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

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**FORM 8-K**

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CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (date of earliest event reported): **May 11 2010**

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**COMMUNICATIONS SYSTEMS, INC.**

(Exact name of Registrant as specified in its charter)

**Minnesota**  
(State or other jurisdiction  
of incorporation)

**001-31588**  
(Commission File Number)

**41-0957999**  
(I.R.S. Employer Identification No.)

**10900 Red Circle Drive, Minnetonka, MN**  
(Address of principal executive offices)

**55343**  
(Zip Code)

Registrant's telephone number, including area code **(952) 996-1674**

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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-2)
  - 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))
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## ITEM 2.02. Results of Operations and Financial Condition

On May 11, 2010, the Registrant issued a press release, a copy of which is attached as Exhibit 99.1 to this Current Report on Form 8-K and incorporated by reference herein.

Note: The information in this report (including the exhibit) is furnished pursuant to "Item 2.02. Results of Operations and Financial Condition" and shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933, unless incorporated by specific reference in such filing.

## ITEM 9.01. Financial Statements and Exhibits

- (a) Not applicable
- (b) Not applicable
- (c) Not applicable
- (d) Exhibits

The following are filed as exhibits to this Current Report:

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
99.1	Press Release issued May 11, 2010

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## SIGNATURES

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, thereunto duly authorized.

COMMUNICATIONS SYSTEMS, INC.

By /s/ David T. McGraw  
David T. McGraw  
Its: Chief Financial Officer

Dated: May 12, 2010

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**For Immediate Release:**

**Contact: Jeffrey K. Berg, President and Chief Executive Officer**  
**David T. McGraw, Vice President – Finance and Chief Financial Officer**  
**Telephone 952-996-1674**

**Communications Systems, Inc. Reports  
First Quarter 2010 Results**

Minnetonka, MN — May 11, 2010 — Communications Systems, Inc. (NASDAQ: JCS) today reported financial results for its first quarter ended March 31, 2010.

For the three months ended March 31, 2010, net income was \$1,331,000, or \$0.16 per diluted share, on sales of \$25,882,000. In 2009, the Company earned \$1,223,000, or \$0.15 per diluted share, on sales of \$26,765,000.

Jeffrey K. Berg, President and CEO, commented: “We are pleased with our first quarter results. While our revenues were adversely affected by difficult conditions in U.S. residential and commercial construction markets and a weak recovery from the global recession, particularly in Europe, we achieved improved bottom line results through careful management of expenses and increased sales of higher margin data communications and telecommunications products.”

David T. McGraw, Vice President of Finance and CFO, also commented: “Net cash used in operations for the first quarter ended March 31, 2010 was \$1,127,000 compared to cash provided by operations of \$2,606,000 in 2009. Accounts receivable increased approximately \$2 million due to a significant increase in shipments at the end of the 2010 first quarter. At March 31, 2010, CSI’s cash, cash equivalents and investments were \$37,000,000 compared to \$40,000,000 at December 31, 2009 which reflected payouts of previously accrued liabilities, including long-term incentive compensation covering a four-year period. Finally, in the first quarter, the Company paid a \$.14 per share dividend compared to a \$.12 per share dividend for the comparable 2009 quarter.”

Further information regarding the Company’s results and related matters is provided in the Company’s Form 10-Q report for the quarter ended March 31, 2010 that is being filed tomorrow, May 12, 2010.

**Cautionary Statement**

From time to time, in reports filed with the Securities and Exchange Commission, in press releases, and in other communications to shareholders or the investing public, the Communications Systems Inc. may make forward-looking statements concerning possible or anticipated future financial performance, business activities or plans which are typically preceded by the words “believes,” “expects,” “anticipates,” “intends” or similar expressions. For these forward-looking statements, the Company claims the protection of the safe harbor for forward-looking statements contained in federal securities laws. Shareholders and the investing public should understand that these forward-looking statements are subject to risks and uncertainties, including those disclosed in our periodic filings with the SEC, which could cause actual performance, activities or plans after the date the statements are made to differ significantly from those indicated in the forward-looking statements when made.

**About Communications Systems**

Communications Systems, Inc. provides physical connectivity infrastructure and services for cost-effective broadband solutions and is a leading supplier of voice-grade connecting devices and wiring systems. CSI serves the broadband network market as the world’s leading supplier of media conversion technology, that permits networks to deploy fiber optic technology while retaining the copper-based infrastructure already embedded in the network. In addition, CSI supplies copper wire and fiber optic structured wiring systems for broadband networks, as well as line filters for digital subscriber line service. CSI also provides network design, training and management services.

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CSI CONSOLIDATED SUMMARY OF EARNINGS  
Selected Income Statement Data

	<u>Three Months Ended March 31, 2010</u>	<u>Three Months Ended March 31, 2009</u>
Sales	\$ 25,882,011	\$ 26,764,958
Gross margin	10,515,061	9,779,444
Operating income	2,120,265	1,776,635
Income before income taxes	2,112,818	1,936,711
Income taxes	781,894	713,780
Net income	\$ 1,330,924	\$ 1,222,931
Basic net income per share	\$ 0.16	\$ 0.15
Diluted net income per share	\$ 0.16	\$ 0.15
Cash dividends per share	\$ 0.14	\$ 0.12
Average basic shares outstanding	8,356,873	8,316,753
Average dilutive shares outstanding	8,388,478	8,319,373

Selected Balance Sheet Data

	<u>March 31, 2010</u>	<u>December 31, 2009</u>
Total assets	\$ 101,839,421	\$ 102,913,694
Cash, cash equivalents and investments	37,109,134	40,069,291
Property, plant and equipment, net	13,377,814	13,321,825
Long-term liabilities	4,754,543	4,220,403
Stockholders' equity	85,862,677	85,939,293

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