

**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): **July 29, 2010**

WAYSIDE TECHNOLOGY GROUP, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

000-26408
(Commission
File Number)

13-3136104
(IRS Employer
Identification No.)

1157 Shrewsbury Avenue, Shrewsbury, New Jersey
(Address of principal executive offices)

07702
(Zip Code)

732-389-8950
(Registrant's telephone number, including area code)

Not applicable
(Former name or former address, if changed since last report)

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 2.02. Results of Operations and Financial Condition.

On July 29, 2010, Wayside Technology Group, Inc. issued a press release announcing its financial results for the quarter ended June 30, 2010. A copy of this press release is furnished as Exhibit 99.1 to this report.

In accordance with General Instruction B.2. of Form 8-K, the information in this Current Report on Form 8-K, including Exhibit 99.1, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

99.1 Press Release dated July 29, 2010.

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.

WAYSIDE TECHNOLOGY GROUP, INC.

Date: July 30, 2010

By: /s/ Simon F. Nynens
Name: Simon F. Nynens
Title: Chief Executive Officer



Company Contact:
Kevin Scull
Wayside Technology Group, Inc.
Vice President and Chief Accounting Officer
(732) 389-0932
kevin.scull@waysidetechnology.com

WAYSIDE TECHNOLOGY GROUP, INC. REPORTS 2010 SECOND QUARTER RESULTS AND DECLARES QUARTERLY DIVIDEND

- Revenue: \$48.4 million, up 31% year-over-year
- Income from operations \$1.5 million, up 30% year-over-year
- \$.15 dividend declared

SHREWSBURY, NJ, July 29, 2010 — Wayside Technology Group, Inc. (NASDAQ: WSTG) today reported financial results for the second quarter ended June 30, 2010. The results will be discussed in a conference call to be held on Friday, July 30, 2010 at 10:00 AM Eastern time. The dial-in telephone number is (866) 835 8907 and the pass code is “WSTG”.

This conference call will be available via live webcast — in listen-mode only — at www.earnings.com. A replay will also be available on the company’s website at www.waysidetechnology.com.

Net sales for the second quarter of 2010 increased 31% or \$11.4 million to \$48.4 million compared to \$37.0 million for the same period in 2009. Total sales for the second quarter of 2010 for our Lifeboat segment were \$35.8 million compared to \$25.0 million in the second quarter of 2009, representing an increase of \$10.8 million or 43%. Total sales for the second quarter of 2010 for our Programmer’s Paradise segment were \$12.6 million compared to \$12.0 million in the second quarter of 2009, representing a 5% increase.

Sales from our Lifeboat segment showed strong growth. The increase in net sales for the three and six months June 30, 2010 compared to 2009 was mainly a result of our continued focus on the expanding virtual infrastructure-centric business, the addition of several key product lines, and the strengthening of our account penetration.

“The second quarter of 2010 showed continued excellent growth,” said Simon F. Nynens, Chairman and Chief Executive Officer. “We continue to strengthen our position in the software distribution market and sign on new vendors.”

Gross Profit for the second quarter of 2010 was \$4.7 million compared to \$4.1 million in the second quarter of 2009, a 15% increase. Total gross profit for our Lifeboat segment was \$3.4 million compared to \$2.5 million in the second quarter of 2009, representing a 32% increase. This increase in gross profit was due to aggressive sales volume growth within our Lifeboat segment. Total gross profit for our Programmer’s Paradise segment was \$1.3 million compared to \$1.6 million in the second quarter of 2009, representing a 14% decrease. This decrease was primarily due to competitive pricing pressure.

Total gross profit, as a percentage of net sales, for the second quarter of 2010 was 9.7%, compared to 11.0% in the second quarter of 2009.

Total selling, general, and administrative (“SG&A”) expenses for the second quarter of 2010 were \$3.2 million, compared to \$2.9 million in the second quarter of 2009. This increase is mainly due to an increase in employee related expenses (salaries, commissions and bonus accruals and benefits) of \$0.3 million.

Cash and marketable securities amount to \$17.4 million, representing 70% of equity as of June 30, 2010. The company has no debt.

On July 27, 2010, the Board of Directors declared a quarterly dividend of \$.15 per share of its common stock payable August 19, 2010 to shareholders of record on August 12, 2010.

About Wayside Technology Group, Inc.

Wayside Technology Group, Inc. (NASDAQ: WSTG) was founded in 1982 and is a unified and integrated technology company providing products and solutions for corporate resellers, VARs, and developers, as well as business, government and educational entities. The company offers technology products from software publishers and manufacturers such as Acronis, CA Technologies, DataCore, Dell, Flexera Software (publishers of InstallShield), GFI, Hewlett Packard, Infragistics, Intel Software, Microsoft, Mindjet, Quest Software, SolarWinds, StorageCraft Technology, TechSmith, Veeam, Vizioncore, and VMware.

Additional information can be found by visiting www.waysidetechnology.com.

The statements in this release concerning the Company’s future prospects are forward-looking statements that involve certain risks and uncertainties. Such risks and uncertainties could cause actual results to differ materially from those indicated by such forward-looking statements, and include, without limitation, the continued acceptance of the Company’s distribution channel by vendors and customers, the timely availability and acceptance of new products, product mix, market conditions, contribution of key vendor relationships and support programs, as well as factors that affect the software industry in general and other factors. The forward-looking statements contained herein are also subject generally to other risks and uncertainties that are described from time to time in our filings with the Securities and Exchange Commission. Except as otherwise required by law, the Company undertakes no obligation to update or revise these forward-looking statements.

–Tables Follow –

WAYSIDE TECHNOLOGY GROUP, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share amounts)

June 30, 2010	December 31, 2009
(unaudited)	

ASSETS

Current assets				
Cash and cash equivalents	\$	9,611	\$	8,560
Marketable securities		7,832		7,571
Accounts receivable, net		31,791		27,040
Inventory - finished goods		1,316		967
Prepaid expenses and other current assets		1,160		998
Deferred income taxes		611		677
Total current assets		52,321		45,813
Equipment and leasehold improvements, net		412		432
Accounts receivable long-term		4,493		6,901
Other assets		39		38
Deferred income taxes		345		483
Total assets	\$	57,610	\$	53,667
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities				
Accounts payable and accrued expenses	\$	32,752	\$	29,230
Total current liabilities		32,752		29,230
Other liabilities		—		78
Total liabilities		32,752		29,308
Commitments and contingencies				
Stockholders' equity				
Common stock, \$.01 par value; 10,000,000 shares authorized, 5,284,500 shares issued, and 4,795,057 and 4,688,844 shares outstanding, respectively		53		53
Additional paid-in capital		24,839		24,826
Treasury stock, at cost, 489,443 and 595,656 shares, respectively		(3,315)		(3,555)
Retained earnings		2,985		2,727
Accumulated other comprehensive income		296		308
Total stockholders' equity		24,858		24,359
Total liabilities and stockholders' equity	\$	57,610	\$	53,667

WAYSIDE TECHNOLOGY GROUP, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS
(In thousands, except per share data)

	Six months ended June 30,		Three months ended June 30,					
	2010	2009	2010	2009				
	(Unaudited)		(Unaudited)					
Revenues								
Lifeboat segment	\$	64,927	\$	45,287	\$	35,810	\$	25,044
Programmer's Paradise segment		23,873		23,495		12,632		11,988
Total Revenue		88,800		68,782		48,442		37,032
Cost of sales								
Lifeboat segment		58,930		40,757		32,458		22,513
Programmer's Paradise segment		21,217		20,477		11,299		10,438
Total Cost of sales		80,147		61,234		43,757		32,951
Gross Profit		8,653		7,548		4,685		4,081
Operating expenses								
Selling costs		3,200		2,708		1,652		1,388
Stock based compensation		596		420		296		236
Other general and administrative expenses		2,394		2,434		1,212		1,287
Total Selling, general and administrative expenses		6,190		5,562		3,160		2,911
Income from operations		2,463		1,986		1,525		1,170
Interest income, net		212		274		104		126
Realized foreign exchange gain (loss)		3		(1)		2		
Income before income tax provision		2,678		2,259		1,631		1,296
Provision for income taxes		1,000		891		576		506
Net income	\$	1,678	\$	1,368	\$	1,055	\$	790
Net income per common share - Basic	\$	0.38	\$	0.31	\$	0.24	\$	0.18
Net income per common share - Diluted	\$	0.38	\$	0.31	\$	0.23	\$	0.18
Weighted average common shares outstanding - Basic		4,376		4,392		4,380		4,400
Weighted average common shares outstanding - Diluted		4,461		4,419		4,493		4,426

