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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): **November 9, 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 November 9, 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 November 9, 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: November 10, 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  
Third Quarter and Nine Months 2010 Results**

Minnetonka, MN — November 9, 2010 — Communications Systems, Inc. (NASDAQ: JCS) today reported financial results for its third quarter and nine months ended September 30, 2010.

For the three months ended September 30, 2010, net income was \$3,999,000, or \$0.48 per diluted share, on sales of \$33,324,000. In 2009, the Company earned \$1,861,000, or \$0.22 per diluted share, on sales of \$28,107,000. For the nine months ended September 30, 2010, net income was \$7,746,000, or \$0.92 per diluted share, on sales of \$89,865,000. For the same period in 2009, the Company earned \$4,833,000, or \$0.58 per diluted share, on sales of \$83,457,000.

Jeffrey K. Berg, President and CEO, commented: “We are pleased with our 2010 third quarter and nine months results. Revenues for the third quarter of 2010 increased by 19% and net income increased by 115% compared to the same period in 2009. Our year to date revenues increased 8% and net income increased by 60% compared to 2009. Despite adverse and difficult conditions in U.S. residential and commercial construction markets and a weak recovery from the global recession, we achieved improved 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: “CSI’s balance sheet is strong, with a current ratio of 6.4 to 1 as of September 30, 2010. CSI’s cash, cash equivalents and investments were \$40,000,000 at September 30, 2010 and at December 31, 2009. In the third quarter the Company declared a \$.15 per share dividend compared to a \$.14 per share dividend for the comparable 2009 quarter. For the nine months ended September 30, 2010 the Company declared total dividends of \$.44 per share compared to \$.38 per share for the same period in 2009”.

Further information regarding the Company’s results and related matters is provided in the Company’s Form 10-Q report for the quarter ended September 30, 2010 that is being filed on or about November 10, 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

	Three Months Ended September 30, 2010	Three Months Ended September 30, 2009	Nine Months Ended September 30, 2010	Nine Months Ended September 30, 2009
Sales	\$ 33,323,793	\$ 28,107,200	\$ 89,864,628	\$ 83,456,557
Gross margin	15,309,984	10,867,919	39,109,053	31,297,459
Operating income	6,304,285	3,349,210	12,616,473	7,893,553
Income before income taxes	6,354,557	3,521,819	12,635,099	8,472,822
Income taxes	2,355,163	1,660,485	4,889,452	3,640,175
Net income	\$ 3,999,394	\$ 1,861,334	\$ 7,745,647	\$ 4,832,647
Basic net income per share	\$ 0.48	\$ 0.22	\$ 0.92	\$ 0.58
Diluted net income per share	\$ 0.48	\$ 0.22	\$ 0.92	\$ 0.58
Cash dividends per share	\$ 0.15	\$ 0.14	\$ 0.44	\$ 0.38
Average basic shares outstanding	8,398,496	8,347,701	8,376,542	8,336,027
Average dilutive shares outstanding	8,414,865	8,371,155	8,401,212	8,345,290

Selected Balance Sheet Data

	September 30, 2010	December 31, 2009
Total assets	\$ 108,397,586	\$ 102,913,694
Cash , cash equivalents and investments	40,089,171	40,069,291
Property, plant and equipment, net	13,066,688	13,321,825
Long-term liabilities	4,554,358	4,220,403
Stockholders' equity	90,529,012	85,939,293

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