 partners as factories. We do not own the

22 factories.

Page 35

1 Q. What is a factor?

2 A. Factory.

3 Q. Pardon me.

4 So external vendors manufacture the

5 products?

6 A. Yes.

7 Q. And those vendors are located in the --

8 A. They're lo- --

9 Q. -- places you mentioned?

10 A. Correct.

11 Q. Are you familiar with where Steve Madden

12 sources materials for its handbags?

13 A. Yes.

14 Q. Where is that?

15 A. Sourcing is primarily in Asia as well.

16 MR. COLWELL: Now would be a good time to

17 take a break. Would you like to take a break,

18 Ms. Tichner?

19 THE WITNESS: Yes. Thank you.

20 MR. COLWELL: Okay. We can go off the

21 record.

22 VIDEO TECHNICIAN: Thank you. Going off

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1 the record. The time is 10:24 a.m.

2 (A recess was taken.)

3 VIDEO TECHNICIAN: Going back on the

4 record. The time is 10:36 a.m.

5 BY MR. COLWELL:

6 Q. Ms. Tichner, you mentioned that Steve

7 Madden has its handbags manufactured predominantly

8 in Asia.

9 A. Correct.

█ [REDACTED]

█ [REDACTED]

█ [REDACTED]

█ [REDACTED]

14 Q. Thank you, Ms. Tichner.

15 Similarly, for sourcing you mentioned

16 that Steve Madden sources materials from Asia for

17 handbags.

18 What countries specifically, if you know?

19 A. China.

20 Q. What materials, specifically, does Steve

21 Madden source from China for its handbags?

22 A. The base material for bulk of the

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1 handbags is PU, non-leather-like material.

2 Q. Is PU polyurethane?

3 A. Yes.

4 Q. Why does Steve Madden use PU for its

5 handbags?

6 A. PU materials have a very leather-like

7 look to them.

8 Q. How does the cost of PU materials compare

9 to the cost of leather?

10 MR. GRUNDTVIG: Objection. Form.

11 THE WITNESS: PU costs less than leather.

12 BY MR. COLWELL:

13 Q. Does Steve Madden consider the cost of

14 the material in selecting it?

15 MR. BUTERMAN: Object to form.

16 THE WITNESS: Yes.

17 BY MR. COLWELL:

18 Q. I'd like to move to talk about the design

19 of Steve Madden handbags, Ms. Tichner.

20 Do you have responsibilities related to

21 the design of Steve Madden handbags?

22 A. Yes.

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1 Q. What are those responsibilities?
 2 A. I manage the team of designers that work
 3 on the product.
 4 Q. How does Steve Madden design its
 5 handbags?
 6 MR. GRUNDTVIG: Objection. Form.
 7 THE WITNESS: May -- can you please
 8 clarify the question as related to Steve Madden or
 9 Steve Madden handbags as a general...
 10 BY MR. COLWELL:
 11 Q. Does the design process differ by Steve
 12 Madden handbag brand?
 13 A. Yes.
 14 Q. How does it differ?
 15 A. Each brand has separate design process
 16 unique to its DNA.
 17 Q. What do you mean by unique to its DNA?
 18 A. May I give an example to clarify this?
 19 Q. Please do.
 20 A. Steve Madden brand is very trend-driven.
 21 So the fastest fashion looks would be something
 22 that would be the DNA of Steve Madden.

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1 You have a brand like Betsey Johnson,
 2 which is very fun and whimsical and might have a
 3 different DNA.
 4 Q. How would you describe the DNA for the
 5 Betsey Johnson brand?
 6 A. Whimsical, fun. There's also an edgy
 7 side of it, but very specific to Betsey Johnson.
 8 Q. How would you describe the brand DNA for
 9 the licensed brand Anne Klein?
 10 A. I would describe that as more
 11 traditional. More buttoned-up.
 12 Q. I'd like to talk about how each of Steve
 13 Madden's handbag brands design handbags, the
 14 process.
 15 Starting with the Steve Madden brand, how
 16 does that brand design handbags?
 17 A. The process for designing handbags for
 18 Steve Madden and the other brands, it's -- the
 19 design process is very similar, but we use
 20 separate and distinct design teams for each one.
 21 Steve Madden would be heavily focused
 22 into trending designs.

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1 Q. What are trending designs?
 2 A. Trends that are emerging in the
 3 marketplace globally, not -- not always specific
 4 to handbags.
 5 Q. How does Steve Madden become aware of
 6 those trends?
 7 A. It's the lifeblood of the company. We're
 8 highly focused on trend and fashion, and that
 9 comes from a corporate perspective.
 10 Q. Aside from trends, what else do the
 11 brands consider when designing handbags?
 12 A. Silhouette, colors, different things
 13 happening in the marketplace. Even social
 14 conditions happening in the marketplace.
 15 Q. Do Steve Madden's handbag brands design
 16 handbags for any specific types of customers?
 17 MR. BUTERMAN: Object to form.
 18 THE WITNESS: We like to design handbags
 19 to cover a broad base of customer.
 20 BY MR. COLWELL:
 21 Q. Does that differ in any way by Steve
 22 Madden handbag brand?

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1 A. Other brands may be a bit more specific
 2 to the brand, such as Betsey Johnson, which is
 3 heavily print-driven and specific in that sense.
 4 Q. Is that brand specific in any other
 5 senses?
 6 A. Not -- no.
 7 Q. What about the other handbag brands?
 8 A. Each one of them has specificity in its
 9 DNA but also markets within their DNA to a broad
 10 base of customers.
 11 Q. Can you explain the differences between
 12 Steve Madden's handbag brands as it relates to
 13 that specificity that you just described?
 14 MR. BUTERMAN: Objection. Form.
 15 MR. GRUNDTVIG: Objection.
 16 THE WITNESS: Can you clarify if you mean
 17 between each of the brands? Is that what you're
 18 asking? Do you want me --
 19 BY MR. COLWELL:
 20 Q. Yes.
 21 A. Steve Madden -- all of the brands, when I
 22 see the product and we see the product in end use,

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1 meaning we see actual consumers with it, we can
 2 see a broad-based customer. Maybe that would help
 3 explain it.
 4 Q. Does that customer differ by brand?
 5 A. There are always similarities and always
 6 differences from brand to brand. And brand to
 7 brand from store to store.
 8 Q. Focusing on Steve Madden's handbag
 9 brands, can you describe the differences for each
 10 of the handbag brands?
 11 MR. BUTERMAN: Objection.
 12 MR. GRUNDTVIG: Objection. Form.
 13 THE WITNESS: We would use something like
 14 age as a difference between our handbag customer.
 15 The end use of the same product in two different
 16 settings would be a range of customers.
 17 That's two good examples.
 18 MR. COLWELL: I'd like to show you a
 19 document, Ms. Tichner. I'm introducing it via
 20 Exhibit Share.
 21 Are you logged into Exhibit Share?
 22 THE WITNESS: I'm not sure.

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1 MR. GRUNDTVIG: Why don't you show it, and
 2 we may need to pull it up on a laptop here.
 3 (Tichner Deposition Exhibit PX3025 marked
 4 for identification and attached to the
 5 transcript.)
 6 MR. COLWELL: The exhibit is marked
 7 PX3025. It was produced as MDDN-TAP000075. And
 8 it appears to be an Excel spreadsheet that
 9 contains certain data for wholesale and retail
 10 sales from Steve Madden from the period of
 11 January 2019 through April 2024.
 12 MR. GRUNDTVIG: Peter, we need to pull
 13 that up. We're not getting it through the
 14 connection we have.
 15 MR. COLWELL: It should be located in the
 16 marked exhibit folder in Exhibit Share.
 17 MR. GRUNDTVIG: We need to pull up Exhibit
 18 Share. Hold on one sec.
 19 MR. COLWELL: Okay.
 20 (Discussion off the record.)
 21 THE WITNESS: I think we're set.
 22

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1 BY MR. COLWELL:
 2 Q. Can you see the document, Ms. Tichner?
 3 A. Yes.
 4 Q. This is a native file, Excel file, that
 5 we've marked as PX3025.
 6 Do you recognize this document,
 7 Ms. Tichner?
 8 A. Yes.
 9 Q. And is this document, PX3025, an Excel
 10 spreadsheet from Steve Madden containing certain
 11 sales data?
 12 A. Can you repeat the number again, please,
 13 of -- the document number?
 14 Q. Sure.
 15 I've marked it in preparation for this
 16 deposition as PX3025. Steve Madden produced it as
 17 MDDN-TAP000075.
 18 A. Yes.
 19 Q. Is this the document that you reviewed
 20 with your colleague, Mr. Gioia?
 21 A. Yes.
 22 Q. If you click on the tab marked

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1 WL US Bags-2023.
 2 Do you see that?
 3 A. Can you just repeat the tab again,
 4 please?
 5 Q. WL US Bags-2023.
 6 A. Let me get there. I'm just going to make
 7 the screen larger.
 8 THE WITNESS: Maybe that's okay.
 9 (Discussion off the record.)
 10 THE WITNESS: Hold, please.
 11 VIDEO TECHNICIAN: Counsel, would you
 12 like to go off the record?
 13 MS. KEITH: Maybe for a minute, just so
 14 we can figure out whose screen she should look at
 15 to best see it.
 16 MR. COLWELL: Yes. Thank you. That
 17 would be helpful, just to make sure she has it.
 18 VIDEO TECHNICIAN: Going off the record.
 19 The time is 10:57 a.m.
 20 (Discussion off the record.)
 21 VIDEO TECHNICIAN: Going back on the
 22 record. The time is 10:59 a.m.

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1 BY MR. COLWELL:
 2 Q. Ms. Tichner, are you able to see the
 3 spreadsheet that I've marked as PX3025?
 4 A. Yes.
 5 Q. Were you able to go to the tab
 6 WL US Bags-2023?
 7 A. Yes.
 8 Q. What do you understand the data in this
 9 tab to be for?
 10 A. These are U.S. wholesale sales for the
 11 year of 2023.
 12 Q. Does WL refer to wholesale in this
 13 spreadsheet?
 14 A. Yes.
 15 Q. One of the columns in this tab is titled,
 16 "Original Price."
 17 Do you see that?
 18 A. Yes.
 19 Q. What does original price refer to in this
 20 spreadsheet?
 21 A. The price that the item was sold to the
 22 customer at.

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1 item, and then what it actually cost us would be a
 2 combination of all of those individual pieces.
 3 Q. Can you turn to the -- tab 4, retail --
 4 or RT, pardon me. The tab is labeled
 5 RT US Bags M3-2023.
 6 A. I can't find it here, but --
 7 MS. KEITH: Here.
 8 THE WITNESS: I have it.
 9 BY MR. COLWELL:
 10 Q. What do you understand this tab,
 11 RT US Bags M3-2023, to represent?
 12 A. It records the sale of our own retail
 13 stores, together with our direct-to-consumer,
 14 meaning our e-commerce site, for Steve Madden.
 15 And it also includes Dolce Vita and Betsey Johnson
 16 retail or -- and/or direct-to-consumer are
 17 captured in that division.
 18 Q. Does RT on this spreadsheet reference
 19 retail?
 20 A. Yes.
 21 Q. One of the columns on this spreadsheet is
 22 titled, "Cost of Sale."

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1 Q. Does this sheet show any discounting to
 2 prices?
 3 A. The only way that I would know if the
 4 original price here shows a discount is if I had
 5 all -- the wholesale list that documents every
 6 single SKU that's listed.
 7 Q. What costs of sale are included on the
 8 wholesale sheets in this Excel file?
 9 A. Can you please rephrase the question?
 10 Q. Sure.
 11 There is a column titled, "Cost of Sale"
 12 for the tab we're on, WL US Bags-2023.
 13 Do you see that?
 14 A. Yes.
 15 Q. What is cost of sale?
 16 A. That refers to the price or the cost that
 17 the item technically is in our system at. Sort of
 18 our landed cost, if you will.
 19 Q. What is landed cost?
 20 A. That would refer to the first cost of the
 21 item, plus whatever transportation or duty or
 22 freight, whatever was added on to the price of th

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1 Do you see that?
 2 A. Just a moment.
 3 MS. KEITH: It's a touchscreen, so you
 4 can...
 5 THE WITNESS: Okay. That would refer to
 6 the cost in the system for those divisions.
 7 Similar to the cost that's in the wholesale
 8 system.
 9 BY MR. COLWELL:
 10 [REDACTED]
 11 [REDACTED]
 12 [REDACTED]
 13 [REDACTED]
 14 [REDACTED]
 15 [REDACTED]
 16 Q. I'd like to turn to the tab titled
 17 RT US Bags ORSI 2019-2024, 04 is in parentheses.
 18 Do you see that tab?
 19 A. Yes.
 20 [REDACTED]
 21 [REDACTED]
 22 [REDACTED]

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[REDACTED]

11 Q. Steve Madden uses those systems --

12 A. Correct.

13 Q. -- internally?

14 A. Correct.

15 Q. This tab includes a class category. It's

16 a column, rather --

17 A. Yes.

18 Q. "Class" is the title of that column.

19 Do you see it?

20 A. Yes.

21 Q. What does "class" mean here?

22 A. It's a segment on which to define the

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1 minibag, we might refer to backpack, small

2 backpack, large, just for analytics.

3 BY MR. COLWELL:

4 Q. Going back to the tab WL US Bags-2023.

5 Do you see that?

6 A. Yes.

7 Q. Is there a column that provides category

8 information, similar to the class and subclass

9 columns that we just reviewed in the retail tab?

10 A. It would be located in either one of two

11 columns, I believe product group or subgroup.

12 Q. What does product group include? The

13 column product group.

14 A. Yup. Those are hierarchy codes we use to

15 assign the specific attributes of the bags so that

16 we can classify them.

17 Q. And what is subgroup in the subgroup

18 column?

19 A. It would be by not only the category but

20 also by color, I believe.

21 Q. For the product at issue?

22 A. Correct.

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1 category of where the bag sits. So day -- I see

2 day, a day bag, a larger size bag, evening. Might

3 be something that was smaller that one would

4 classify as an evening bag.

5 Q. The next column is titled, "Subclass."

6 Do you see that?

7 A. Yes.

8 Q. What does that represent?

9 A. Again, I manage the wholesale, but it is

10 basically a handbag silhouette, taking a category

11 and then breaking it down by silhouette.

12 For instance, you might have a day

13 handbag that could be characterized as an hobo or

14 a tote or a satchel or a mini. So it's a further

15 characterization.

16 Q. Does wholesale uses the same

17 categorizations?

18 A. Similar.

19 Q. How are they different?

20 A. We --

21 MR. GRUNDTVIG: Objection. Form.

22 THE WITNESS: We might, instead of

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1 Q. I'd like to go to the tab marked

2 M3-production data.

3 A. I have it.

4 Q. What does this tab represent?

5 A. These are the orders -- it's production

6 data to quantify the orders that we place to the

7 factory for the specific styles that we sell by

8 division.

9 Q. Can you explain that process further,

10 placing orders?

11 A. Sure. When we place an order for a

12 product, we place something called a WIP, which is

13 short for work in progress. And it's just sort of

14 the purchase order for those particular items that

15 we buy from the different factories. So we record

16 the actual purchasing of them in separate

17 divisions -- in separate lines, and we do,

18 obviously, the sale for it.

19 Q. Thank you for explaining that for me,

20 Ms. Tichner.

21 There is a column on the same tab,

22 M3-production data, titled, "Supplier name."

Page 54

1 Do you see that?

2 A. Just a moment. Yes. Those would be the

3 names of the suppliers to where we place the

4 orders.

5 Q. What do these suppliers do for Steve

6 Madden?

7 A. To clarify, supplier would be

8 interchangeable word with factory. So they're the

9 actual factory -- we call them suppliers -- that

10 manufacture the bags.

11 Q. There is another column titled, "Country

12 of origin."

13 Do you see that?

14 A. Yes.

15 Q. What does that column contain?

16 A. That is the country of where each item is

17 made specifically.

18 Q. The next column is titled, "Period," and

19 then, in parentheses, YYYYMM.

20 Do you see that column?

21 A. I do.

22 Q. What information is in this column?

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1 A. That is the year and the month of the

2 order from the supplier to our company.

3 Q. What happens after you place that order?

4 A. Magic. No. The factory gets the order.

5 Then, based on the calendar, the dates for each

6 item are different, meaning each order is placed

7 to correspond to the shipping period of which we

8 ship the handbags to our customers.

9 So they're on a calendar. They produce

10 and manufacture the bags. And then those bags

11 then are shipped to us so that we can meet the

12 deadlines and the deliveries that are written for

13 each order by brand.

14 Q. There's a column titled, "Landed Cost."

15 Do you see that column?

16 A. I do.

17 Q. What is in that column?

18 A. I just want to make sure I'm seeing it

19 correctly.

20 So that is an extension of, I believe,

21 multiplying a certain amount of units that's in

22 the column before by the landed cost per bag.

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1 Q. I'd like to move to the next and final

2 tab, which is titled ORSI production data.

3 Do you see that?

4 A. Yes.

5 Q. What information is conveyed in this tab?

6 A. Those would be the orders that the Steve

7 Madden retail stores places directly for bags that

8 will be distributed at retail stores and

9 direct-to-consumer.

10 It also included Betsey Johnson and

11 Dolce Vita before those moved, again, into the M3

12 above it.

13 It refers to the orders for the retail

14 stores that are placed at the factory.

15 [REDACTED]

16 [REDACTED]

17 [REDACTED]

18 [REDACTED]

19 MR. BUTERMAN: Object to form.

20 THE WITNESS: Oh. Can you please ask the

21 question again?

22

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1 [REDACTED]

2 [REDACTED]

3 [REDACTED]

4 [REDACTED]

5 [REDACTED]

6 [REDACTED]

7 [REDACTED]

8 [REDACTED]

9 [REDACTED]

10 [REDACTED]

11 [REDACTED]

12 [REDACTED]

13 [REDACTED]

14 Q. Thank you, Ms. Tichner. You can put --

15 A. That away?

16 Q. -- PX3025 away.

17 MR. COLWELL: I'd like to take a short

18 break, if we can go off the record.

19 VIDEO TECHNICIAN: Going off the record.

20 The time is 11:22 a.m.

21 (A recess was taken.)

22 VIDEO TECHNICIAN: Going back on the

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1 record. The time is 11:32 a.m.
 2 MR. COLWELL: Ms. Tichner, thanks very
 3 much again for your time today. Those are all of
 4 the questions for you that I have at the moment,
 5 but I'll reserve the remainder of my time to use
 6 if necessary.
 7 THE WITNESS: You're welcome. Nice
 8 meeting you.
 9 MR. COLWELL: Likewise.
 10 EXAMINATION BY COUNSEL FOR TAPESTRY, INC.
 11 BY MR. BUTERMAN:
 12 Q. Good morning, Ms. Tichner. As I
 13 mentioned earlier, my name is Larry Buterman, and
 14 I'm an attorney representing Tapestry, Inc., in
 15 connection with these cases.
 16 Ms. Tichner, is Steve Madden a public
 17 company?
 18 A. Yes.
 19 Q. As a public company, does Steve Madden
 20 make regular filings to the Securities and
 21 Exchange Commission?
 22 MR. GRUNDVIG: Objection. Form.

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1 MR. COLWELL: Objection. Leading.
 2 THE WITNESS: I believe -- I can't answer
 3 that. Maybe with earnings reports and things like
 4 that. I'm not familiar with that part.
 5 BY MR. BUTERMAN:
 6 Q. Have you ever heard of something called a
 7 Form 10-K?
 8 A. I don't believe so.
 9 Q. Okay. Do you know if, when Steve Madden
 10 makes filings to the Securities and Exchange
 11 Commission, it attempts to be truthful and
 12 accurate?
 13 MR. COLWELL: Objection.
 14 MR. GRUNDVIG: Objection.
 15 MR. COLWELL: Foundation and form.
 16 THE WITNESS: If we made a filing, I know
 17 it would be truthful and accurate.
 18 BY MR. BUTERMAN:
 19 Q. Okay. I'd like to show you a document.
 20 MR. BUTERMAN: This is in the tab
 21 binder -- it's Exhibit 34. That's for my team to
 22 get it into the Exhibit Share.

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1 And this will be DX -- is it 707, Kimon?
 2 MR. TRIANTAFYLLOU: That's right.
 3 THE WITNESS: Does it have a header on
 4 the top?
 5 MR. BUTERMAN: This is -- you'll see it
 6 in the Exhibit Share in a moment.
 7 At the top it will say United States
 8 Securities and Exchange Commission Form 10-K,
 9 Steve Madden, Ltd.
 10 (Tichner Deposition Exhibit DX707 marked
 11 for identification and attached to the
 12 transcript.)
 13 BY MR. BUTERMAN:
 14 Q. You may -- it should be in the Exhibit
 15 Share now. You just would need to refresh.
 16 A. I see it.
 17 Q. Great. And you see that it says, United
 18 States Securities and Exchange Commission, D.C.
 19 20549, Form 10-K. And then, underneath there,
 20 there's a box that's checked that says, Annual
 21 report pursuant to Section 13 or 15(d) of the
 22 Securities Exchange Act of 1934 for the fiscal

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1 year ended December 31st, 2023?
 2 A. I do not see that yet.
 3 Q. Okay.
 4 A. If you'd like to read back that sentence
 5 quickly, I believe I found what you asked me.
 6 Q. Sure. On the top of the first page of
 7 the document, do you see that it says, United
 8 States Securities and Exchange Commission,
 9 Washington, D.C. 20549, and then there's a box
 10 that's marked and next to it it says, Annual
 11 report pursuant to Section 13 or 15(d) of the
 12 Securities Exchange Act of 1934 for the fiscal
 13 year ended December 31st, 2023?
 14 A. Yes.
 15 Q. Okay. And I'll represent to you that
 16 this is Steve Madden's most recent annual report
 17 that it filed with the SEC.
 18 Can you turn to page 5 of the document?
 19 It's the page that starts at the top with the
 20 bolded heading "Item 1. Business."
 21 MS. KEITH: It's page 5 of the document,
 22 page 3 of the numbered pages --

<p style="text-align: right;">Page 62</p> <p>1 MR. BUTERMAN: Yes, that's correct.</p> <p>2 Sorry. I was going by the PDF pages.</p> <p>3 MS. KEITH: I think she was confused.</p> <p>4 MR. BUTERMAN: Thank you.</p> <p>5 THE WITNESS: Okay. I found the page</p> <p>6 that you're looking for.</p> <p>7 BY MR. BUTERMAN:</p> <p>8 Q. Okay. And can you just read the first</p> <p>9 two sentences into the record?</p> <p>10 A. Would you like me to read the header on</p> <p>11 the page --</p> <p>12 Q. Sure. That's fine.</p> <p>13 A. Safe harbor statement --</p> <p>14 Q. Oh, no, no, no, I'm sorry -- not the</p> <p>15 header on the page. I'd just like you to read the</p> <p>16 part under item 1, business.</p> <p>17 MS. KEITH: There.</p> <p>18 THE WITNESS: I apologize, my pages are</p> <p>19 not lining up with yours.</p> <p>20 MS. KEITH: It's page 5 -- page 3 of the</p> <p>21 report, so up -- yeah. Why is it not -- that's 5.</p> <p>22 It's page 3. There you go. Item 1, business.</p>	<p style="text-align: right;">Page 64</p> <p>1 various countries in Asia."</p> <p>2 Q. Is that a truthful and accurate</p> <p>3 statement?</p> <p>4 A. Yes. That is a true and accurate</p> <p>5 statement.</p> <p>6 Q. Okay. Could you look down a little bit</p> <p>7 further on the page where it says -- you see it</p> <p>8 says, "Our segments"?</p> <p>9 A. Yes.</p> <p>10 Q. And then underneath there's a section</p> <p>11 entitled, "Wholesale accessories/apparel."</p> <p>12 Do you see that?</p> <p>13 A. Yes.</p> <p>14 Q. Could you read that paragraph, please?</p> <p>15 A. "Wholesale accessories/apparel. Our</p> <p>16 wholesale accessories/apparel segments designs,</p> <p>17 sources, and markets our brands and sells our</p> <p>18 products to department stores, mass merchants,</p> <p>19 off-price retailers, online retailers, specialty</p> <p>20 retailers, independent stores, and clubs</p> <p>21 throughout the United States, Canada, Mexico, and</p> <p>22 Europe, and through our joint ventures and</p>
<p style="text-align: right;">Page 63</p> <p>1 Do you need him to zoom? Can you see?</p> <p>2 THE WITNESS: I can read.</p> <p>3 MS. KEITH: Okay.</p> <p>4 THE WITNESS: Item 1 business. Shall I</p> <p>5 begin there?</p> <p>6 BY MR. BUTERMAN:</p> <p>7 Q. Yeah, just the first two sentences.</p> <p>8 A. "Steve Madden, Limited, and its</p> <p>9 subsidiary [sic] design, source, and market</p> <p>10 fashion-forward branded private label footwear,</p> <p>11 accessories and apparel. We distribute our</p> <p>12 products in the wholesale channel through</p> <p>13 department stores, mass merchants, off-price</p> <p>14 retailers, shoe chains, online retailers, national</p> <p>15 chains, specialty retailers, independent stores,</p> <p>16 and clubs throughout the United States, Canada,</p> <p>17 Mexico, and Europe and other international markets</p> <p>18 through our joint ventures in Israel, South</p> <p>19 Africa, China, Taiwan, Malaysia, and the Middle</p> <p>20 East, along with special distribution arrangements</p> <p>21 in certain European countries, North Africa, South</p> <p>22 Africa [sic], Central America, Australia, and</p>	<p style="text-align: right;">Page 65</p> <p>1 international distributor network. Our wholesale</p> <p>2 accessories/apparel business primarily consists of</p> <p>3 handbags, apparel, small leather goods, belts,</p> <p>4 soft accessories, fashion scarves, wraps, gifting,</p> <p>5 and other trend accessories. The wholesale</p> <p>6 accessories/apparel segment primarily consists of</p> <p>7 the following brands: Steve Madden, Anne Klein,</p> <p>8 Betsey Johnson, Dolce Vita. This segment also</p> <p>9 includes our private label handbag and accessories</p> <p>10 business. This segment represents 21 percent of</p> <p>11 total revenue, 2023."</p> <p>12 Q. And to the best of your knowledge, are</p> <p>13 those statements correct and accurate?</p> <p>14 A. Yes.</p> <p>15 Q. If you look down in the</p> <p>16 direct-to-consumer section below, do you see</p> <p>17 there's a paragraph that begins, "In 2023" --</p> <p>18 A. Yes, I do.</p> <p>19 Q. It's the second -- okay.</p> <p>20 Can you read the second sentence, the one</p> <p>21 that begins, "As of December 31st"?</p> <p>22 A. "As of December 31st, 2023, we operated</p>

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1 255 brick-and-mortar retail stores, including 181
2 Steve Madden full-price stores, 71 Steve Madden
3 outlet stores, and three Dolce Vita full-price
4 store." Typo.
5 Did you want me to continue --
6 Q. Is that sentence truthful and accurate?
7 A. Yes. That's truthful and accurate.
8 Q. Can you scroll down to the next page?
9 And that's page 4 of the document, page 6 of the
10 PDF, to the part that reads, "Product Design and
11 Development."
12 Do you see that?
13 A. Yes.
14 Q. Could you read that paragraph, please?
15 A. "Product design and development. We have
16 established a reputation for our creative designs,
17 marketing, and trend-right products in affordable
18 price points. Our future success will be --
19 substantially depend on our ability to continue to
20 anticipate and react quickly to changing -- react
21 quickly to changing consumer demands. To meet
22 this objective, we have developed what we believe

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1 is an unparalleled design team and process. Our
2 design team strives to create designs that are
3 true to our DNA, reflect current or anticipated
4 trends, and can be manufactured in a timely and
5 cost-effective manner. Most new products are
6 tested in select retail stores and on direct
7 operated e-commerce websites. Based on these
8 tests, among other things, management selects
9 products that are then offered for wholesale and
10 direct-to-consumer distribution worldwide. We
11 believe that our design and testing processes,
12 combined with our flexible sourcing model, provide
13 our brands with a significant competitive
14 advantage and allow us to migrate [sic] the risk
15 of incurring costs associated with the production
16 and distribution of less desirable designs."
17 Q. And is that a truthful and accurate
18 statement?
19 MR. GRUNDVIG: Objection.
20 MR. COLWELL: Objection. Form.
21 THE WITNESS: That is.
22

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1 BY MR. BUTERMAN:
2 Q. Where does Steve Madden learn of the
3 current or anticipated trends that its design team
4 strives to create designs that match up with?
5 MR. COLWELL: Objection. Form.
6 MR. GRUNDVIG: Objection. Form.
7 THE WITNESS: The trends or the designs
8 can come from anywhere, from looking at what's
9 trending in the marketplace to traveling to what's
10 happening. As I said, can -- all over. And we
11 have teams dedicated to this.
12 BY MR. BUTERMAN:
13 Q. When you say that trends can include what
14 is trending in the marketplace, what do you mean
15 by that?
16 A. Example: There used to -- backpacks were
17 never considered a category in handbags. When
18 those started to emerge, we would start to see
19 hand -- we would start to see a lot of backpacks.
20 That would be something that we would be
21 considered a trend, and we would make sure we had
22 those -- that trend covered in our brands.

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1 Q. In determining which products to design,
2 does Steve Madden look to see what types of
3 products are selling well at other competitive
4 brands?
5 MR. COLWELL: Objection. Form.
6 Foundation.
7 THE WITNESS: I can't answer the question
8 that Steve Madden would always know the answer of
9 what is selling at other competitive brands. But
10 we would use whatever information we have in the
11 marketplace to establish items that we wish to
12 market.
13 BY MR. BUTERMAN:
14 Q. Which brands would Steve Madden look to
15 when it is trying to understand current or
16 anticipated trends?
17 MR. GRUNDVIG: Objection. Form.
18 MR. COLWELL: Objection. Form.
19 Foundation.
20 THE WITNESS: We would look at all brands
21 all over the world in all different categories to
22 see what is actually happening.

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1 BY MR. BUTERMAN:
 2 Q. When you say all brands all over the
 3 world, would that include the brands that you
 4 identified earlier today as luxury brands?
 5 A. Yes, that would.
 6 Q. And would that include the brands that
 7 you, I believe, referred to earlier as accessible
 8 luxury brands?
 9 A. Yes. It may.
 10 Q. Can you look down a little bit further to
 11 the section on the page in the document that's
 12 numbered 5 -- it's 7 of your PDF -- entitled,
 13 "Distribution"?
 14 A. I see it.
 15 Q. Do you see the last sentence says, "Our
 16 top 10 wholesale customers, in no particular
 17 order, include Nordstrom, Macy's, Dillard's, DSW,
 18 the JTX [sic] Companies, Ross Stores, Burlington
 19 Stores, Amazon, Walmart, and Target"?
 20 A. Yes.
 21 Q. Is that a truthful and accurate
 22 statement?

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1 MR. GRUNDVIG: Objection.
 2 MR. COLWELL: Objection. Form.
 3 THE WITNESS: Yes.
 4 BY MR. BUTERMAN:
 5 Q. The --
 6 A. One --
 7 Q. Yes, please.
 8 A. -- amendment to my answer. You
 9 pronounced one was JTX. It's actually TJX.
 10 Q. TJX, I'm sorry.
 11 A. Yes.
 12 Q. Thank you for the clarification.
 13 Could you look at the next page of the
 14 document and the section that's bolded
 15 "Competition."
 16 A. I see it.
 17 Q. Can you please read that paragraph?
 18 A. "Competition. The fashion industry is
 19 highly competitive. We compete with numerous
 20 domestic and international footwear, apparel, and
 21 accessory companies. Our competitors may have
 22 greater financial and other resources than we do.

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1 We believe effective marketing, favorable brand
 2 image, fashionable styling, high quality, value,
 3 and fast manufacturing turnaround are the most
 4 important competitive forces. We intend to
 5 continue employ these elements in our business.
 6 However, we cannot be certain that we will be able
 7 to compete successfully against our current and
 8 future competitors or that competitive pressures
 9 will not have a material adverse effect on our
 10 business, financial conditions, and results of
 11 operations."
 12 Q. A truthful and accurate statement?
 13 MR. GRUNDVIG: Objection. Form.
 14 MR. COLWELL: Objection. Form.
 15 THE WITNESS: Yes.
 16 BY MR. BUTERMAN:
 17 Q. Does Steve Madden believe that the
 18 handbag industry is highly competitive?
 19 MR. COLWELL: Objection. Form.
 20 THE WITNESS: Can you just rephrase --
 21 are you -- is the question Steve Madden Companies
 22 believe? Is that the question that you're asking?

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1 BY MR. BUTERMAN:
 2 Q. Yes. Does Steve Madden Companies -- do
 3 Steve Madden Companies believe -- or strike that.
 4 Does the overall Steve Madden Company
 5 believe that the handbag industry is highly
 6 competitive?
 7 MR. COLWELL: Objection. Form.
 8 THE WITNESS: Yes.
 9 BY MR. BUTERMAN:
 10 Q. Is it true that Steve Madden's handbags
 11 compete with numerous domestic and international
 12 companies?
 13 A. True.
 14 Q. Do Steve Madden's brands create
 15 high-quality handbags?
 16 A. Yes.
 17 MR. GRUNDVIG: Objection. Form.
 18 BY MR. BUTERMAN:
 19 Q. I'm sorry, I couldn't hear your answer,
 20 Ms. Tichner.
 21 A. Yes. We have high-quality handbags in
 22 the price points of which we sell our items.

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<p>1 Q. Could you please turn to page 10 of the</p> <p>2 document that's page 12 of your PDF?</p> <p>3 Are you there?</p> <p>4 A. Yes.</p> <p>5 Q. Okay. Do you see the section entitled,</p> <p>6 "Industry Risks"?</p> <p>7 A. I do.</p> <p>8 Q. Could you please read the first bold- --</p> <p>9 bolded italicized header?</p> <p>10 A. "The fashion footwear, accessories, and</p> <p>11 apparel industry is subject to rapid changes in</p> <p>12 consumer preference. If we do not accurately</p> <p>13 anticipate fashion trends and promptly respond to</p> <p>14 consumer demand, we could lose sales, and</p> <p>15 relationship to customers -- relations with</p> <p>16 customers could be harmed and our brand loyalty</p> <p>17 could be diminished."</p> <p>18 Q. With respect to Steve Madden's handbag</p> <p>19 brands, is that correct a truthful and accurate</p> <p>20 statement?</p> <p>21 MR. GRUNDTVIG: Objection.</p> <p>22 MR. COLWELL: Objection. Form.</p>	<p>1 increase, just so I'm clear?</p> <p>2 BY MR. BUTERMAN:</p> <p>3 Q. Sure. Sure.</p> <p>4 Do Steve Madden brands ever have to</p> <p>5 increase markdown allowances for customers because</p> <p>6 they have misjudged whether a particular bag would</p> <p>7 sell?</p> <p>8 MR. COLWELL: Objection. Form.</p> <p>9 MR. GRUNDTVIG: Objection.</p> <p>10 THE WITNESS: Yes.</p> <p>11 BY MR. BUTERMAN:</p> <p>12 Q. Could you read the next bolded italicized</p> <p>13 sentence?</p> <p>14 A. That begins with "We face"?</p> <p>15 Q. Yes.</p> <p>16 A. "We face intense competition from both</p> <p>17 established companies and newer entrants into the</p> <p>18 market. Our failure to compete effectively could</p> <p>19 cause our market share to decline, which could</p> <p>20 harm our reputation and have a material impact on</p> <p>21 our financial condition, results of operation, and</p> <p>22 liquidity."</p>

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<p>1 THE WITNESS: Yes.</p> <p>2 BY MR. BUTERMAN:</p> <p>3 Q. If you look in the paragraph that follows</p> <p>4 below, do you see the sentence that says, "If we</p> <p>5 misjudge"? It's about halfway through.</p> <p>6 A. Yes, I see the sentence.</p> <p>7 Q. Could you please read that sentence?</p> <p>8 A. "If we misjudge the market for our</p> <p>9 products, we may be faced with significant excess</p> <p>10 inventory for some products and missed opportunity</p> <p>11 as to others. In addition, misjudgments in</p> <p>12 merchandise selection could adversely affect our</p> <p>13 image with the customers, resulting in lower sales</p> <p>14 and increased markdown allowances for customers,</p> <p>15 which could have a material adverse effect on our</p> <p>16 business, financial conditions, results of</p> <p>17 operations, and liquidity."</p> <p>18 Q. Do Steve Madden brands ever have to</p> <p>19 increase markdowns for customers for handbags?</p> <p>20 MR. COLWELL: Objection. Form.</p> <p>21 THE WITNESS: Can you qualify what you</p> <p>22 mean as increase? From what starting point is the</p>	<p>1 Q. Do Steve Madden's handbag brands face</p> <p>2 intense competition from both established</p> <p>3 companies and newer entrants into the market?</p> <p>4 MR. COLWELL: Objection. Form.</p> <p>5 THE WITNESS: Yes.</p> <p>6 BY MR. BUTERMAN:</p> <p>7 Q. Can you please read the next sentence?</p> <p>8 A. The one that begins --</p> <p>9 Q. Yes.</p> <p>10 A. -- "The fashion"?</p> <p>11 "The fashion footwear, accessories, and</p> <p>12 apparel industry is highly competitive, and</p> <p>13 barriers to entry are low. Our competitors</p> <p>14 include" --</p> <p>15 Q. That's okay. If you could just stop</p> <p>16 right there.</p> <p>17 A. Okay.</p> <p>18 Q. Within the handbag space -- strike that.</p> <p>19 Does Steve Madden consider the handbag</p> <p>20 space to be highly competitive?</p> <p>21 A. Yes.</p> <p>22 Q. Does Steve Madden believe that, in the</p>

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1 handbag space, barriers to entry are low?
 2 MR. COLWELL: Objection. Form.
 3 Foundation.
 4 THE WITNESS: Yes.
 5 BY MR. BUTERMAN:
 6 Q. Could you read the next sentence? "Our
 7 competitors" --
 8 A. "Our competitors" --
 9 Q. Sorry.
 10 A. -- "include specialty companies as well
 11 as companies with diversified product lines."
 12 Q. In the handbag space, do Steve Madden's
 13 competitors include specialty companies, as well
 14 as companies with diversified product lines?
 15 A. Yes.
 16 Q. The next sentence reads, "Market growth
 17 in the sale of fashion footwear, accessories, and
 18 apparel has encouraged the entry of many new
 19 competitors and increased competition from
 20 established companies."
 21 Do you see that?
 22 A. I do.

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1 Q. In the handbag space, does Steve Madden
 2 believe that market growth and sales has
 3 encouraged new entry of many new competitors and
 4 increased competition from established companies?
 5 MR. COLWELL: Objection. Form.
 6 THE WITNESS: Yes.
 7 BY MR. BUTERMAN:
 8 Q. If you look down a couple of sentences it
 9 says, "Increased competition could result in
 10 pricing pressures, increased marketing
 11 expenditures, and loss of market share and could
 12 have a material effect -- adverse effect on our
 13 business, financial condition, results of
 14 operations, and liquidity."
 15 Do you see that?
 16 A. Yes.
 17 Q. Does Steve Madden believe that, in the
 18 handbag space, increased competition could result
 19 in pricing pressures, increased marketing
 20 expenditures, and loss of market share?
 21 MR. COLWELL: Objection. Form.
 22 THE WITNESS: Yes.

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1 BY MR. BUTERMAN:
 2 Q. Do you see the next sentence that's
 3 bolded and italicized?
 4 A. That begins with "If we"?
 5 Q. Yes. Yes.
 6 A. I do see it.
 7 Q. Could you read that sentence, please?
 8 A. "If we and the retailers that our
 9 customers are unable to adapt to recent and
 10 anticipated changes in the retail industry, the
 11 sale of our products may decline, which could have
 12 a material adverse effect on our financial
 13 condition, results of operation, and liquidity."
 14 Q. And if you look down a couple of
 15 sentences, do you see the sentence that begins,
 16 "Changing shopping patterns"?
 17 A. I see that sentence.
 18 Q. Could you read that sentence, please?
 19 A. "Changing shopping patterns, including
 20 the rapid expansion of online retail shopping and
 21 the effect of the COVID-19 pandemic have adversely
 22 affected consumer traffic in mall and outlet

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1 centers, particularly in North America."
 2 Q. Does Steve Madden believe that, in the
 3 handbag sector, changing shopping patterns,
 4 including the rapid expansion of online retail
 5 shopping and the effects of COVID -- of the
 6 COVID-19 pandemic, have adversely affected
 7 customer traffic in malls and outlet centers,
 8 particularly in North America?
 9 MR. GRUNDTVIG: Objection.
 10 MR. COLWELL: Objection. Form.
 11 THE WITNESS: Yes.
 12 BY MR. BUTERMAN:
 13 Q. The next sentence says, "We expect
 14 competition in the e-commerce market will
 15 intensify."
 16 Do you see that?
 17 A. Just a moment.
 18 Yes, I do.
 19 Q. Does Steve Madden believe -- excuse me,
 20 strike that.
 21 Does Steve Madden expect that competition
 22 in the e-commerce market will intensify with

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1 respect to handbags?
 2 MR. GRUNDVIG: Objection.
 3 THE WITNESS: Yes.
 4 BY MR. BUTERMAN:
 5 Q. The next sentence says, "As a greater
 6 portion of consumer expenditures with retailers
 7 occurs online and through mobile commerce
 8 applications, our brick-and-mortar retail
 9 customers who fail to successfully integrate their
 10 physical retail stores and digital retail may
 11 experience financial difficulties, including store
 12 closures, bankruptcies, or liquidations."
 13 Do you see that?
 14 A. I do.
 15 Q. Does Steve Madden believe that its
 16 brick-and-mortar retail customers need to
 17 successfully integrate their physical retail
 18 stores and digital retail in order to avoid
 19 experiencing financial difficulties when it comes
 20 to handbag sales?
 21 MR. COLWELL: Objection. Form.
 22 MR. GRUNDVIG: Objection. Form.

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1 [REDACTED]
 2 [REDACTED]
 3 [REDACTED]
 4 [REDACTED]
 5 BY MR. BUTERMAN:
 6 Q. Are those the only brands at Macy's that
 7 Steve Madden believes it competes with?
 8 A. Can you qualify if you are referring only
 9 to brick-and-mortar or to Macy's business overall?
 10 Q. Is there a different answer with respect
 11 to each of those?
 12 A. You -- yes.
 13 Q. Okay. Could you explain how the answer
 14 is different with respect to each of those?
 15 A. You might have additional handbag brands
 16 that are direct-to-consumer that may not be on the
 17 floor in an adjacency to Steve Madden brands in
 18 the doors that we sell in at Macy's.
 19 Q. Okay. So with respect to Macy's overall
 20 business, are there any additional brands that
 21 Steve Madden believes it competes with beyond the
 22 ones you've already mentioned?

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1 THE WITNESS: Yes.
 2 BY MR. BUTERMAN:
 3 Q. At the beginning of the deposition,
 4 counsel for the FTC asked you whether you have any
 5 role related to analyzing competition.
 6 Do you recall him asking you that?
 7 A. Yes.
 8 Q. Your answer was that you are actively
 9 responsible for always being conscious of other
 10 brands that are selling handbags in the same
 11 retailers that you are operating in.
 12 Do you recall giving that answer?
 13 A. Yes.
 14 [REDACTED]
 15 [REDACTED]
 16 [REDACTED]
 17 [REDACTED]
 18 [REDACTED]
 19 [REDACTED]
 20 [REDACTED]
 21 [REDACTED]
 22 [REDACTED]

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1 A. I think any brand --
 2 MR. COLWELL: Objection. Form.
 3 Foundation. Pardon me.
 4 BY MR. BUTERMAN:
 5 Q. Go ahead.
 6 A. I think any brand that is selling
 7 handbags in the same retailer that I am selling
 8 handbags in would be viewed as competition.
 9 Q. So do Steve Madden's handbags compete
 10 with Michael Kors' handbags at Macy's?
 11 A. We all compete for the same space on the
 12 floor and the consumer shopping that floor.
 13 Q. Is that a yes?
 14 A. Yes.
 15 Q. Do Steve Madden's bags compete with
 16 Kate Spade's bags at Macy's?
 17 A. Yes.
 18 Q. Do Steve Madden's bags compete with
 19 Coach's bags at Macy's?
 20 A. Yes.
 21 Q. Do Steve Madden's bags compete with
 22 Michael Kors' bags at Dillard's?

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1 MR. COLWELL: Objection. Foundation.
 2 THE WITNESS: Yes.
 3 BY MR. BUTERMAN:
 4 Q. Do Steve Madden's bags compete with
 5 Kate Spade's bags at Dillard's?
 6 A. Yes.
 7 Q. Do Steve Madden's bags compete with
 8 Coach's bags at Dillard's?
 9 A. Yes.
 10 Q. I, in asking those questions, mentioned
 11 Steve Madden's bags.
 12 When you were answering those, were you
 13 referring just to the Steve Madden brand or to
 14 Steve Madden, Dolce Vita, and Betsey Johnson?
 15 A. Any of the brands that I sell on the
 16 retailers that you mentioned.
 17 Q. So just so we're clear, Steve Madden,
 18 Betsey Johnson, and Dolce Vita all compete with
 19 Michael Kors, Kate Spade, and Coach in handbags;
 20 is that correct?
 21 MR. COLWELL: Objection. Form.
 22 THE WITNESS: All handbag brands are

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1 competitors. Yes.
 2 BY MR. BUTERMAN:
 3 Q. And so even though counsel, earlier
 4 today, asked you to identify certain brands that
 5 you would classify as accessible luxury, the fact
 6 that you have identified a brand as being an
 7 accessible luxury does not mean that the Steve
 8 Madden brands do not compete with that brand
 9 with those brands, correct?
 10 MR. GRUNDVIG: Objection. Form.
 11 THE WITNESS: Can you just repeat that
 12 question --
 13 BY MR. BUTERMAN:
 14 Q. Sure.
 15 A. -- one more time, please? Thank you.
 16 Q. Earlier today counsel asked you to
 17 identify certain brands that would be categorized
 18 as accessible luxury.
 19 Do you recall that?
 20 A. I do.
 21 Q. The fact that a brand was identified
 22 earlier today as being -- strike that.

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1 The brands in the accessible luxury
 2 grouping that you identified earlier today, those
 3 brands nonetheless compete with the Steve Madden
 4 brands, correct?
 5 MR. COLWELL: Objection --
 6 MR. GRUNDVIG: Objection --
 7 MR. COLWELL: -- form.
 8 MR. GRUNDVIG: -- form.
 9 THE WITNESS: Correct.
 10 BY MR. BUTERMAN:
 11 Q. When counsel asked you to identify brands
 12 that were in the accessible luxury grouping, you
 13 said that there were a lot.
 14 Do you recall that?
 15 MR. COLWELL: Objection. Form.
 16 THE WITNESS: Yes.
 17 BY MR. BUTERMAN:
 [REDACTED]

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[REDACTED]

10 Q. Any others you can think of?
 11 A. That's a good list, a good portion of
 12 them.
 13 MR. BUTERMAN: Why don't we take a break.
 14 VIDEO TECHNICIAN: Going off the record.
 15 The time is 12:16 p.m.
 16 (A recess was taken.)
 17 VIDEO TECHNICIAN: Going back on the
 18 record. The time is 12:30 p.m.
 19 BY MR. BUTERMAN:
 20 Q. Ms. Tichner, earlier today counsel asked
 21 you questions about which segment of the handbag
 22 business you believed the Steve Madden brands fit

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1 into.

2 Do you recall that?

3 A. Yes.

4 Q. And which segment did you identify that

5 the Steve Madden brands belonged to?

6 MR. COLWELL: Objection. Asked and

7 answered.

8 THE WITNESS: I gave -- I said it was

9 entry-level trend, sometimes referred to as

10 moderate -- that's not my favorite title. There

11 are several names for it.

12 BY MR. BUTERMAN:

13 Q. And your testimony is that all of the

14 Steve Madden brands -- Steve Madden, Betsey

15 Johnson, Love Betsey, Dolce Vita, and

16 Anne Klein -- would all fall into those segments;

17 is that correct?

18 A. To make sure -- to correct or

19 quantify [sic], Dolce Vita would fall outside of

20 those brands.

21 Q. And where would Dolce Vita qualify, in

22 your view?

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1 A. Contemporary brands.

2 Q. Is contemporary different than designer?

3 A. The titles that we're throwing around

4 here are often inter-used or are used by different

5 retailers in different places. For example, one

6 department store might refer to a brand as

7 designer, where another department store might

8 refer to that same brand as a contemporary

9 designer.

10 Q. Okay.

11 A. Or contemporary.

12 Q. Okay. So just so we're clear, the fact

13 that a company -- strike that.

14 Just so we're clear, the fact that a

15 handbag brand may be referred to as opening price

16 point, moderate, contemporary, designer, that

17 doesn't say anything about whether it's competing

18 -- strike that.

19 Do these designations have anything to do

20 with whether brands are competing with one

21 another?

22 MR. COLWELL: Objection. Form.

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1 MR. GRUNDTVIG: Objection. Form.

2 THE WITNESS: The titles or the headers

3 or however you like to qualify these brands can

4 vary from retailer to retailer. What is

5 consistent are the brands that each retailer

6 sells. That is where the brands compete.

7 BY MR. BUTERMAN:

8 Q. Okay. So just so we're clear, for

9 example, the brands that you've identified as

10 designer, like Kate Spade and Michael Kors, in

11 Macy's are competing with brands that are also in

12 the opening price point or contemporary, correct?

13 MR. COLWELL: Objection. Form.

14 MR. GRUNDTVIG: Objection. Form.

15 THE WITNESS: Correct.

16 BY MR. BUTERMAN:

17 Q. Are you familiar with a -- you're

18 familiar with a company called Stella McCartney?

19 A. Yes.

20 Q. Stella McCartney -- where would you

21 classify Stella McCartney in terms of its

22 products? Would they be in the luxury space?

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1 A. Yes. I would classify Stella McCartney

2 as a true designer or luxury designer.

3 Q. Are you familiar with a company called

4 Balenciaga?

5 A. I am familiar with that company.

6 Q. Would you consider Balenciaga to be a

7 luxury designer?

8 A. Yes.

9 Q. Are you familiar with a company called

10 Valentino?

11 A. Yes.

12 Q. Would you consider Valentino to be a

13 luxury designer?

14 A. Yes.

15 Q. You are aware that Stella McCartney,

16 Balenciaga, and Valentino, have all claimed in

17 various litigations that they have lost sales to

18 Steve Madden brands, correct?

19 MR. GRUNDTVIG: Objection.

20 MR. COLWELL: Objection. Form.

21 Foundation.

22 THE WITNESS: I don't believe that I

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1 prepared to answer that question.
 2 BY MR. BUTERMAN:
 3 Q. Okay. I'm just asking if you happen to
 4 be aware as to whether those luxury brands --
 5 Balenciaga, Stella McCartney, and Valentino have
 6 claimed that they have lost sales to Steve Madden
 7 brands for handbags.
 8 MR. COLWELL: Objection. Form. And
 9 foundation.
 10 THE WITNESS: Can you just repeat the
 11 verbiage one more time so I'm --
 12 BY MR. BUTERMAN:
 13 Q. Sure. Yeah. And just to be clear, so
 14 you know, I'm not planning on going into any of
 15 the details. This is just the one question that I
 16 have on this topic.
 17 Are you aware that luxury brands like
 18 Stella McCartney, Balenciaga, and Valentino have
 19 all claimed that they have lost sales to Steve
 20 Madden?
 21 MR. COLWELL: Objection. Form and
 22 foundation.

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1 MR. GRUNDTVIG: Objection.
 2 THE WITNESS: Are you -- just to clarify,
 3 is it Steve Madden handbags or Steve Madden, the
 4 company?
 5 BY MR. BUTERMAN:
 6 Q. Steve Madden handbags.
 7 A. I'm not a hundred percent if it's
 8 specific -- all those three are specific to
 9 handbags --
 10 Q. Okay.
 11 A. -- but I am --
 12 Q. Please continue. I'm sorry.
 13 A. I'm aware that there have been some
 14 documents or cases that have been brought up about
 15 those particular brands.
 16 Q. Are you aware of any of those brands,
 17 whether they have claimed that, with respect to
 18 handbags specifically, they have lost sales to
 19 Steve Madden brands?
 20 MR. COLWELL: Objection. Form.
 21 THE WITNESS: I can't answer that
 22 completely. I'm not a hundred percent sure if

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1 that was part of the claim or part of the --
 2 whatever the documentation -- whatever you want --
 3 you know, whatever the complaint is. I'm not sure
 4 what's exactly included in the complaint.
 5 BY MR. BUTERMAN:
 6 Q. Sure.
 7 Okay. I'm sorry, I'm just going to
 8 introduce the documents. I'm just doing this to
 9 refresh your recollection. I apologize.
 10 A. Okay.
 11 MR. BUTERMAN: Can we have tab 16 put
 12 into the Exhibit Share? And that will be DX708.
 13 (Tichner Deposition Exhibit DX708 marked
 14 for identification and attached to the
 15 transcript.)
 16 MR. BUTERMAN: And to save time, can we
 17 have tab 17 put into the Exhibit Share? That will
 18 be DX709.
 19 (Tichner Deposition Exhibit DX709 marked
 20 for identification and attached to the
 21 transcript.)
 22 MR. BUTERMAN: And let's have tab 15 put

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1 into the Exhibit Share as DX710.
 2 (Tichner Deposition Exhibit DX710 marked
 3 for identification and attached to the
 4 transcript.)
 5 MR. GRUNDTVIG: Which tab do you want
 6 first? Or which document?
 7 MR. BUTERMAN: You know what? What I
 8 actually would like the witness to do is to take
 9 just a quick look at them to --
 10 THE WITNESS: Sure.
 11 MR. BUTERMAN: -- see if this answers the
 12 less than hundred percent sure that the witness
 13 was about whether there were certain claims
 14 related to handbags.
 15 THE WITNESS: I can answer the questions
 16 now.
 17 MR. BUTERMAN: Okay. Great. Let me just
 18 go back to the transcript to make sure I don't
 19 forget it. But thank you.
 20 BY MR. BUTERMAN:
 21 Q. Ms. Tichner, are you aware as to whether
 22 Balenciaga, Stella McCartney, and Valentino, which

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1 in Macy's stores?
 2 MR. BUTERMAN: Objection. Form.
 3 THE WITNESS: Can you just qualify the
 4 word "placed," just so I'm clear on...
 5 BY MR. COLWELL:
 6 Q. Yes. I'm referring to the brand or
 7 product placement in the store. The location
 8 within the store, if that makes sense.
 9 A. We have some input into the particular
 10 doors of Macy's that we are in. But ultimately,
 11 the department store makes the decision as to
 12 which brands they have in each separate
 13 brick-and-mortar.
 14 Q. At Macy's brick-and-mortar retail stores,
 15 what handbag brands are most frequently placed
 16 besides Steve Madden's handbags in the store?
 17 MR. BUTERMAN: Objection.
 18 MR. GRUNDVIG: Objection. Form.
 19 THE WITNESS: Just to clarify, are you
 20 asking the other brands that are distributed in
 21 the same door count that I'm in or just overall in
 22 Macy's?

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1 BY MR. COLWELL:
 2 Q. I'm actually asking about the products'
 3 placement within the store next to other brands.
 4 A. Can you just please rephrase?
 5 Q. Sure.
 6 A. Yeah.
 7 Q. In Macy's, do Steve Madden's handbags
 8 appear beside handbags from other brands within
 9 the store?
 10 A. Yes.
 11 Q. In Macy's still, are Steve Madden's
 12 handbags placed close to any other brands in
 13 particular, to your knowledge?
 14 MR. BUTERMAN: Object to form.
 15 THE WITNESS: Yes.
 16 BY MR. COLWELL:
 17 [REDACTED]
 18 [REDACTED]
 19 [REDACTED]
 20 [REDACTED]
 21 [REDACTED]
 22 [REDACTED]

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2 BY MR. COLWELL:
 3 Q. Do you know why that's the case that
 4 they're placed close to each other?
 5 MR. BUTERMAN: Objection. Calls for
 6 speculation.
 7 MR. GRUNDVIG: Objection.
 8 THE WITNESS: They merchandise their
 9 floor in different areas designated by different
 10 features.
 11 BY MR. COLWELL:
 12 Q. What sorts of features?
 13 MR. BUTERMAN: Objection. Form. Calls
 14 for speculation.
 15 THE WITNESS: Price point, end use,
 16 classification.
 17 MR. COLWELL: Ms. Tichner, those are all
 18 the questions I have for you today. But I want to
 19 thank you again for your time.
 20 We can go off the record.
 21 MR. BUTERMAN: Actually, you have to at
 22 least allow me to say that I have no further

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1 questions, which is the case --
 2 MR. COLWELL: I was going to ask you off
 3 the record that --
 4 MR. BUTERMAN: That's okay.
 5 I don't have any further questions, so
 6 we're done. Ms. Tichner, thank you very much for
 7 your time.
 8 THE WITNESS: Thank you.
 9 VIDEO TECHNICIAN: We are off the record
 10 at 1:01 p.m. This concludes today's testimony
 11 given by Sloan Tichner. The total number of media
 12 units used is seven and will be retained by
 13 Veritext.
 14 (Whereupon at 1:01 p.m., the confidential
 15 videotaped deposition of ANISH MEWANI was
 16 concluded.)
 17
 18
 19
 20
 21
 22

1 CERTIFICATE OF NOTARY PUBLIC
2 I, CHRISTINA S. HOTSKO, the officer before
3 whom the foregoing deposition was taken, do hereby
4 certify that the witness whose testimony appears in
5 the foregoing deposition was duly sworn by me; that
6 the testimony of said witness was taken by me in
7 stenotypy and thereafter reduced to typewriting under
8 my direction; that said statement is a true record of
9 the proceedings; that I am neither counsel for,
10 related to, nor employed by any of the parties to the
11 action in which this statement was taken; and,
12 further, that I am not a relative or employee of any
13 counsel or attorney employed by the parties hereto,
14 nor financially or otherwise interested in the
15 outcome of this action.
16
17 
18 CHRISTINA S. HOTSKO
19 Notary Public in and for the
20 District of Columbia
21 My commission expires:
22 1 January 2027

Federal Rules of Civil Procedure

Rule 30

(e) Review By the Witness; Changes.

(1) Review; Statement of Changes. On request by the deponent or a party before the deposition is completed, the deponent must be allowed 30 days after being notified by the officer that the transcript or recording is available in which:

(A) to review the transcript or recording; and

(B) if there are changes in form or substance, to sign a statement listing the changes and the reasons for making them.

(2) Changes Indicated in the Officer's Certificate. The officer must note in the certificate prescribed by Rule 30(f)(1) whether a review was requested and, if so, must attach any changes the deponent makes during the 30-day period.

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