

# ModernGraham Valuation

Company Name:

Steven Madden, Ltd.

Company Ticker

SHOO

Date of Analysis

1/8/2017



## Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

*Defensive Investor; must pass 6 out of the following 7 tests.*

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$2,097,632,986	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.63	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	216.99%	Pass
5. Earnings Growth	PEmg < 20	18.46	Pass
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	2.85	Fail
7. Moderate Price to Assets			

*Enterprising Investor; must pass 4 out of the following 5 tests, or be suitable for the Defensive Investor.*

1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	2.63	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.00	Pass
3. Earnings Stability	Positive EPS for 5 years prior		Pass
4. Dividend Record	Currently Pays Dividend		Fail
5. Earnings Growth	EPSmg greater than 5 years ago		Pass

### Suitability

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>Yes</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$1.88
MG Growth Estimate	5.46%
<b>MG Value</b>	<b>\$36.50</b>
MG Value based on 3% Growth	\$27.26
MG Value based on 0% Growth	\$15.98
Market Implied Growth Rate	4.98%

### MG Opinion

Current Price	\$34.70
% of Intrinsic Value	95.06%
<b>Opinion</b>	<b>Fairly Valued</b>
<b>MG Grade</b>	<b>C+</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$4.50
Graham Number	\$22.88
PEmg	18.46
Current Ratio	2.63
PB Ratio	2.85
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>
<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
Dec2015	\$1.95	Dec2015	\$1.88
Dec2014	\$1.85	Dec2014	\$1.82
Dec2013	\$1.76	Dec2013	\$1.76
Dec2012	\$1.98	Dec2012	\$1.65
Dec2011	\$1.81	Dec2011	\$1.38
Dec2010	\$1.50	Dec2010	\$1.07
Dec2009	\$1.19	Dec2009	\$0.81
Dec2008	\$0.81	Dec2008	\$0.59
Dec2007	\$0.45	Dec2007	\$0.45
Dec2006	\$0.50	Dec2006	\$0.43
Dec2005	\$0.62	Dec2005	\$0.37
Dec2004	\$0.27	Dec2004	\$0.24
Dec2003	\$0.17	Dec2003	\$0.23
Dec2002	\$0.29	Dec2002	\$0.25
Dec2001	\$0.29	Dec2001	\$0.23
Dec2000	\$0.19	Dec2000	\$0.18
Dec1999	\$0.25	Dec2000	\$0.16
Dec1998	\$0.18	<b>Balance Sheet Information 9/1/2016</b>	
Dec1997	\$0.10	Total Current Assets	\$520,255,000
Dec1996	\$0.06	Total Current Liabilities	\$197,771,000
	\$0.03	Long-Term Debt	\$0
		Total Assets	\$976,368,000
		Intangible Assets	\$282,920,000
		Total Liabilities	\$253,005,000
		Shares Outstanding (Diluted Average)	59,329,000





Disclaimer:

This valuation is not investment advice. Anyone who is considering making an investment decision should speak to a registered investment advisor.

The author did not hold a position in any company mentioned in this article at the time of publication and had no intention of changing those holdings within the next 72 hours.

## Recommended Reading:

Other  
ModernGraham  
posts about the  
company

#N/A

Other  
ModernGraham  
posts about related  
companies

[American Eagle Outfitters Valuation – January 2017 \\$AEO](#)  
[Chico's FAS Inc Valuation – Initial Coverage \\$CHS](#)  
[Hanesbrands Inc Valuation – December 2016 \\$HBI](#)  
[Nike Inc Valuation – November 2016 \\$NKE](#)  
[Wolverine World Wide Inc Valuation – September 2016 \\$WWW](#)  
[Ralph Lauren Corp Valuation – August 2016 \\$RL](#)  
[Gap Inc Valuation – August 2016 \\$GPS](#)  
[PVH Corp Valuation – August 2016 \\$PVH](#)  
[American Eagle Outfitters Valuation – August 2016 \\$AEO](#)  
[Hanesbrands Inc Valuation – August 2016 \\$HBI](#)