

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported) December 10, 1998

DESIGNS, INC.

(Exact name of registrant as specified in its charter)

Delaware	0-15898	04-2623104
----- (State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

66 B Street Needham, Massachusetts	02194
----- (Address of principal executive offices)	(Zip Code)

(781) 444-7222

-----  
(Registrant's telephone number, including area code)

Not Applicable

-----  
(Former name or former address, if changed since last report)

ITEM 5. OTHER EVENTS.

On December 10, 1998, the Board of Directors of Designs, Inc., a Delaware corporation (the "Company"), approved the formation of a committee of independent outside directors to consider the Company's strategic alternatives, including a possible sale of the Company, with a view towards maximizing stockholder value in the near term. The Board of Directors of the Company also determined to oppose the consent solicitation initiated by Jewelcor Management, Inc., a Nevada corporation, and its controlling shareholder, Seymour Holtzman, for the purpose of removing and replacing the members of the Company's Board of Directors other than Chairman Stanley I. Berger. A copy of the press release issued by the Company on December 11, 1998 is attached hereto as Exhibit 99.1.

Also on December 10, 1998, the Board of Directors of the Company approved certain amendments to the By-laws of the Company. The amendments to the By-laws are attached hereto as Exhibit 99.2 and are incorporated herein by reference in its entirety.

ITEM 7. FINANCIAL STATEMENT AND EXHIBITS.

The following exhibits are filed with this Current Report on Form 8-K:

Exhibit Number	Description
-----	-----
99.1	Press Release of Designs, Inc., dated December 11, 1998.
99.2	Text of amendments to the By-laws of Designs, Inc.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunder duly authorized.

Dated: December 11, 1998

DESIGNS, INC.

By: /s/ Carolyn R. Faulkner

-----  
Name: Carolyn R. Faulkner  
Title: Vice President, Chief Financial  
Officer and Treasurer

EXHIBIT INDEX

Exhibit Number -----	Description -----
99.1	Press Release of Designs, Inc., dated December 11, 1998.
99.2	Text of amendments to the By-laws of Designs, Inc.

FOR IMMEDIATE RELEASE

For Information, Contact:

Carolyn R. Faulkner, Vice President,  
Chief Financial Officer and Treasurer  
Designs, Inc.  
(781) 444-7222

Shareholder Information Line  
1-888-DESI-333

(Needham, MA, December 11, 1998) -- Designs, Inc. (NASDAQ: DESI), operator of outlet and specialty retail apparel stores, today announced its Board of Directors has formed a committee of independent outside directors to consider the Company's strategic alternatives, including a possible sale of the Company, with a view towards maximizing stockholder value in the near term. The Company has retained Shields & Company, Inc. in this regard.

The Company said that although it believes its current operating strategy is sound, the difficult operating environment coupled with the anticipated time frame for realizing the benefits of its operating strategy are such that the Board has determined that seeking to maximize value in the near term is in the best interest of stockholders.

The Company also announced that its Board has determined to oppose the consent solicitation initiated by Jewelcor Management, Inc. and its controlling shareholder, Seymour Holtzman. The Company said that a change in the composition of the Board at this time is not in the best interests of stockholders because it would interfere with the Company's consideration of strategic alternatives and the implementation of any such alternatives and could adversely affect the Company's relationship with Levi Strauss & Co. The Company also said that the operating strategy articulated by Mr. Holtzman in his preliminary consent solicitation materials substantially mirrors the Company's existing strategy, which has already been in place for some time and which the Company has already made substantial progress towards implementing.

The discussion of forward-looking information requires management of the Company to make certain estimates and assumptions regarding the strategic direction and its effect on the Company's financial results. Actual results and strategic direction may differ from current estimates and assumptions. For more information, refer to the Company's prior SEC filings for a discussion of factors that affect the Company's forward-looking statements.

Designs, Inc. operates 130 stores in five retail formats. These stores are located in enclosed regional shopping malls, urban locations and outlet parks throughout the eastern United States.

\* \* \* \* \*

Designs, Inc. ("Designs") and certain other persons named below may be deemed to be participants in the solicitation of consents (the "Solicitation") in opposition to the consent solicitation by Seymour H. Holtzman and certain companies controlled by him for the purpose of, among other things, removing the current members of the Board of Directors of

Designs and electing a new slate of directors. The participants in the Solicitation may include the following directors of Designs: Stanley I. Berger, Joel H. Reichman, James G. Groninger, Bernard M. Manuel, Melvin I. Shapiro and Peter L. Thigpen; the following executive officers of Designs: Joel H. Reichman, Scott N. Semel and Carolyn R. Faulkner; and the following officer of Designs: Anthony E. Hubbard, the Company's Vice President and Deputy General Counsel (collectively, the "Designs Participants"). As of the date of this communication, Stanley I. Berger, Joel H. Reichman, Scott N. Semel, Carolyn R. Faulkner, James G. Groninger, Melvin I. Shapiro, Bernard M. Manuel, Peter L. Thigpen and Anthony E. Hubbard beneficially owned 1,198,403, 349,121, 267,203, 55,333, 50,901, 63,003, 29,601 and 9,900 shares of Designs common stock, respectively (including shares subject to stock options exercisable within 60 days).

Designs has retained Shields & Company, Inc. (the "Financial Advisor") to

act as its financial advisor in connection with the Solicitation for which it may receive substantial fees, as well as reimbursement of reasonable out-of-pocket expenses. In addition, Designs has agreed to indemnify the Financial Advisor and certain persons related to it against certain liabilities arising out of their engagement. The Financial Advisor is an investment banking and advisory firm that provides a range of financial services for institutional and individual clients. The Financial Advisor does not admit that it or any of its directors, officers or employees is a "participant" as defined in Schedule 14A promulgated under the Securities Exchange Act of 1934, as amended, in the Solicitation, or that Schedule 14A requires the disclosure of certain information concerning the Financial Advisor. In connection with the Financial Advisor's role as financial advisor to Designs, the Financial Advisor and the following investment banking employees of the Financial Advisor may communicate in person, by telephone or otherwise with a limited number of institutions, brokers or other persons who are stockholders of Designs: Thomas J. Shields and Jeffrey C. Bloomberg. None of the Financial Advisor, Thomas J. Shields or Jeffrey C. Bloomberg beneficially own any of Designs' outstanding equity securities.

BY-LAW AMENDMENTS ADOPTED 12/10/98

1. The By-laws hereby are amended by adding a new Section 3.15 thereto as follows:

3.15 Inspection of Stockholder Consents. In the event of the delivery to the Corporation of the requisite written stockholder consents to take corporate action and/or any related revocation or revocations, the Corporation shall engage nationally recognized independent inspectors of elections for the purpose of promptly performing a ministerial review of the validity of such consents and revocations. For the purpose of permitting the inspectors to perform such review, no action by written consent without a meeting shall be effective until such date as the independent inspectors certify to the Corporation that the consents delivered to the Corporation constitute at least the minimum number of votes that would be necessary to take the corporate action. Nothing contained in this paragraph shall in any way be construed to suggest or imply that the Board of Directors or any stockholder shall not be entitled to contest the validity of any consent or revocation thereof, whether before or after such certification by the independent inspectors, or to take any other action (including, without limitation, the commencement, prosecution or defense of any litigation with respect thereto, and the seeking of injunctive relief in such litigation).

2. Section 4.8 of the By-laws is hereby deleted in its entirety and replaced with the following:

4.8 Notice. It shall be reasonable and sufficient notice to a director to send notice by mail at least forty-eight hours or by telegram at least twenty-four hours before the meeting, addressed to him at his usual or last known business or residence address or to give notice to him in person or by telephone at least twelve hours before the meeting. Notice of a meeting need not be given to any director if a written waiver of notice, executed by him before or after the meeting, is filed with the records of the meeting, or to any director who attends the meeting without protesting prior thereto or at its commencement the lack of notice to him. Neither notice of a meeting nor a waiver of notice need specify the purposes of the meeting.