

Edgar Filing: Wayside Technology Group, Inc. - Form 10-Q

Wayside Technology Group, Inc.
Form 10-Q
May 10, 2010

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

FORM 10-Q

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

For the quarterly period ended March 31, 2010

OR

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

For the transition period from _____ to _____

Commission File No. 000-26408

Wayside Technology Group, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

13-3136104
(I.R.S. Employer Identification No.)

1157 Shrewsbury Avenue, Shrewsbury, New Jersey 07702
(Address of principal executive offices)

(732) 389-8950
Registrant's Telephone Number

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities and Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Check One:

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Large Accelerated Filer

Accelerated Filer

Non-Accelerated Filer

Smaller Reporting Company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

There were 4,810,232 outstanding shares of Common Stock, par value \$.01 per share, as of May 6, 2010, not including 474,268 shares classified as treasury stock.

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

	March 31, 2010 (Unaudited)	December 31, 2009
ASSETS		
Current assets		
Cash and cash equivalents	\$9,410	\$8,560
Marketable securities	6,550	7,571
Accounts receivable, net of allowances of \$1,172 and \$1,097, respectively	27,822	27,040
Inventory, net	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
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; 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

The accompanying notes are an integral part of these condensed consolidated financial statements.

WAYSIDE TECHNOLOGY GROUP, INC. AND
SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF
EARNINGS
(Unaudited)

(In thousands, except per share data)

	Three months ended	
	2010	March 31, 2009
Net sales	\$40,358	\$31,750
Cost of sales	36,390	28,283
Gross profit	3,968	3,467
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
Dividends paid per common share	\$0.15	\$0.15

The accompanying notes are an integral part of these condensed consolidated financial statements.

WAYSIDE TECHNOLOGY GROUP, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY AND
COMPREHENSIVE INCOME

(Unaudited)

(Dollars in thousands, except share amounts)

Common Stock Shares	Amount	Additional Paid-In Capital	Treasury	Retained	Accumulated Other Comprehensive
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