

FOOTSTAR INC
Form DEFA14A
June 13, 2008

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

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

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Under Rule 14a-12

Footstar, Inc.

(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

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

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

Fee paid previously with preliminary materials.

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

form or schedule and the date of its filing.

- (1) Amount Previously Paid:
 - (2) Form, Schedule or Registration Statement No.:
 - (3) Filing Party:
 - (4) Date Filed:
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On June 13, 2008 Footstar, Inc. issued the following press release:

Media Contact:	Investor Contact:
Wendi Kopsick/Kimberly Kriger	Michael Lynch
Kekst and Company	Chief Financial Officer
212-521-4800	201-934-2577

FOR IMMEDIATE RELEASE

FOOTSTAR RESPONDS TO OUTPOINT'S
DISINGENUOUS AND DESPERATE CLAIMS

MAHWAH, NEW JERSEY, June 13, 2008 -- Footstar, Inc. issued the following statement in response to a press release issued by Outpoint Group earlier today:

“Outpoint’s disingenuous press release is a clear sign of desperation as we approach Footstar’s Annual Meeting on June 17th.

“Outpoint’s so-called ‘discovery’ of Mr. Couchman’s Golf Trust directorship isn’t a surprise. It’s been fully disclosed on page 4 of Footstar’s proxy statement since May 7, 2008.

“And the linkage between Golf Trust abandoning a plan of liquidation and Mr. Couchman’s Golf Trust directorship is absurd -- the fact is that Mr. Couchman was elected to Golf Trust’s Board more than a month after Golf Trust shareholders voted to abandon Golf Trust’s plan of dissolution!

“At Footstar, the situation could not be more different. Mr. Couchman has chaired a Board that has demonstrated a consistent track record of delivering value to shareholders, including approving more than \$6.00 per share in distributions since 2007 and generating a 120% increase in stock price (including distributions paid) since Footstar emerged from bankruptcy in 2006. The Board has already taken action to prepare for the wind-down of the Company’s business, and, as previously stated, will submit a plan of dissolution to shareholders following the expiration of the Kmart contract at year-end 2008.”

Footstar’s Board of Director recommends that shareholders return their WHITE proxy cards TODAY to re-elect Footstar’s Director nominees, Adam Finerman and Gerald Kelly. Whether or not you plan to attend the Annual Meeting, please complete, sign, date and promptly mail your enclosed WHITE proxy card in the postage-paid envelope provided. Should you prefer, you may vote in person or may deliver your proxy by telephone or by the internet by following the instructions on your WHITE proxy card.

Footstar’s Board of Directors strongly urges you not to sign any proxy cards sent to you by Outpoint. If you have previously signed an Outpoint proxy card, you can revoke it by signing, dating and mailing the enclosed WHITE proxy card in the envelope provided.

If you have any questions or need assistance in voting your shares, please call or contact our proxy solicitor, MacKenzie Partners, Inc., which is assisting Footstar, toll-free at (800) 322-2885 or by email at proxy@mackenziepartners.com.

About Footstar, Inc.

Footstar, Inc. (OTCBB: FTAR) is a discount footwear retailer. The Company operates licensed footwear departments nationwide in Kmart and Rite Aid Stores.

NOTE: Footstar's certificate of incorporation contains restrictions that prohibit parties from acquiring 4.75% or more of Footstar's common stock without its prior consent and as further provided therein.

Forward-Looking Statements

This release contains forward-looking statements made in reliance upon the safe harbor provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements may be identified by the use of words such as "anticipate," "estimates," "should," "expect," "guidance," "project," "intend," "plan," "believe" and other words and terms of similar meaning, in connection with any discussion of our financial statements, business, results of operations, liquidity, future operating or financial performance and other future events and circumstances. Factors that could affect our forward-looking statements include, among other things, our ability to manage the anticipated wind-down of our current businesses in connection with the termination of our Kmart business, the impact of the payment of the \$1.00 per share special distribution on June 3, 2008 on our future cash requirements and liquidity needs, both for our operating plans and any contingencies and obligations, and the other risks and uncertainties discussed more fully in our 2007 Annual Report on Form 10-K and the 2008 first quarter report on Form 10-Q.

Because the information in this release is based solely on data currently available, it is subject to change and should not be viewed as providing any assurance regarding our future performance. Actual results, performance, events, plans and expectations may differ from our current projections, estimates and expectations and the differences may be material, individually or in the aggregate, to our business, financial condition, results of operations, liquidity or prospects. Additionally, we do not plan to update any of our forward-looking statements based on changes in assumptions, changes in results or other events subsequent to the date of this release, other than as included in our future required SEC filings, or as may otherwise be legally required.

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