

**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): **October 19, 2010**

Koss Corporation

(Exact name of registrant as specified in its charter)

Delaware
(State or other
Jurisdiction of
Incorporation)

0-3295
(Commission File
Number)

39-1168275
(IRS Employer
Identification No.)

4129 North Port Washington Avenue, Milwaukee, Wisconsin 53212
(Address of principal executive offices) (Zip code)

(414) 964-5000
(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:

- 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 October 19, 2010, Koss Corporation issued a press release announcing its financial results for the quarter ended September 30, 2010. A copy of the press release is being furnished as Exhibit 99.1 to this Form 8-K.

The information in this report is being furnished pursuant to Item 2.02 Results of Operations and Financial Condition. In accordance with General Instruction B.2 of Form 8-K, the information in this report shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1934, as amended.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Number</u>	<u>Description</u>
Exhibit 99.1	Press Release of Koss Corporation dated October 19, 2010.

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.

Dated: October 19, 2010

KOSS CORPORATION

By: /s/ Michael J. Koss

Michael J. Koss

Chief Executive Officer and President

3

INDEX TO EXHIBITS

**Exhibit
Number**

Description

99.1 Press Release of Koss Corporation dated October 19, 2010.

4



NEWS RELEASE

4129 NORTH PORT WASHINGTON AVENUE, MILWAUKEE, WI 53212 / 414 964-5000 / WWW.KOSS.COM

FOR IMMEDIATE RELEASE
OCTOBER 19, 2010

CONTACT: **Michael J. Koss**
President & CEO
(414) 964-5000
mjkoss@koss.com

Koss Reports Positive First Quarter Earnings

Milwaukee, Wisconsin: Koss Corporation (NASDAQ SYMBOL: KOSS), the U.S. based high-fidelity stereophone company, announced results for its first quarter for the period ending September 30, 2010.

Sales for the first quarter were \$10,032,134 compared to \$11,614,645 for the same period one year ago, a 14% reduction. Net income was \$562,859, compared to a loss of \$1,593,750 for the first quarter last year. Diluted earnings per share were \$0.08 compared with a loss of \$0.22 per share one year ago.

“Export sales did not achieve last year’s first quarter highs and U.S. retail sales dipped slightly in the first quarter,” Michael J. Koss, President and CEO, told employees here today. “Nonetheless we are encouraged by the fact that increases in our new domestic retail business are on track to offset the sales reduction at one large domestic retailer.”

Koss went on to explain that the net loss from the first quarter last year was primarily attributable to the previously reported unauthorized transactions surrounding the embezzlement by the Company’s former Vice President of Finance. Koss stated that expenses related to legal actions surrounding the embezzlement were still significant, but added that the Company expects to make some recoveries from the sale of over 25,000 items seized by federal law enforcement officials.

“Tight credit in Europe and increasing freight rates remain a concern,” Koss continued. “We are, however, more optimistic about the potential for this fiscal year than we were at this time last year.”

The Company paid a dividend of \$0.06 cents per share on October 15, 2010, to shareholders of record on September 30, 2010.

Koss Corporation markets a complete line of high-fidelity stereophones, speaker-phones, computer headsets, telecommunications headsets, active noise canceling stereophones, wireless stereophones, and compact disc recordings of American Symphony Orchestras on the Koss Classics label.

This press release contains forward-looking statements. These statements relate to future events or our future financial performance. In some cases, you can identify forward-looking statements by terminology such as “may,” “will,” “should,” “forecasts,” “expects,” “plans,” “anticipates,”

“believes,” “estimates,” “predicts,” “potential,” or “continue” or the negative of such terms and other comparable terminology. These statements are only predictions. Actual events or results may differ materially. In evaluating forward-looking statements, you should specifically consider various factors that may cause actual results to vary from those contained in the forward-looking statements, such as general economic conditions, in particular, consumer demand for the Company’s and its customers’ products, competitive and technological developments, foreign currency fluctuations, and costs of operations. Shareholders, potential investors and other readers are urged to consider these factors carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements made herein are only made as of the date of this press release and the Company undertakes no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances. In addition, such uncertainties and other operational matters are discussed further in the Company’s quarterly and annual filings with the Securities and Exchange Commission.

KOSS CORPORATION AND SUBSIDIARY CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)

Three Months Ended September 30,	2010	2009
Net sales	\$ 10,032,134	\$ 11,614,645
Cost of goods sold	5,670,525	5,964,673
Gross profit	4,361,609	5,649,972
Operating Expenses:		
Selling, general and administrative expenses	3,104,664	2,739,298
Unauthorized transactions	—	5,324,164
Unauthorized transaction related costs and recoveries, net	266,284	—
Total Operating Expenses	3,370,948	8,063,462
Income (loss) from operations	990,661	(2,413,490)
Other Income (Expense):		
Interest income	20	3
Interest expense	(104,660)	(58,978)
Total Other (Expense), net	(104,640)	(58,975)
Income (loss) before income tax provision (benefit)	886,021	(2,472,465)
Income tax provision (benefit)	323,162	(878,715)
Net income (loss)	\$ 562,859	\$ (1,593,750)
Earnings (loss) per common share:		

Basic	\$	0.08	\$	(0.22)
Diluted	\$	0.08	\$	(0.22)
Dividends declared per common share	\$	0.06	\$	0.065

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