
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)

July 21, 2004

LADENBURG THALMANN FINANCIAL SERVICES INC.

(Exact Name of Registrant as Specified in Charter)

Florida
(State or Other Jurisdiction
of Incorporation)

1-15799
(Commission File
Number)

65-0701248
(IRS Employer
Identification No.)

590 Madison Avenue, 34th Floor, New York, New
York

(Address of Principal Executive Offices)

10022

(Zip Code)

Registrant's telephone number, including area code (212) 409-2000

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Item 5. Other Events

On July 21, 2004, a suit was filed in the U.S. District Court for the Eastern District of Arkansas by Pet Quarters, Inc. against Ladenburg Thalmann & Co. Inc. (“Ladenburg”), the principal operating subsidiary of Ladenburg Thalmann Financial Services Inc., a former employee of Ladenburg, Pershing LLC and a number of other firms and individuals. The plaintiff alleges, among other things, that certain defendants (not Ladenburg) purchased convertible securities from the plaintiff and then allegedly manipulated the market to obtain an increased number of shares from the conversion of those securities. Ladenburg acted as placement agent and not as principal in those transactions. The plaintiff has alleged that Ladenburg and the other defendants violated federal securities laws and various state laws. The plaintiff seeks compensatory damages from the defendants of at least \$400,000,000. Although Ladenburg has not yet been served with the complaint, management believes that the plaintiff’s claims are without merit and, if properly served, intends to vigorously defend against them.

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 hereunto duly authorized.

Date: August 4, 2004

LADENBURG THALMANN FINANCIAL SERVICES
INC.

By: /s/ Salvatore Giardina

Name: Salvatore Giardina

Title: Executive Vice President and Chief
Financial Officer