
**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 5, 2010

LAWSON PRODUCTS, INC.

(Exact name of registrant as specified in its charter)

Delaware (State or other Jurisdiction of Incorporation)	0-10546 (Commission File Number)	36-2229304 (IRS Employer Identification No.)
1666 East Touhy Avenue, Des Plaines, Illinois (Address of Principal Executive Offices)		60018 (Zip Code)

Registrant's telephone number, including area code: **(847) 827-9666**

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))
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Item 7.01 Regulation FD Disclosure.

On October 5, 2010, Lawson Products, Inc. (the "Company") will participate in the William Blair & Company 2010 Emerging Growth Stock Conference. An overview of the Company will be presented by Thomas J. Neri, President and Chief Executive Officer and Harry A. Dochelli, Chief Operating Officer. A copy of the visual presentation is attached as an exhibit to this Form 8-K and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

99.1 October 5, 2010 Investor Presentation

SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

LAWSON PRODUCTS, INC.

(Registrant)

Date: October 5, 2010

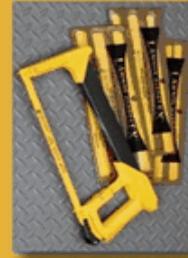
By: /s/ Ronald J. Knutson
Name: Ronald J. Knutson
Title: Senior Vice President and
Chief Financial Officer

Exhibit Index

Exhibit No.
99.1

Description

October 5, 2010 Investor Presentation



**William Blair & Company
2010 Emerging Growth Stock Conference**

October 5, 2010



LAWSON Products

Nasdaq: LAWS

www.lawsonproducts.com



Forward-Looking Statements

"Safe Harbor" Statement under the Securities Litigation Reform Act of 1995:

- This presentation contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainties. The terms "may," "should," "could," "anticipate," "believe," "continues," "estimate," "expect," "intend," "objective," "plan," "potential," "project" and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. These statements are based on management's current expectations, intentions or beliefs and are subject to a number of factors, assumptions and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. Factors that could cause or contribute to such differences or that might otherwise impact the business include the effect of general economic and market conditions; increases in commodity prices; work stoppages and other disruptions at transportation centers or shipping ports; disruptions of the Company's information and communication systems; competition and competitive pricing pressures; changes in customer demand; the influence of controlling stockholders; the inability of management to successfully implement strategic initiatives and, all of the factors discussed in the Company's "Risk Factors" set forth in its Annual Report on Form 10-K for the year ended December 31, 2009 and in the Quarterly Report on Form 10-Q for the quarters ended March 31, 2010 and June 30, 2010.

The Company undertakes no obligation to update any such factor or to publicly announce the results of any revisions to any forward-looking statements contained herein whether as a result of new information, future events or otherwise.





- **Tom Neri, President and CEO**
 - Joined Lawson in March 2003 as CFO
 - Held varying senior positions in publishing, including Executive Vice President of the Sun-Times Company and President and Publisher of Pioneer Newspapers, Inc.
- **Harry Dochelli, Chief Operating Officer**
 - Joined Lawson in March 2008 as Executive Vice President, Sales and Marketing
 - 25-year career with senior leadership positions in operations and sales – with profit and loss responsibility; depth of experience within distribution industry
 - Previously served as Executive Vice President North America Contract Sales for Boise Cascade Office Products/OfficeMax, Inc.





- Industry Snapshot
- Lawson Overview
- Lawson Financial Highlights
- Business Improvements
- Growth Strategies





Industrial Distribution Market Dynamics

- Large and highly fragmented industry
- North American industrial distribution market is broadly defined at +\$200 billion for 2009 made up of +37,000 companies ⁽¹⁾
- Of these companies in the Industrial Distribution Market, Lawson ranked 21st by sales revenue in 2009 ⁽²⁾

Rank	Company	Rev (m)	Rank	Company	Rev (m)
1	Wolseley	\$22,900	12	WinWholesale Inc.	\$1,600
2	HD Supply	\$7,400	13	MCS Industrial Supply Co.	\$1,480
3	Grainger	\$6,200	14	Interline Brands	\$1,060
4	Airgas	\$3,900	15	Wurth - Americas	\$867
5	McJunkin Redman	\$3,700	16	Kaman Industrial Technologies	\$645
6	Motion Industries	\$2,900	17	F.W. Webb	\$601
7	McMaster Carr	\$N/A	18	DXP Enterprises	\$583
8	Applied Industrial Tech	\$1,900	19	Barnes Logistics and Manufacturing	\$539
9	Fastenal	\$1,809	20	BDI	\$396
10	Wilson Industries	\$1,807	21	Lawson Products	\$379
11	Sonepar Industrial (with Hagemeyer	\$1,800	22	Bossard	\$370

(1) Source: Pembroke Consulting, Inc.
(2) Source: Modern Distribution Magazine 2010 MDM Market Leader





Lawson At A Glance

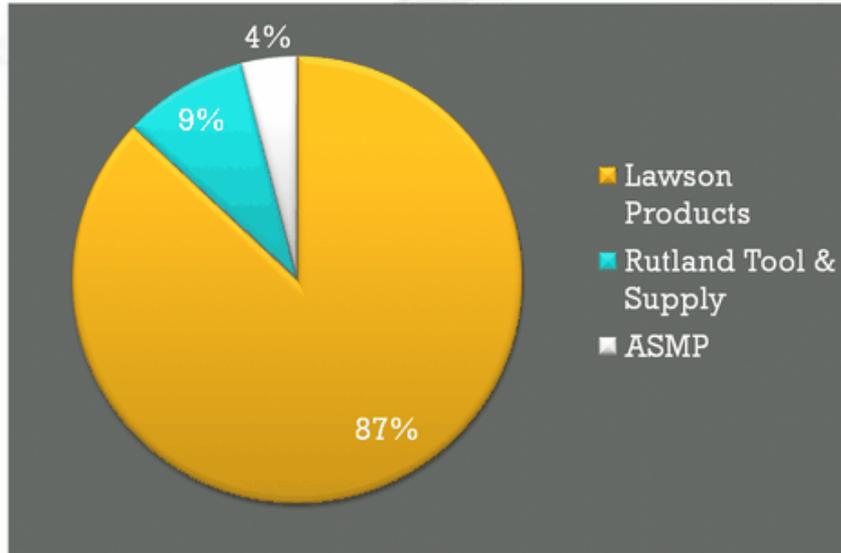
- Founded in 1952
- Nasdaq (LAWS) listed since 1970
- Distributor of maintenance, repair and operations (MRO) products and solutions
- Serve industrial, commercial, institutional and government markets in all 50 U.S. states, Canada and Puerto Rico
- Supply 200,000+ products
 - Fasteners, cutting tools, chemicals, abrasives, safety, welding, hydraulic and automotive products
- Headquartered in Des Plaines, IL
 - 15 facilities with 7 distribution centers
 - 1,010 employees and 1,200 independent field sales agents





Revenues By Business Unit

- 2009 net sales: \$332.5 million
 - Lawson Products (MRO)
 - Rutland Tool & Supply (MRO)
 - Automatic Screw Machine Products Company (OEM)

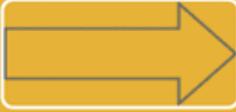


Note: Excludes Assembly Component Systems (ACS) business unit; continuing operations only





Key Competitive Advantages



Deep product knowledge and product application expertise

- Tailored solutions for customers
- Knowledgeable, experienced associates with an average of 11 years of experience
- Strong customer relationships



Value-added services, such as inventory management



High penetration of private label products



Broad geographic sales coverage allowing us to serve large multi-location customers



**Strong financial position allows
Lawson to invest in growth...**





Financial Highlights

- **Resilient business model**
 - Positioned to weather slow economy and to capitalize on industry/economic growth
- **2010 sales and operating results continue positive YOY trend**
- **High gross margins**
 - Consistently outperform MRO industry peers
- **Strong balance sheet**
 - Approx. \$20 million cash on hand today (includes \$16 million ACS transaction)
 - Minimal debt obligations
 - \$55 million credit facility
- **Improving EBITDA**
- **Diversified customer and consumable product base**
 - Results in recurring revenue stream





Demonstrable Sales Recovery Since Q4 '09

Quarterly Net Sales

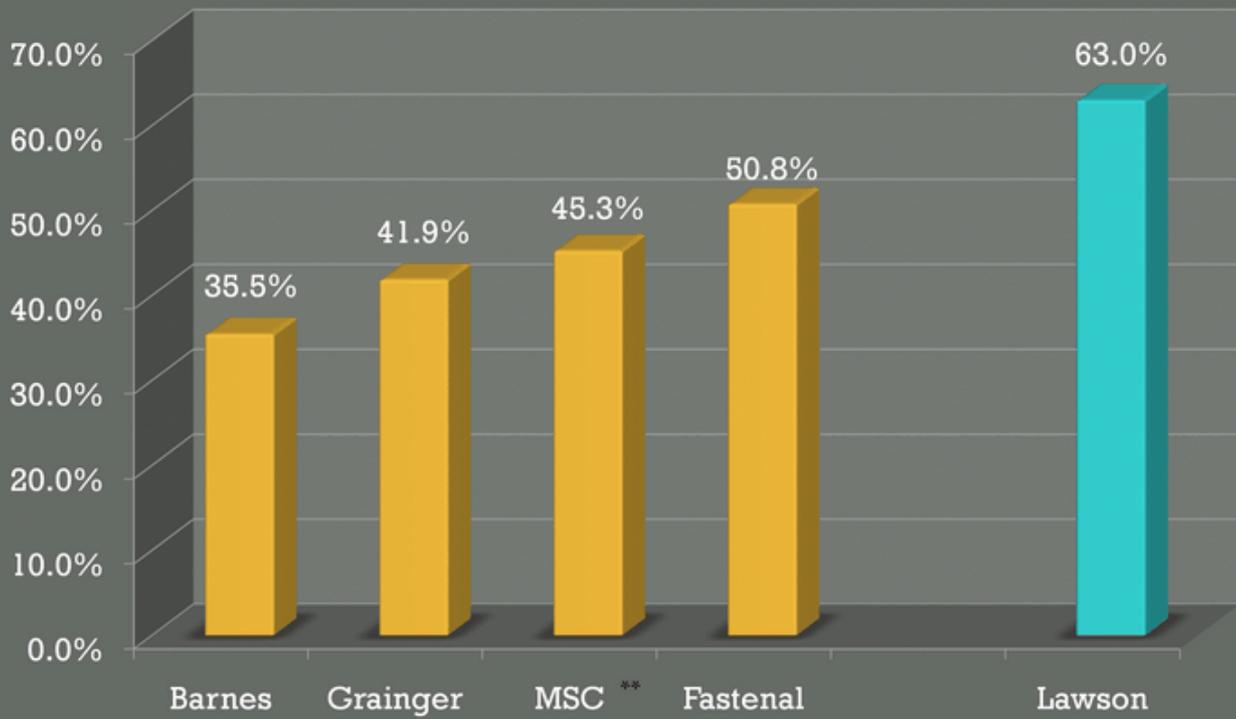


Note: Excludes ACS business unit; continuing operations only





Strong Gross Margins – Outperforming Industry



Note: Lawson excludes ACS; continuing operations only

* Last twelve months as of 6/30/10

** Last twelve months as of 5/30/10





Notable Progress Reducing Costs

- Implemented strong cost control measures while continuing to invest in key initiatives
- Approximately 20% fewer FTEs since 12/07
- Closed two distribution centers

Selling, general and administrative expenses



Note: Excludes ACS business unit; continuing operations only





We are building a solid foundation for growth...

Build the team

A new management team is in place

Strengthen the core

Business improvements such as ERP, network optimization and sales transformation are all well underway

Focus the portfolio

Have sold non-core business (e.g., ACS) and will continue primary focus on MRO

Grow aggressively

Concentrating on growth via “build and buy” strategy to increase shareholder return





Growth

**Network
Optimization**

Sales Transformation

ERP

Building a strong foundation to enable growth





Listening and Responding to Customers

Current Strength

75% prefer ordering through field sales representatives

82% say technical support very important

Virtually all prefer domestic products and most willing to pay more for them

Opportunities

88% also want web ordering option

73% of purchasing agents prefer to use multiple vendors to get the right expertise

"Fast shipping" was rated as most important item among 20 MRO vendor dimensions



Lawson actively seizing these opportunities

Leveraging our core business + pursuing new initiatives focused on serving market with "unplanned" product need

*September 2010 survey of 240 MRO customers





Core Business Today

“Planned” Products for Inventory Management



Customers have need for products and want to outsource replenishment and inventory management

Future Opportunities

Products for Unplanned Needs



Customers with unplanned needs buy products from sales agents, catalogs or the web for next day delivery





Deploying “Build and Buy” growth strategy to achieve low double-digit growth





Focus on Growth: Current State

- Agent sales manager to employee sales manager conversion: Completed
- Strategic accounts growth: +7.4% YTD
- Government accounts growth: +22.0% YTD
- New safety product introductions with limited capital investment: +29.2% YTD sales growth from 3,500 new SKU's
- Sales force productivity gain: 27.0% increase YOY





Focus on Growth: Future Opportunities

- Channel development
 - Web/e-commerce, outbound call center
- New technology tools
 - Customer Managed Inventory, vending machines, remote inventory management, eVMI, technical knowledge library
- Customer segmentation
 - Segmented service model
- Additional product introductions

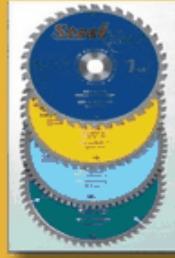




Summary

- Lawson has a solid foundation for growth
- Strong balance sheet, margins and cash flow enable significant investment in growth
- Research-based, customer-driven growth strategy
- Experienced leadership team executing successfully
- **Capitalizing on growth opportunities**





Questions?

 **LAWSON** Products



Appendix

 **LAWSON** Products



Condensed Consolidated Balance Sheets

(Amounts in thousands)	(As Reported)	
	Dec 31, 2009	June 30, 2010 (Unaudited)
ASSETS		
Cash and cash equivalents	\$ 8,787	\$ 8,616
Accounts receivable, net	39,804	46,372
Inventories	73,696	75,067
Miscellaneous receivables and prepaid expenses	10,423	11,567
Deferred income taxes	4,819	3,896
Property held for sale	332	-
Discontinued current assets	459	464
Total Current Assets	138,320	145,982
Property, plant and equipment, less accumulated depreciation and amortization	40,576	40,961
Cash value of life insurance	17,021	17,040
Deferred income taxes	15,249	12,977
Goodwill	27,957	27,875
Other	2,524	2,490
Total Assets	\$ 241,647	\$ 247,325
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts payable	\$ 19,968	\$ 23,233
Settlement payable	10,000	10,000
Accrued expenses and other liabilities	33,272	29,857
Total Current Liabilities	63,240	63,090
Revolving line of credit	-	5,150
Security bonus plan	25,931	25,799
Deferred compensation	10,374	10,946
Other	5,456	2,654
	41,761	44,549
Stockholders' Equity	136,646	139,686
Total Liabilities and Stockholders' Equity	\$ 241,647	\$ 247,325





Condensed Consolidated Statements of Operations (Unaudited)

(All dollars in thousands, except per share data)

	Three Months Ended (As Reported)					
	Mar-09	Jun-09	Sep-09	Dec-09	Mar-10	Jun-10
Net Sales	\$ 99,381	\$ 95,033	\$ 95,125	\$ 89,342	\$ 95,073	\$ 101,623
Cost of Goods Sold	45,214	39,164	38,728	37,998	39,591	42,993
Gross Margin	54,167	55,869	56,397	51,344	55,482	58,630
<i>Gross Margin %</i>	54.5%	58.8%	59.3%	57.5%	58.4%	57.7%
Selling, general and administrative	56,681	52,932	52,868	52,796	52,108	54,144
Gain or loss on disposal property	411	(395)	-	-	(1,701)	-
Severance & restructuring	6,041	(94)	659	198	475	1,224
Impairment of long-lived assets	-	-	-	1,267	-	-
Operating income (Loss)	\$ (8,966)	\$ 3,426	\$ 2,870	\$ (2,917)	\$ 4,600	\$ 3,262
Other income	725	51	110	1	50	52
Interest expense	(74)	(268)	(132)	(563)	(85)	(196)
Income (loss) from continuing operations before income taxes	(8,315)	3,209	2,848	(3,479)	4,565	3,118
Income tax expense (benefit)	(2,396)	1,313	1,327	(3,365)	2,223	1,344
Income (loss) from continuing operations	(5,919)	1,896	1,521	(114)	2,342	1,774
Loss from discontinued operations, net of income taxes	(29)	(49)	(18)	(24)	(10)	(87)
Net income (loss)	\$ (5,948)	\$ 1,847	\$ 1,503	\$ (138)	\$ 2,332	\$ 1,687
Diluted weighted average shares outstanding	8,522	8,522	8,522	8,522	8,522	8,529
Diluted income (loss) per share of common stock	\$ (0.70)	\$ 0.22	\$ 0.18	\$ (0.02)	\$ 0.27	\$ 0.20





Condensed Consolidated Statements of Cash Flows (Unaudited)

	(As Reported) Six Months Ended June 30, 2010
<i>(Amounts in thousands)</i>	
Operating activities:	
Net income	\$ 4,019
Loss from discontinued operations	97
Income from continuing operations	4,116
Adjustments to reconcile net loss to net cash provided by operating activities:	
Depreciation and amortization	3,003
Deferred taxes	3,271
Gain on sale of property	(1,701)
Changes in operating assets and liabilities:	(9,288)
Other	(1,462)
Net cash used by operating activities	(2,061)
Investing activities:	
Additions to property, plant and equipment	(3,619)
Proceeds from sale of property	2,027
Net cash used by investing activities	(1,592)
Financing activities:	
Net proceeds from revolving credit line	5,150
Dividends paid	(1,534)
Other	(32)
Net cash provided by financing activities	3,584
Cash used by discontinued operations	(102)
Decrease in cash and cash equivalents	(171)
Cash and cash equivalents at beginning of period	8,787
Cash and cash equivalents at end of period	\$ 8,616

