

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): **November 23, 2004**

**Koss Corporation**

(Exact name of registrant as specified in its charter)

<b><u>Delaware</u></b>	<b><u>0-3295</u></b>	<b><u>39-1168275</u></b>
(State or other Jurisdiction of Incorporation)	(Commission File Number)	(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)

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 1.02 Termination of a Material Definitive Agreement.**

Effective November 23, 2004, Koss Corporation (the "Company") terminated the License Agreement dated November 15, 1991, and as subsequently amended (the "License Agreement") between the Company and Jiangsu Electronics Limited of Hong Kong ("Jiangsu"). Under the License Agreement, in exchange for royalty payments, the Company granted Jiangsu the right and license to use certain Company trademarks in connection with the manufacture, marketing and distribution of Jiangsu's products, with the prior approval of the Company. The Company believes that Jiangsu sold certain products without submitting these products to the Company for its approval and that these actions constitute material breaches under the License Agreement. The Company provided notice to Jiangsu of the termination of the License Agreement on November 23, 2004. As a result of the termination, other than Jiangsu's post-termination right to sell Company-approved licensed products, as set forth in the License Agreement, Jiangsu no longer has the right to use certain Company trademarks in connection with the manufacture, marketing and distribution of Jiangsu's products under the License Agreement.

**Item 7.01 Regulation FD Disclosure**

On November 23, 2004, the Company issued a press release announcing the termination of its License Agreement with Jiangsu. 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 Regulation FD. In accordance with General Instructions B.2 and B.6 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. The furnishing of the information set forth in this report is not intended to, and does not, constitute a determination or admission as to the materiality or completeness of such information.

**Item 9.01. Financial Statements and Exhibits.**

*(c) Exhibits*

99.1--Press Release dated November 23, 2004, announcing the termination of the license agreement with Jiangsu Electronics Limited (*furnished and not filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and not deemed incorporated by reference in any filing under the Securities Act of 1934, as amended*).

**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: November 24, 2004

KOSS CORPORATION

By: /s/ Michael J. Koss

Michael J. Koss

Chief Executive Officer, President and  
Chief Financial Officer

**INDEX TO EXHIBITS**

**Exhibit Number and Description**

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**NEWS RELEASE****Koss Corporation, 4129 N. Port Washington Ave., Milwaukee, Wisconsin 53212****CONTACT: Michael J. Koss, President and CEO****(414) 964-5000, email: mjkoss@koss.com****Koss Terminates License Agreement with Jiansu Electronics**

**November 23, 2004 -- Milwaukee, Wisconsin:** Koss Corporation (NASDAQ SYMBOL: KOSS), has announced that it has terminated its licensing agreement with Jiansu Electronics LTD of Hong Kong. The agreement previously provided Jiansu the opportunity to use the Koss name on a line of portable electronics, boom boxes, mobile stereo products, and DVD players.

"The company notified Jiansu that it terminated the agreement after Jiansu failed to acknowledge or to cure several actions that we believe constitute clear breaches of our licensing agreement," said Michael J. Koss President and CEO of Koss Corporation.

Michael Koss speculated on the effect the termination would have upon net income in the coming year.

"Royalty income on all previously approved products, which are already in the pipeline, will still be owed to the company," Koss stated, "we believe that the immediate impact on our fiscal year will be approximately \$170,000 in net income or, \$.05 per share."

Koss also forecasted the possible reduction of its minimum royalty payments for fiscal year 2006 at \$0.09 per share.

"It is impossible to speculate beyond the next two years as a new licensee may be on board before 2006," Koss continued.

When asked if the company would consider marketing similar products directly on its own, Michael Koss answered that all options were being considered in light of the change in its relationship with Jiansu.

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. In particular, we direct your attention to our statements about the efficacy of our termination, the effect of termination on future financial results, or our future business strategy, all of which are forward-looking statements. 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 actions by Jiansu, 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.