

SECURITIES AND EXCHANGE COMMISSION

FORM 3

Filing Date: **2010-06-01** | Period of Report: **2010-05-21**
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REPORTING OWNER

LORBER HOWARD M

CIK: **1053471**

Type: **3** | Act: **34** | File No.: **001-13740** | Film No.: **10870924**

Mailing Address
70 SUNRISE HIGHWAY
VALLEY STREAM NY 11581

ISSUER

BORDERS GROUP INC

CIK: **940510** | IRS No.: **383294588** | State of Incorporation: **MI** | Fiscal Year End: **1231**
SIC: **5940** Miscellaneous shopping goods stores

Mailing Address
100 PHOENIX DRIVE
ANN ARBOR MI 48108

Business Address
100 PHOENIX DRIVE
ANN ARBOR MI 48108
(734) 477-1100

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

OMB APPROVAL	
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INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person <u>LORBER HOWARD M</u> (Last) (First) (Middle) <u>100 S.E. SECOND STREET</u> (Street) <u>MIAMI, FL 33131</u> (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) <u>05/21/2010</u>	3. Issuer Name and Ticker or Trading Symbol <u>BORDERS GROUP INC [BGP]</u>		
		4. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below) <u>See Remarks</u>		5. If Amendment, Date Original Filed (Month/Day/Year)
		6. Individual or Joint/Group Filing (Check applicable line) <input checked="" type="checkbox"/> Form Filed by One Reporting Person <input type="checkbox"/> Form Filed by More than One Reporting Person		6. Individual or Joint/Group Filing (Check applicable line)

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
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Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			

Remarks:

On May 20, 2010 Borders Group, Inc., a Michigan corporation (the "Issuer") entered into a Securities Purchase Agreement with LeBow Gamma Limited Partnership, a Delaware limited partnership (the "Purchaser"), pursuant to which the Purchaser acquired 11,111,111 common shares of the Issuer. Under the terms of the Securities Purchase Agreement, the Issuer was required to, among other things, take all actions to elect two directors designated by the Purchaser to the Issuer's board of directors, and effective May 21, 2010, in accordance with the foregoing, Mr. Lorber was elected as a director of the Issuer. This report shall not be deemed an admission that Mr. Lorber is the beneficial owner of, or has any pecuniary interest in, any securities of the Issuer for the purposes of Section 16 of the Securities Exchange Act of 1934, as amended, or for any other purpose.

Signatures

/s/ Howard M. Lorber
 ** Signature of Reporting Person

06/01/2010
 Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.