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LOEB PARTNERS CORP
Form SC 13D/A
May 10, 2005

UNITED STATES
SECURITIES & EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D/A

Under the Securities Exchange Act of 1934
(Amendment No. 2)*

Blair Corp.
(Name of Issuer)

Common Stock
(Title of Class of Securities)

092828102
(CUSIP Number)

Michael Emanuel, Esq.
c/o Loeb Partners Corporation
61 Broadway, N.Y., N.Y., 10006 (212) 483-7047
(Name, address and Telephone Number of Person Authorized to Receive Notices
and Communications)

May 10, 2005
(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 Schedule 13D, and is filing this schedule because of Rule 13d-1(b)(3) or (4), check the following box . Check the following box if a fee is being paid with statement . (A fee is not required only if the following reporting person: (1) has a previous statement on file reporting beneficial ownership of more than five percent of the class of securities described in Item 1; and (2) has filed no amendment subsequent thereto reporting beneficial ownership of five percent or less of such class.) (See Rule 13d-7.) Note: Six copies of this statement, including all exhibits, should be filed with the Commission. See Rule 13d-1(a) for other parties to whom copies are to be sent. *The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page. The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

SCHEDULE 13D

CUSIP NO. 092828102

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Loeb Partners Corporation

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) [X]
(b) []

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3 SEC USE ONLY
4 SOURCE OF FUNDS*

WC, O

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED []
PURSUANT TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

NUMBER OF	7	SOLE VOTING POWER
SHARES		17,911 Shares of Common stock
BENEFICIALLY	8	SHARED VOTING POWER
OWNED BY		14,210 Shares of Common stock
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		17,911 Shares of Common stock
PERSON WITH	10	SHARED DISPOSITIVE POWER
		14,210 Shares of Common stock

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

32,121 Shares of Common stock

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
0.39%

14 TYPE OF REPORTING PERSON*
CO, BD, IA

SCHEDULE 13D

CUSIP NO. 092828102

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Loeb Arbitrage Fund

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) [X]

(b) []

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC, O

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDING IS REQUIRED []
PURSUANT TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

New York

NUMBER OF	7	SOLE VOTING POWER
SHARES		405,087 Shares of Common stock
BENEFICIALLY	8	SHARED VOTING POWER
OWNED BY		-----
EACH	9	SOLE DISPOSITIVE POWER

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REPORTING 405,087 Shares of Common stock
PERSON WITH 10 SHARED DISPOSITIVE POWER

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
405,087 Shares of Common stock

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
4.94%

14 TYPE OF REPORTING PERSON*
PN, BD

SCHEDULE 13D

CUSIP NO. 092828102

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Loeb Offshore Fund Ltd.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) [X]
(b) []

3 SEC USE ONLY

4 SOURCE OF FUNDS*

WC, O

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED []
PURSUANT TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Cayman Islands

NUMBER OF 7 SOLE VOTING POWER
SHARES 38,154 Shares of Common stock
BENEFICIALLY 8 SHARED VOTING POWER
OWNED BY -----
EACH 9 SOLE DISPOSITIVE POWER
REPORTING 38,154 Shares of Common stock
PERSON WITH 10 SHARED DISPOSITIVE POWER

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
38,154 Shares of Common stock

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
0.47%

14 TYPE OF REPORTING PERSON*
CO

SCHEDULE 13D

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CUSIP NO. 092828102

1 NAME OF REPORTING PERSON

S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Loeb Marathon Fund LP

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

WC, O

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED []
PURSUANT TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

7 SOLE VOTING POWER
55,757 Shares of Common stock

8 SHARED VOTING POWER

9 SOLE DISPOSITIVE POWER
55,757 Shares of Common stock

10 SHARED DISPOSITIVE POWER

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

55,757 Shares of Common Stock

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
0.68%

14 TYPE OF REPORTING PERSON*

PN

SCHEDULE 13D

CUSIP NO. 092828102

1 NAME OF REPORTING PERSON

S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Loeb Marathon Offshore Fund, Ltd.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

WC, O

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5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED []
PURSUANT TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Cayman Islands

NUMBER OF	7	SOLE VOTING POWER
SHARES		20,208 Shares of Common stock
BENEFICIALLY	8	SHARED VOTING POWER
OWNED BY		-----
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		20,208 Shares of Common stock
PERSON WITH	10	SHARED DISPOSITIVE POWER

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

20,208 Shares of Common Stock

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
0.25%

14 TYPE OF REPORTING PERSON*
CO

Item 1. Security and Issuer.

This statement refers to the Common Stock of Blair Corp., 220 Hickory St., Warren, PA 16366.

Item 2. Identity and Background.

Loeb Arbitrage Fund ("LAF"), 61 Broadway, New York, New York, 10006, is a New York limited partnership. It is a registered broker/dealer. Its general partner is Loeb Arbitrage Management, Inc., ("LAM"), a Delaware corporation, with the same address. Its President is Gideon J. King. The other officers of LAM are Thomas L. Kempner, Chairman of the Board, President, Peter A. Tcherepnine, Vice President, Edward J. Campbell, Vice President. Loeb Partners Corporation ("LPC"), 61 Broadway, New York, New York, 10006, is a Delaware corporation. It is a registered broker/dealer and a registered investment adviser. Thomas L. Kempner is its President and a director and its Chief Executive Officer. Norman N. Mintz is a Vice President and also a director. Gideon J. King is Executive Vice President. Loeb Holding Corporation ("LHC"), a Maryland corporation, 61 Broadway, New York, New York, 10006 is the sole stockholder of LAM and LPC. Thomas L. Kempner is its President and a director as well as its Chief Executive Officer and majority stockholder. Norman N. Mintz and Peter A. Tcherepnine are also directors. Loeb Offshore Fund, Ltd., ("LOF") is a Cayman Islands exempted company. Loeb Offshore Management, LLC ("LOM") is a Delaware limited liability company, a registered investment adviser and is wholly owned by Loeb Holding Corporation. It is the investment adviser of LOF. Gideon J. King and Thomas L. Kempner are Directors of LOF and Managers of LOM. Loeb Marathon Fund ("LMF") is a Delaware limited partnership whose general partner is LAM. Loeb Marathon Offshore Fund Ltd. ("LMOF") is a Cayman Islands exempted company. LOM is the investment adviser of LMOF. All of the individuals named are United States citizens. None have been, within the last five years, convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding been or are subject to a

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judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violations with respect to such laws.

Item 3. Source and Amount of Funds or Other Compensation.

Shares of Common Stock were acquired by LAF, LPC, LMF, LOF and LMOF in margin accounts maintained with Bear Stearns Securities Corp.

Item 4. Purpose of Transaction.

LAF, LPC*, LMF, LOF and LMOF ("Loeb") had previously acquired shares of Common Stock for investment purposes. Loeb had previously issued a press release stating its opinions about the Issuer's financial and managerial posture. In addition, Loeb sent the following letter to the Issuer and its Board of Directors on May 10, 2005. The letter suggests a proposed transaction whereby Loeb would acquire the Issuer. Loeb reserves the right, consistent with applicable law, to acquire additional securities of the Issuer (whether through open market purchases, block trades, private acquisitions, tender or exchange offers or otherwise). Loeb intends to review its investment in the Issuer on a continuing basis and engage in further discussions with management and the Board of Directors of the Issuer concerning the business, operations and future plans of the Issuer. Depending on various factors, including, without limitation, the Issuer's financial position and investment strategy, the price levels of the Common Stock, conditions in the securities markets and general economic and industry conditions, Loeb may in the future take additional actions with respect to its investment in the Issuer as it deems appropriate including, without limitation, seeking Board representation, making additional or amended proposals to the Issuer concerning the capitalization and operations of the Issuer, purchasing additional Common Stock, selling some or all of its Common Stock, engaging in short selling of or any hedging or similar transaction with respect to the Common Stock or changing its intention partially or entirely with respect to any and all matters referred to in Item 4.
Letter of May 10, 2005:

Craig N. Johnson
Chairman of the Board

John E. Zawacki
President and Chief Executive Officer

Blair Corporation
220 Hickory Street
Wharton, PA 16366-0001

Attn: Board of Directors and Executive Officers

We are pleased to see that the management and Board of Directors of Blair Corporation have elected to monetize the company's consumer credit portfolio. However, we are disappointed by the way in which the stock market continues to value the company, even in light of the apparent likelihood of approximately \$140,000,000.00 in proceeds from such sale being distributed to shareholders. As an alternative to the distribution of a portion of the proceeds from the sale of the consumer credit portfolio, we propose the following transaction. Loeb Partners Corporation, or an affiliate thereof, subject to due diligence and other customary conditions, proposes to acquire Blair Corporation for \$36.00 per share, for an aggregate consideration of approximately \$297 million based upon 8,247,426 shares outstanding. Should further value surface during due diligence, Loeb may be willing to increase the per share value of the transaction.

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As you are aware, we are a family of investment funds located in New York, New York and, together with our affiliates, the owner of approximately 6.7% of the outstanding common stock of Blair. We are confident in our ability to finance the proposed transaction. It is our intention to utilize cash on hand or a financing arrangement. We are prepared to commence due diligence immediately and believe that we can complete the process in a very short period of time.

We believe this proposed transaction would provide liquidity and a premium to current shareholders. We request that the Board of Directors consider our proposal and respond on or before May 18, 2005. Please be advised that we have no desire to pursue this proposed transaction other than on a friendly basis with the support of the Board of the company. We and our advisors are prepared to promptly meet with you to explain the details of our proposal and commence the due diligence and transaction agreement negotiation process.

Loeb Partners Corporation

Gideon J. King

Item 5. Interest in Securities of the Issuer.

(a) The persons reporting hereby owned the following shares of Common Stock as of May 6, 2005.

	Shares of Common Stock
Loeb Arbitrage Fund	405,087
Loeb Partners Corporation*	32,121
Loeb Offshore Fund Ltd.	38,154
Loeb Marathon Fund LP	55,757
Loeb Marathon Offshore Fund Ltd.	20,208

	551,327

The total shares of Common Stock constitutes 6.72% the 8,247,426 outstanding shares of Common Stock as reported by the issuer.

*Including shares of Common Stock purchased and sold for the account of one customer of Loeb Partners Corporation as to which it has investment discretion.

(b) See paragraph (a) above.

(c) The following purchases of Common Stock have been made in the last sixty (60) days by the following: Purchases of Common Stock

Holder	Date	Shares	Average Price
Loeb Partners Corp.*	05-02-05	352	\$33.22
	05-04-05	166	33.58
	05-06-05	54	33.95

Holder	Date	Shares	Average Price
Loeb Arbitrage Fund	05-02-05	5194	\$33.22
	05-04-05	2017	33.58
	05-06-05	668	33.94

Holder	Date	Shares	Average Price
Loeb Offshore Fund Ltd.	05-02-05	473	\$33.22
	05-04-05	187	33.58
	05-06-05	62	33.94

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Holder	Date	Shares	Average Price
Loeb Marathon Fund LP	05-02-05	705	\$33.21
	05-04-05	462	33.58
	05-05-05	105	34.85
	05-06-05	159	33.94

Holder	Date	Shares	Average Price
Loeb Marathon Offshore Fund Ltd.	05-02-05	205	\$33.21
	05-04-05	168	33.58
	05-06-05	57	33.94

*Including shares of Common Stock purchased and sold for the account of one customer of Loeb Partners Corporation as to which it has investment discretion.

All reported transactions were effected on AMEX.

(d) Not applicable.

(e). Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to the Issuer.

None.

Item 7. Materials to be Filed as Exhibits.

None.

Signature

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

May 10, 2005

Loeb Partners Corporation

By: /s/ Gideon J. King
Executive Vice President

May 10, 2005

Loeb Arbitrage Fund
By: Loeb Arbitrage Management, Inc., G.P.

By: /s/ Gideon J. King
President

May 10, 2005

Loeb Offshore Fund Ltd.

By: /s/ Gideon J. King

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Director

May 10, 2005

Loeb Marathon Fund LP
By: Loeb Arbitrage Management, Inc., G.P.

By: /s/ Gideon J. King
President

May 10, 2005

Loeb Marathon Offshore Fund Ltd.

By: /s/ Gideon J. King
Director