

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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) March 8, 2005

PC Connection, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of Incorporation)

0-23827

(Commission File Number)

02-0513618

(IRS Employer Identification No.)

Rt. 101A, 730 Milford Road Merrimack, NH

(Address of Principal Executive Offices)

03054

(Zip Code)

(603) 683-2000

(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 (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-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 8.01 Other Events and Required FD Disclosure

On March 8, 2005, PC Connection, Inc., a Delaware corporation, is planning to participate in the Raymond James Annual Institutional Investors Conference and will be discussing various aspects of its business. During the course of those discussions, certain limited financial information and other limited facts of its business will be presented to investors. This information is included below as an Exhibit.

Item 9.01 Financial Statements and Exhibits

(c) Exhibits

99.1 Presentation for Raymond James Annual Institutional Investors Conference.

SIGNATURE

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 hereunto duly authorized.

Date: March 8, 2005

REGISTRANT

PC CONNECTION, INC.

By: /s/ JACK FERGUSON

Jack Ferguson

Treasurer and Interim Chief Financial Officer

EXHIBIT INDEX

<u>Exhibit</u>	<u>Description</u>
99.1	Presentation for Raymond James Annual Institutional Investors Conference.



PC Connection®

**RAYMOND JAMES
INSTITUTIONAL INVESTORS CONFERENCE**

MARCH 8, 2005

**Patricia Gallup, Chief Executive Officer
Stephen Baldrige, VP of Finance & Corporate Controller**

SAFE HARBOR STATEMENT

Under the Private Securities Litigation Reform Act of 1995: This presentation contains forward-looking statements that are subject to risks and uncertainties, including, but not limited to, the impact of changes in market demand and the overall level of economic activity, or in the level of business investment in information technology products, competitive products and pricing, product availability and market acceptance, new products, fluctuations in operating results and other risks detailed under the caption "Factors That May Affect Future Results and Financial Condition" in the Company's 2004 Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission for the quarter ended September 30, 2004. More specifically, the statements in this release concerning the Company's outlook for 2005 and the statements concerning the Company's gross margin percentage, productivity, selling and administrative costs, and other statements of a non-historical basis (including statements regarding implementing strategies for future growth, the ability of the Company to improve sales productivity and increase its market share) are forward-looking statements that involve certain risks and uncertainties. Such risks and uncertainties include the ability to realize market demand for and competitive pricing pressures on the products and services marketed by the Company, the continued acceptance of the Company's distribution channel by vendors and customers, continuation of key vendor relationships and support programs and the ability of the Company to hire and retain qualified sales representatives and other essential personnel.

The logo for PC Connection, featuring the text "PC Connection" in a serif font with a blue arc above the "C" in "Connection".

PC Connection

PC CONNECTION, INC.

■ Fortune 1000	
■ Founded	1982
■ Employees	1,400
■ Exchange	NASDAQ
■ Symbol	PCCC
■ Shares Outstanding	25.1 Million
■ Float	8.0 Million
■ Market Capitalization	\$239 Million
■ 2004 Sales	\$1.35 Billion
■ Total Book Value Per Share	\$6.62
■ Tangible Book Value Per Share	\$4.44
■ Closing Price – 12/31/04	\$9.52

PC Connection

BUSINESS OVERVIEW

- A rapid response provider of information technology (IT) products and solutions
- Operates through three sales subsidiaries
- Relationship-based model with 591 sales representatives
- Offering more than 100,000 brand-name products
- Multiple vendor relationships

PC Connection, A Widely Recognized Brand Name

The screenshot shows the PC Connection website interface. At the top, there are navigation links for Business Customers, MacConnection, and GeoConnection. The main header features the PC Connection logo and the slogan "we have your brand™". A search bar is present. The left sidebar contains a navigation menu with categories like COMPUTERS, MONITORS & DISPLAYS, PERIPHERALS, SOFTWARE, ELECTRONICS, NETWORKING, STORAGE, UPGRADERS, and ACCESSORIES. The main content area is titled "Introducing The New Acrobat 7 Family" and includes a "Reserve Your Copy Today!" call to action. Below this, there are "Featured Products" such as a 19" FPD's LED Monitor, a P4001 LCD Projector, a DSC-MS CyberShot Digital Camera, and an After Robots Series USB 400 Wireless LAN Adapter. The page also features promotional banners for "100% Holiday Deals", "Great Gifts!", "Hot TV Deals", and "Save \$100!".

This block contains a collage of three promotional materials. The top right is a "PC Connection" advertisement for a laptop, featuring the text "Intelligently Designed for Solid Performance" and a price of "\$699". The middle right is a "MacConnection" advertisement with the headline "FREE SHIPPING!" and prices for various items like "\$1294", "\$43", and "\$794". The left side of the collage is a "PROFESSIONAL IT" advertisement with the text "4.75 POUNDS OF GO ANYWHERE...".

PC Connection

Building Brand Awareness

PC Connection®

GovConnection™

MORE™
DIRECT

PC Connection®

Broad Product Selection



PC Connection

Major Vendor Partners

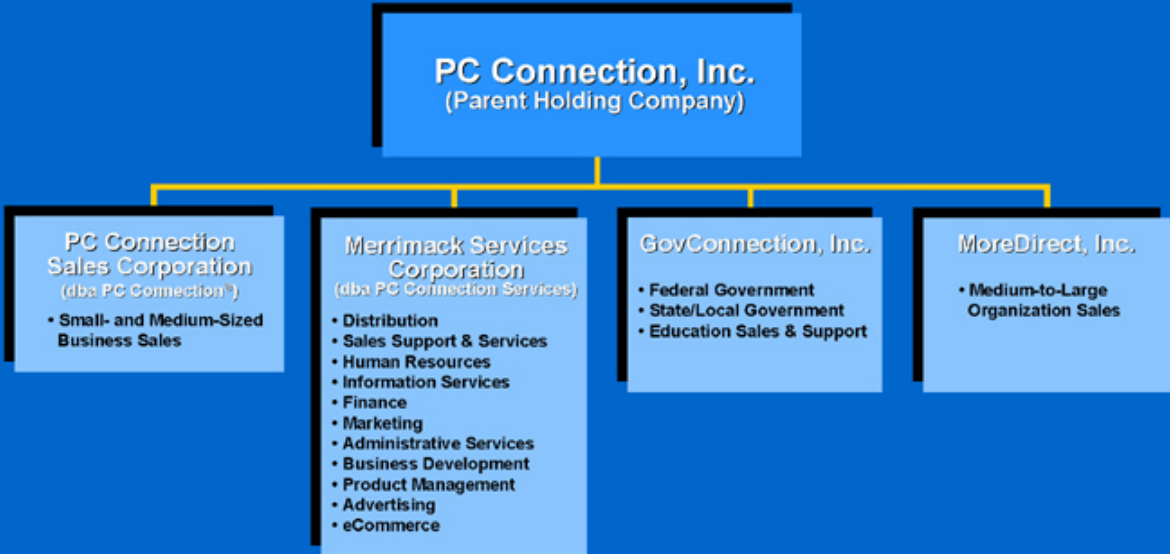


TOSHIBA



PC Connection

Organizational Structure & Business Segments



PC Connection Sales Corporation (SMB)

- Focused on small- and medium-sized businesses (SMBs: 20-500 seats)
- Utilize outbound telemarketing (415 reps), catalog, and Web site marketing
- Differentiated by providing superior service and value to customers
- 2004 annual sales – \$802 million

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GovConnection, Inc. (Public Sector)

- Focused on Public Sector: Four distinct markets
 - Federal
 - State and Local
 - K-12
 - Higher Ed
- Utilize field sales, outbound telemarketing (107 reps), teaming, catalog, and Web site
- Awarded new GSA Schedule
- 2004 annual sales – \$253 million

MoreDirect, Inc. (Large Account)

- Focused on large customer segment (>500 seats)
- Knowledgeable, high-level field sales account managers (69 reps) with 10-20 years experience in IT hardware
- Aggregates inventories of leading wholesale distributors and manufacturers (virtual inventory–no warehousing or logistics) through e-procurement system
- 2004 annual sales – \$298 million

Pursuing Market Opportunities

Company Segments	Market ⁽¹⁾ Opportunity	Company Market Share ⁽²⁾
Small- and Medium-Sized Businesses	\$75 Billion	1.1%
Government & Education	40 Billion	0.6%
Large Corporate Accounts	85 Billion	0.4%
Total	\$200 Billion	0.7%

(1) IDC and PC Connection estimate

(2) PC Connection estimate

Growth Strategies Overview

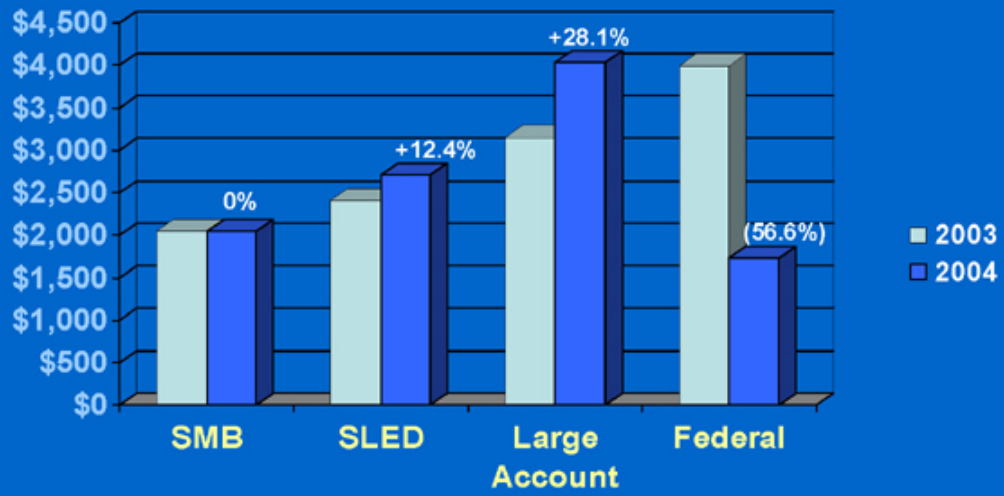
- Improve Sales Productivity
- Increase Number of Sales Representatives
- Continue Margin Rate Improvement
- Expand Product and Service Offerings
 - Voice Over Internet Protocol (VOIP)
 - ServiceConnection
- Pursue Strategic Initiatives

Improve Sales Productivity

Company Segments	12/31/04 Sales Reps Annual	Average Productivity	
		Annual 2004	Target
Small- and Medium-Sized Businesses	415	\$ 2,049	\$ 2,500
Government & Education	107	2,365	3,200
Large Corporate Account	69	4,033	4,500
Total/Average	591	\$ 2,365	\$ 2,900

Annualized Sales Rep Productivity

(Amounts in thousands)



Increase Number of Sales Representatives

- Enhance recruitment efforts at current call centers
- Consider additional call centers
- Expand the number of field reps in our Large Account and Public Sector segments
- Investigate Virtual Call Centers for SMB segment

Strategic Initiatives

■ Internal

- Monadnock
- K2
- Rapid Response Sales Support

■ External

- ServiceConnection
- Acquisition Opportunities



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Financial Summary

*Stephen Baldrige,
VP of Finance & Corporate Controller*

Operating Results—Consolidated

<i>(Amounts in thousands except EPS)</i>	Q4 2004	Q4 2003	2004	2003
Net Sales	\$ 339,599	\$ 358,376	\$ 1,353,834	\$ 1,312,891
Gross Profit	41,346	36,321	150,839	137,679
<i>% of Net Sales</i>	12.2%	10.1%	11.1%	10.5%
SG&A Expenses	36,576	33,108	131,514	124,824
<i>% of Net Sales</i>	10.8%	9.2%	9.7%	9.5%
Special Charges	<u>1,649</u>	<u>1,532</u>	<u>5,232</u>	<u>1,929</u>
Operating Income	3,121	1,681	14,093	10,926
<i>% of Net Sales</i>	0.9%	0.5%	1.0%	0.8%
Net Income	\$ 2,073	\$ 730	\$ 8,304	\$ 5,888
<i>% of Net Sales</i>	0.6%	0.2%	0.6%	0.4%
EPS (GAAP)	\$ 0.08	\$ 0.03	\$ 0.33	\$ 0.23

PC Connection

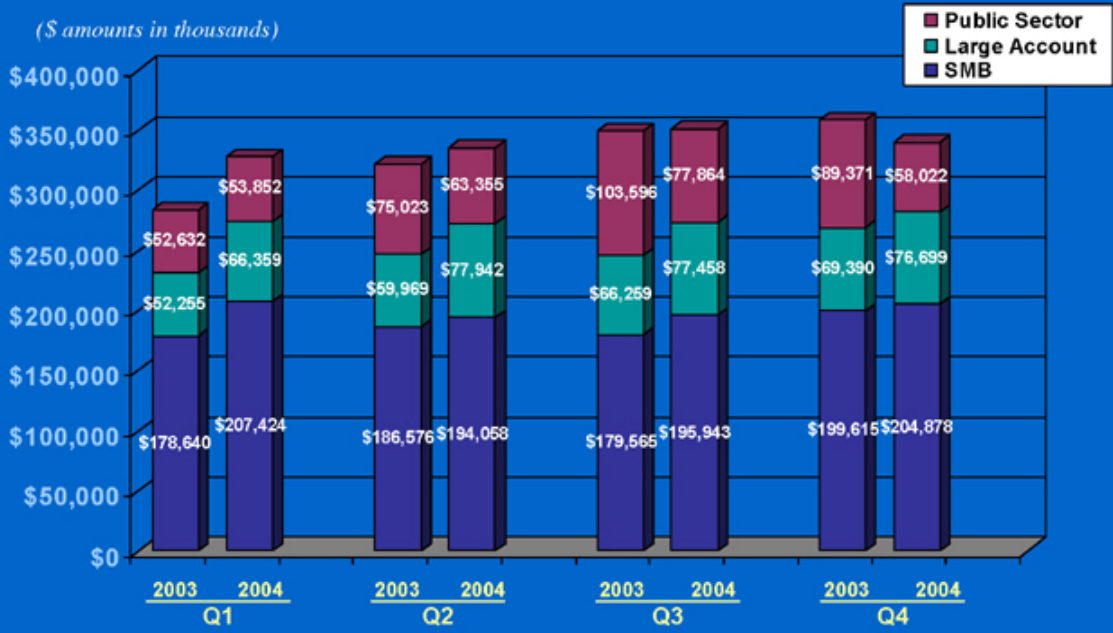
Product Mix – 2004 vs. 2003

	2004 % of Net Sales	2003 % of Net Sales
Notebooks & PDAs	20.4%	19.9%
Desktops/Servers	14.2%	14.7%
Storage Devices	8.2%	8.9%
Software	12.0%	11.0%
Net/Com Products	7.3%	7.9%
Printers & Printer Supplies	11.0%	11.4%
Video, Imaging, & Sound	12.2%	11.8%
Memory & System Enhancements	5.3%	5.7%
Accessories/Other	9.4%	8.7%
	100.0%	100.0%

PC Connection

Net Sales by Segment

(\$ amounts in thousands)

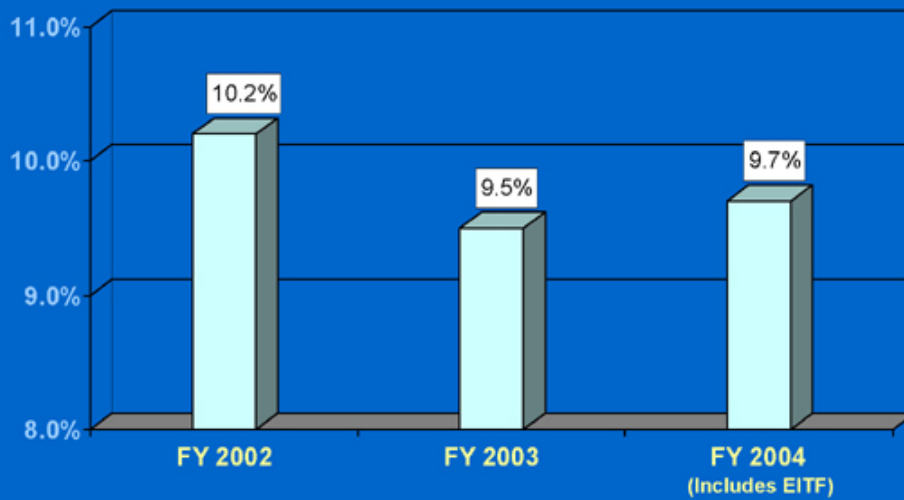


Gross Margin % of Sales

	2004 ⁽¹⁾	2003
SMB	12.1%	11.2%
Public Sector	9.4%	8.2%
Large Account	10.2%	11.3%
Consolidated	11.1%	10.5%

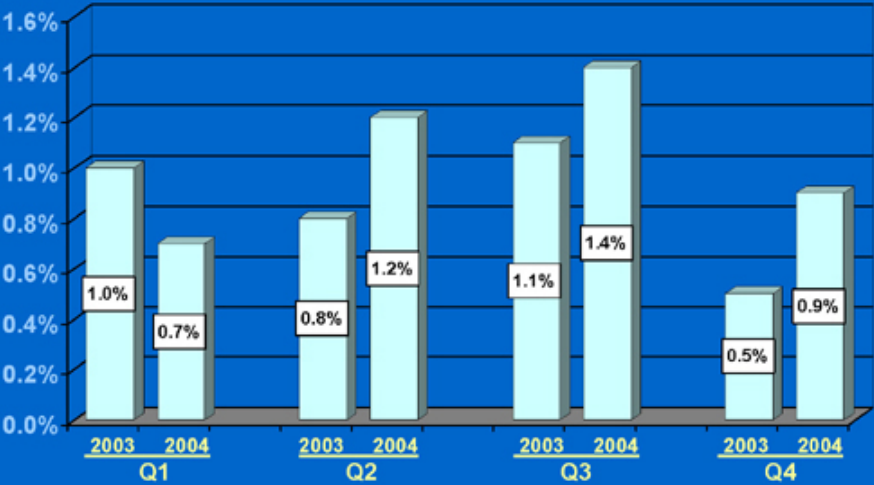
(1) Includes increase of EITF Reclass: SMB +.44%, Public +.09%, & Consolidated +.27%

SG&A % of Sales

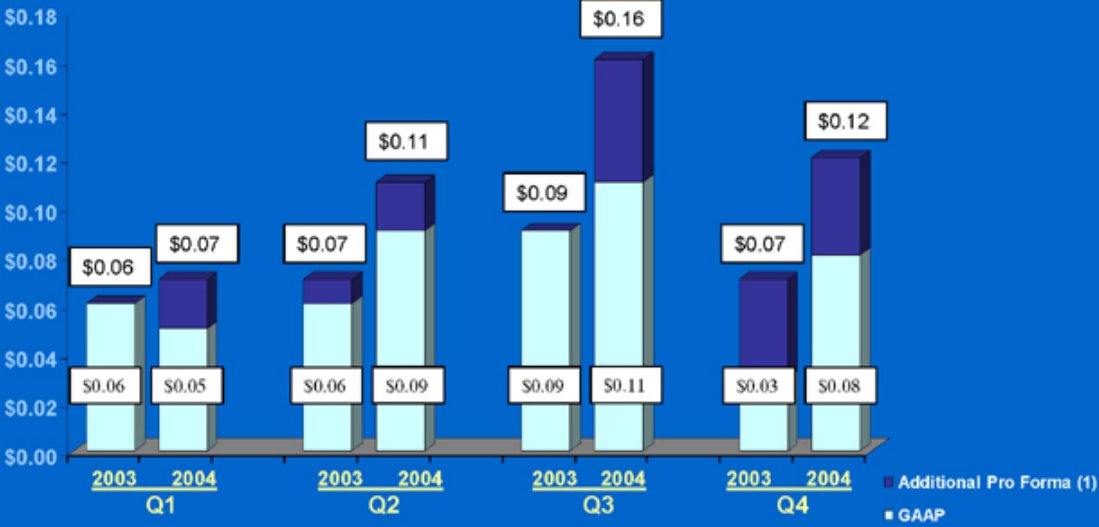


Note: SG&A rates exclude special charges; 2004 includes a .31% increase from the EITF reclassification

Operating Margin % of Sales



Diluted Earnings Per Share



(1) Pro forma EPS exclude special charges

A Reconciliation Between GAAP and Pro Forma Results

This information is being furnished so as to allow for a comparison of our operating results without special charges.

(\$ in thousands, except EPS)	Q4		Total	
	2004	2003	2004	2003
GAAP Net Income:	\$ 2,073	\$ 730	\$ 8,304	\$ 5,888
Special Charges (after tax):				
GSA and Other	850	913	2,711	920
Workforce Reduction	172	7	533	247
Subtotal	1,022	920	3,244	1,167
Pro Forma Net Income	\$ 3,095	\$ 1,650	\$ 11,548	\$ 7,055
GAAP Earnings Per Share:	\$ 0.08	\$ 0.03	\$ 0.33	\$ 0.23
Special charges (after tax):	0.04	0.04	0.13	0.05
Pro Forma Earnings Per Share:	\$ 0.12	\$ 0.07	\$ 0.46	\$ 0.28

PC Connection

Working Capital Metrics

	2004	2003
Days Sales Outstanding	42	47
Inventory Turns	15	15
Cash Flow from Operations	\$13,318	\$3,301
Debt/Capital Ratio	6.8%	7.4%

Financial Model

	2001	2002	2003	2004	Two-Year Target Ranges
REVENUE GROWTH	(17.6)%	0.4%	10.2%	3.1%	15% + (annual)
EPS GROWTH	(75.4)%	(56.7)%	76.9 %	43.5%	30% + (annual)
GROSS PROFIT MARGIN	11.1%	10.8%	10.5%	11.1%	11.3-11.8%
SG&A ⁽¹⁾	9.9%	10.2%	9.5%	9.7%	8.8%-9.3%
OPERATING MARGIN	1.0%	0.5%	0.8%	1.0%	2.0%-2.5%
INVENTORY TURNS	18X	22X	15X	15X	20-24X
DAYS SALES OUTSTANDING	53	49	47	42	36-40 Days

⁽¹⁾ Excludes special charges


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we solve IT