

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 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 29, 2010

Wayside Technology Group, Inc.

(Exact name of Registrant as specified in its charter)

Delaware

(State of 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)

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

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:

- 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 April 29, 2010, Wayside Technology Group, Inc. issued a press release announcing its financial results for the quarter ended March 31, 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 April 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.

Dated: April 29, 2010

By: /s/ Simon F. Nynens
Simon F. Nynens
President and Chief Executive Officer



Company Contact:
Kevin Scull
Wayside Technology Group, Inc.
Vice President and Chief Accounting Officer
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WAYSIDE TECHNOLOGY GROUP, INC. REPORTS 2010 FIRST QUARTER RESULTS AND DECLARES QUARTERLY DIVIDEND

- Revenue: \$40.4 million, up 27% year-over-year
- Income from operations \$0.9 million, up 15% year-over-year
- \$.15 dividend declared

SHREWSBURY, NJ, April 29, 2010 – Wayside Technology Group, Inc. (NASDAQ: WSTG) today reported financial results for the first quarter ended March 31, 2010. The results will be discussed in a conference call to be held on Friday, April 30, 2010 at 10:00 AM Eastern time. The dial-in telephone number is (866) 261-7280 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.waysidetechology.com.

Cash and marketable securities amount to \$16.0 million, representing 65% of equity as of March 31, 2010. The company has no debt.

Total net sales for the first quarter of 2010 amounted to \$40.4 million, compared to \$31.8 million for the same period in 2009, representing a 27% increase. Sales for the first quarter of 2010 for the Lifeboat segment were \$29.1 million compared to \$20.2 million in the first quarter of 2009, representing a 44% increase. Sales for the first quarter of 2010 for the Programmer's Paradise segment were \$11.2 million, compared to \$11.5 million in the first quarter of 2009, representing a 2% decline.

Sales from our Lifeboat segment showed strong growth. The 44% increase in net sales in the first quarter of 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.

Total gross profit for the first quarter of 2010 amounted to \$4.0 million, compared to \$3.5 million for the same period in 2009. Gross profit for the first quarter of 2010 for the Lifeboat segment was \$2.7 million, compared to \$2.0 million in the first quarter of 2009. Gross profit for the first quarter of 2010 for the Programmer's Paradise segment was \$1.3 million, compared to \$1.5 million in the first quarter of 2009. The decrease in gross profit dollars for the Programmer's Paradise segment was primarily due to the lower sales volume.

Q1 revenue for our Lifeboat segment increased due to strong growth for some of our product lines as well as signing on more software publishers. As a result, gross profit dollars for our Lifeboat segment increased by 32% in the first quarter of 2010.

Total gross profit, as a percentage of net sales, for the quarter ending March 31, 2010, was 9.8%, compared to 10.9% in the first quarter of 2009.

“The first quarter of 2010 showed excellent growth” said Simon F. Nynens, Chairman and Chief Executive Officer. “We strengthened our position in the software distribution market and continued to sign on new vendors. Strong revenue growth allowed us to drive a solid earnings performance.”

Total selling, general, and administrative ("SG&A") expenses for the first quarter of 2010 were \$3.0 million compared to \$2.7 million in the first quarter of 2009. This increase is mainly due to an increase in employee related expenses (salaries, commissions, bonus accruals and benefits) of \$0.2 million and an increase in stock compensation expense of \$0.1 million.

On April 27, 2010, the Board of Directors declared a quarterly dividend of \$.15 per share of its common stock payable May 19, 2010 to shareholders of record on May 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, Computer Associates, 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)

	<u>March 31,</u> 2010 <u>(unaudited)</u>	<u>December 31,</u> 2009
ASSETS		
Current assets		
Cash and cash equivalents	\$ 9,410	\$ 8,560
Marketable securities	6,550	7,571
Accounts receivable, net	27,822	27,040
Inventory - finished goods	1,230	967
Prepaid expenses and other current assets	788	998
Deferred income taxes	638	677
Total current assets	46,438	45,813
Equipment and leasehold improvements, net	444	432
Accounts receivable long-term	5,043	6,901
Other assets	40	38
Deferred income taxes	414	483
Total assets	\$ 52,379	\$ 53,667
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued expenses	27,770	29,230
Total current liabilities	27,770	29,230
Other liabilities	78	78
Total liabilities	27,848	29,308
Commitments and contingencies		
Stockholders' equity		
Common stock, \$.01 par value; 10,000,000 shares authorized, 5,284,500 shares issued, and 4,824,953 and 4,688,844 shares outstanding, respectively	53	53
Additional paid-in capital	24,515	24,826
Treasury stock, at cost, 459,547 and 595,656 shares, respectively	(3,060)	(3,555)
Retained earnings	2,640	2,727
Accumulated other comprehensive income	383	308
Total stockholders' equity	24,531	24,359
Total liabilities and stockholders' equity	\$ 52,379	\$ 53,667

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

	Three months ended March 31,	
	2010	2009
	(Unaudited)	
Revenues		
Lifeboat segment	29,117	20,243
Programmer's Paradise segment	11,241	11,507
Total Revenue	\$ 40,358	\$ 31,750
Cost of sales		
Lifeboat segment	26,472	18,244
Programmer's Paradise segment	9,918	10,039
Total Cost of sales	36,390	28,283
Gross Profit	3,968	3,467
Operating expenses		
Selling costs	1,491	1,295
Stock based compensation	301	184
Other general and administrative expenses	1,238	1,172
Total Selling, general and administrative expenses	3,030	2,651
Income from operations	938	816
Interest income, net	108	148
Realized foreign exchange gain (loss)	1	(1)
Income before income tax provision	1,047	963
Provision for income taxes	424	385
Net income	\$ 623	\$ 578
Net income per common share - Basic	\$ 0.14	\$ 0.13
Net income per common share - Diluted	\$ 0.14	\$ 0.13
Weighted average common shares outstanding - Basic	4,371	4,386
Weighted average common shares outstanding - Diluted	4,425	4,413