

UNITED STATES
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): April 1, 2005 (March 28, 2005)

Build-A-Bear Workshop, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware

001-32320

43-1883836

(State or Other
Jurisdiction of
Incorporation)

(Commission
File Number)

(IRS Employer
Identification No.)

1954 Innerbelt Business Center Drive
St. Louis, Missouri

63114

(Address of Principal Executive Offices)

(Zip Code)

(314) 423-8000

(Registrant's Telephone Number, Including Area Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into a Material Definitive Agreement.

Effective March 28, 2005, Build-A-Bear Workshop, Inc. (the "Company") amended the Employment, Confidentiality and Non-compete Agreement dated July 9, 2001 by and between the Company and John F. Burtelow, pursuant to a First Amendment (the "First Amendment"). The First Amendment changes Mr. Burtelow's title from Chief Banker Bear to Managing Director of Accounting and allows the Company's Chief Financial Officer to assign him duties. While Mr. Burtelow's employment is initially to remain on a full-time basis under the First Amendment, the parties reserved the option to mutually agree in writing at a later date to allow Mr. Burtelow to work on a reduced hours basis without a requirement to formally amend the agreement. Mr. Burtelow's annual salary was reduced to not less than \$160,000 and his bonus will be determined annually by the Company in accordance with its bonus structure for all other Managing Directors of the Company, for so long as Mr. Burtelow remains employed on a full time basis, as defined for benefits purposes, in the position of Managing Director. In the event that the employment agreement is terminated due to Mr. Burtelow's shift to reduced hours status, the post-termination competition restrictions set forth in the agreement will also terminate.

A copy of the First Amendment is furnished as Exhibit 10.1 hereto and is incorporated by reference herein. The description of the First Amendment contained herein is qualified in its entirety by the full text of such exhibit.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits

**FIRST AMENDMENT TO EMPLOYMENT, CONFIDENTIALITY AND
NONCOMPETE AGREEMENT**

This First Amendment (the "Amendment") to the Employment, Confidentiality and Non-compete Agreement dated 9th July 2001 (the "Agreement") is made effective as of the 28th day of March 2005, between **BUILD-A-BEAR WORKSHOP, INC.** ("Company") and **JOHN F. BURTELOW** ("Employee" or "Mr. Burtelow").

Recital

A. Company and Employee previously entered into the Agreement whereby Company hired Employee to provide various services to Company under the title of Chief Banker Bear. Company and Employee now mutually desire to amend the Agreement pursuant to the terms of this Amendment.

NOW, THEREFORE, in consideration of the premises and agreements hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Section 1 of the Agreement is hereby amended to change Mr. Burtelow's title to Managing Director of Accounting. Section 1 is further amended to allow for the Chief Financial Officer to also assign Mr. Burtelow duties. As of the date of the Amendment, Mr. Burtelow's employment remains on a full-time basis. However, the parties hereby amend the Agreement to provide that the parties reserve the option to mutually agree in writing at a later date to allow Mr. Burtelow to work on a reduced hours basis without the requirement to formally amend the Agreement. For avoidance of doubt, a change to reduced hours status shall occur only with the mutual written consent of both parties, and the parties reserve the right to require other changes to this Agreement, or to require termination of this Agreement, in the event Mr. Burtelow shifts to reduced hours status.
2. Section 3(a) of the Agreement is hereby amended to reduce Mr. Burtelow's annual salary to not less than one hundred and sixty thousand dollars (\$160,000) and to replace "annual base salary rate" with "actual annual base salary rate".
3. Section 3(b) of the Agreement is amended as follows: The parties acknowledge that Mr. Burtelow's bonus for fiscal 2005 and thereafter will be determined on an annual basis or as otherwise determined by the Company in accordance with its bonus structure for all other Managing Directors of the Company, for so long as Mr. Burtelow remains employed on a full time basis, as defined for benefits purposes, in the position of Managing Director.
4. Section 4 of the Agreement is amended as follows: Upon termination of this Agreement due to Mr. Burtelow's shift to reduced hours status, the rights and obligations of the parties pursuant to Section 6 will also terminate and be rendered *void ab initio*.

5. Except as expressly set forth above, the Agreement remains in full force and effect, in accordance with its terms.

IN WITNESS WHEREOF, the parties have executed this First Amendment effective as of 28 March 2005.

JOHN F. BURTELOW

BUILD-A-BEAR WORKSHOP, INC.

By: /s/ John Burtelow

By: /s/ Maxine Clark

John Burtelow

Maxine Clark
Chief Executive Bear