

# SECURITIES AND EXCHANGE COMMISSION

## FORM SC 13D/A

Schedule filed to report acquisition of beneficial ownership of 5% or more of a class of equity securities [amend]

Filing Date: **1997-03-10**  
SEC Accession No. **0000950172-97-000205**

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### SUBJECT COMPANY

#### **TOY BIZ INC**

CIK: **933730** | IRS No.: **133711775** | State of Incorpor.: **DE** | Fiscal Year End: **1231**  
Type: **SC 13D/A** | Act: **34** | File No.: **005-47191** | Film No.: **97554106**  
SIC: **3942** Dolls & stuffed toys

Business Address  
333 EAST 38TH ST  
NEW YORK NY 10016  
2126824700

### FILED BY

#### **ANDREWS GROUP INC /DE/**

CIK: **277025** | IRS No.: **952683875** | State of Incorpor.: **DE** | Fiscal Year End: **1231**  
Type: **SC 13D/A**  
SIC: **2750** Commercial printing

Mailing Address  
3200 WINDY HILL RD  
3200SUITE 1100 WEST  
ATLANTA GA 30339

Business Address  
3200 WINDY HILL RD STE  
1100 WEST  
MARIETTA GA 30339  
4049550045

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 13D  
(Amendment No. 5)

Under the Securities Exchange Act of 1934

Toy Biz, Inc.  
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(Name of Issuer)

Class A Common Stock, par value \$.01 per share  
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(Title of Class and Securities)

892261108  
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(CUSIP Number of Class of Securities)

Barry F. Schwartz  
MacAndrews & Forbes Holdings Inc.  
35 East 62nd Street  
New York, NY 10021  
Telephone: (212) 572-8600

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(Name, Address and Telephone Number of Person Authorized  
to Receive Notices and Communications)

Copy to:

Alan C. Myers  
Skadden, Arps, Slate, Meagher & Flom LLP  
919 Third Avenue  
New York, New York 10022  
(212) 735-3000

March 7, 1997  
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(Date of Event which Requires  
Filing of this Statement)

If the filing person has previously filed a statement on  
Schedule 13G to report the acquisition which is the  
subject of this Statement because of Rule 13d-1(b) (3) or  
(4), check the following: ( )

Check the following box if a fee is being paid with this Statement: ( )

This statement amends and supplements the Schedule 13D dated October 25, 1996, relating to the Class A common stock, par value \$.01 per share (the "Class A Common Stock"), of Toy Biz, Inc. ("Toy Biz"), as originally filed with the Securities and Exchange Commission by Andrews Group Incorporated ("Andrews Group") and Mafco Holdings Inc. ("Mafco"), as amended by Amendment No. 1, dated November 22, 1996, filed with the Securities and Exchange Commission by Andrews Group and Mafco, as amended by Amendment No. 2, dated December 17, 1996, filed with the Securities and Exchange Commission by Andrews Group and Mafco, as amended by Amendment No. 3, dated December 31, 1996, filed with the Securities and Exchange Commission by Andrews Group and Mafco, and as amended by Amendment No. 4, dated January 31, 1997 and filed with the Securities and Exchange Commission by Andrews Group and Mafco. Except as reported herein, there has been no change in the information previously reported in this Schedule 13D.

ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER.

On March 6, 1997, Andrews Group informed Toy Biz that as a result of the termination of the Stock Purchase Agreement (the "Stock Purchase Agreement"), dated as of December 27, 1996, by and between Andrews Group and Marvel Entertainment Group, Inc., the conditions to the obligations of Andrews Group and the Purchaser under the Merger Agreement will not be satisfied, and that Andrews Group does not expect to waive such conditions and anticipates that the merger between the Purchaser and Toy Biz pursuant to the Merger Agreement will not be consummated. Also on March 6, 1997, Andrews Group separately informed Isaac Perlmutter and Avi Arad that it had terminated the Stock Purchase Agreement and that conditions to the obligations of Andrews Group pursuant to the stock purchase agreement by and between Andrews, Isaac Perlmutter, Isaac Perlmutter, T.A. and Zib Inc., dated as of November 20, 1996, as amended by Amendment No. 1 thereto dated as of January 29, 1997, and the stock purchase agreement by and between Andrews Group and Avi Arad, dated as of November 20, 1996, as amended by Amendment No. 1 thereto dated as of January 29, 1997, will not be satisfied. On March 7, 1997, Andrews Group issued a press release reporting the termination of the Stock Purchase Agreement. See attached Exhibits.

ITEM 7. MATERIALS TO BE FILED AS EXHIBITS.

Exhibit A Press Release of Andrews Group Incorporated dated March 7, 1997

Exhibit B Letter from Andrews Group Incorporated to Toy Biz, Inc. dated March 6, 1997

Exhibit C Letter from Andrews Group Incorporated to Mr. Avi Arad dated March 6, 1997

Exhibit D Letter from Andrews Group Incorporated to Mr. Isaac Permuter dated March 6, 1997

SIGNATURE

After reasonable inquiry and to the best of its knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: March 10, 1997

ANDREWS GROUP INCORPORATED  
MAFCO HOLDINGS INC.

By: /s/ Barry F. Schwartz  
Name: Barry F. Schwartz  
Title: Executive Vice President and  
General Counsel

Exhibit Index

Exhibit A Press Release of Andrews Group Incorporated dated March 7, 1997

Exhibit B Letter from Andrews Group Incorporated to Toy Biz, Inc., dated March 6, 1997

Exhibit C Letter from Andrews Group Incorporated to Mr. Avi Arad dated March 6, 1997

Exhibit D Letter from Andrews Group Incorporated to Mr. Isaac Permuter dated March 6, 1997

ANDREWS GROUP TERMINATES MARVEL  
STOCK PURCHASE AGREEMENT

NEW YORK, N.Y., MARCH 7, 1997 The Andrews Group announced today that it has terminated its agreement to purchase new shares of Marvel Entertainment Group (NYSE: MRV) that were to be issued as part of the reorganization plan filed by Marvel in its Chapter 11 bankruptcy case. The new shares were to be conveyed to Andrews for \$365 million in cash or common stock of Toy Biz Inc. (NYSE: TBZ). In view of the termination of the Marvel stock purchase agreement, there are conditions to the merger with Toy Biz, and to the stock purchase agreements with certain Toy Biz shareholders, that will not be satisfied. Accordingly, Andrews does not expect that these transactions will be consummated.

Andrews also reported that it has been advised that Marvel has received a preliminary proposal from the bondholders' committee which also contemplates a \$365 million cash infusion by means of an underwritten rights offering to all stockholders, including Holding Company bondholders, pursuant to a plan of reorganization, and that Marvel's Board has authorized its officers and advisers to work with all the parties to try to develop expeditiously an acceptable alternative plan.

"Since last October, Andrews Group has been attempting to recapitalize Marvel and restore it to profitability because we believed then, and continue to believe, in its many fundamental strengths, including its wealth of intellectual property and market leadership," said Howard Gittis, Vice Chairman of Andrews Group. "Our efforts were blocked by holders of Marvel holding company bonds."

"Over the past five months we have repeatedly said that we would encourage the Marvel Board to consider favorably any alternative proposal that it felt met the financial and operational needs of the company on a timely basis."

"Andrews firmly believes that its original plan would have created value for Marvel shareholders and served the best interests of all parties who have a stake in the future of the company. However, we also insisted that protracted delay in securing confirmation of the plan from the Bankruptcy Court would imperil its viability and harm Marvel. With last week's ruling by the Court removing impediments to the bondholders' voting of nearly 80 percent of the common equity of Marvel, it became obvious that timely confirmation of the plan was unlikely, if not impossible," Mr. Gittis said.

[Andrews Letterhead]

March 6, 1997

Toy Biz, Inc.  
333 East 38th Street  
New York, New York 10016  
Attention: General Counsel

Dear Sirs:

This letter is to inform you that Andrews Group Incorporated ("Andrews") has terminated the Stock Purchase Agreement, dated as of December 27, 1996, by and between Andrews and Marvel Entertainment Group, Inc., pursuant to its terms. Accordingly, conditions to the obligations of Andrews and Andrews Acquisition Corp. ("Acquisition") to consummate the merger (the "Merger") pursuant to the Agreement and Plan of Merger by and among Andrews, Acquisition and Toy Biz, Inc., dated as of December 27, 1996, will not be satisfied. Please be advised that Andrews does not intend to waive such conditions and anticipates that the Merger will not be consummated.

Very truly yours,

ANDREWS GROUP INCORPORATED

By: /s/ Barry F. Schwartz

cc: Allen Finkelson, Esq.  
Cravath, Swaine & Moore  
Worldwide Plaza  
New York, New York 10019

Exhibit C

[Andrews Letterhead]

March 6, 1997

Mr. Avi Arad  
c/o Avi Arad & Associates  
1698 Post Road East  
Westport, CT 06880

Dear Mr. Arad:

This letter is to inform you that Andrews Group Incorporated ("Andrews") has terminated the Stock Purchase Agreement, dated as of December 27, 1996, by and between Andrews and Marvel Entertainment Group, Inc., pursuant to its terms. Accordingly, conditions to the obligation of Andrews pursuant to the Stock Purchase Agreement (the "Arad Agreement") by and between Andrews and Avi Arad, dated as of November 20, 1996, as amended, will not be satisfied. Please be advised that Andrews does not intend to waive such conditions and anticipates that the transactions contemplated by the Arad Agreement will not be consummated.

Very truly yours,

ANDREWS GROUP INCORPORATED

By: /s/ Barry F. Schwartz

cc: Battle Fowler LLP  
Park Avenue Tower  
75 East 55th Street  
New York, New York 10022  
Attention: Martin L. Edelman, Esq.

Exhibit D

[Andrews Letterhead]

March 6, 1997

Mr. Isaac Perlmutter  
Isaac Perlmutter, T.A.  
ZIB Inc.  
P.O. Box 1028  
Lake Worth, FL 33460-1028

Dear Sirs:

This letter is to inform you that Andrews Group Incorporated ("Andrews") has terminated the Stock Purchase Agreement, dated as of December 27, 1996, by and between Andrews and Marvel Entertainment Group, Inc., pursuant to its terms. Accordingly, conditions to the obligations of Andrews pursuant to the Stock Purchase Agreement (the "Perlmutter Agreement") by and between Andrews, Isaac Perlmutter, Isaac Perlmutter, T.A. and ZIB Inc., dated as of November 20, 1996, as amended, will not be satisfied. Please be advised that Andrews does not intend to waive such conditions and anticipates that the transactions contemplated by the Perlmutter Agreement will not be consummated.

Very truly yours,

ANDREWS GROUP INCORPORATED

By: /s/ Barry F. Schwartz

cc: Battle Fowler LLP  
Park Avenue Tower  
75 East 55th Street  
New York, New York 10022  
Attention: Martin L. Edelman, Esq.