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

FORM 10-QSB

(Mark One)

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

For the quarterly period ended March 31, 1999

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 number: 0-17219

GENTNER COMMUNICATIONS CORPORATION
(Exact name of small business issuer as specified in its charter)

UTAH	87-0398877
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
1825 RESEARCH WAY, SALT LAKE CITY, UTAH	84119
(Address of principal executive offices)	(Zip Code)

(801) 975-7200
(Issuer's telephone number)

(Former name, former address and former fiscal year, if changed since last report.)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act 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.

[X] Yes [ ] No

State the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date.

CLASS OF COMMON STOCK	MAY 11, 1999
$0.001 PAR VALUE	8,127,191 SHARES

Transitional Small Business Disclosure Format (check one)

[ ] Yes [X] No

GENTNER COMMUNICATIONS CORPORATION

INDEX

	PAGE NUMBER
PART I - FINANCIAL INFORMATION	
Item 1. Financial Statements	
Balance Sheets March 31, 1999 (unaudited) and June 30, 1998	3
Statements of Operations Three Months Ended March 31, 1999 and 1998 (unaudited)	4
Statements of Operations Nine Months Ended March 31, 1999 and 1998 (unaudited)	5
Statements of Cash Flows Nine Months Ended March 31, 1999 and 1998 (unaudited)	6
Notes to Financial Statements	7
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	9
PART II - OTHER INFORMATION	
Item 6. Exhibits and Reports on Form 8-K	14

GENTNER COMMUNICATIONS CORPORATION

BALANCE SHEETS

	(Unaudited) March 31, 1999	(Audited) June 30, 1998
ASSETS		
Current assets:		
Cash and cash equivalents	$ 2,133,318	$ 715,325
Accounts receivable	2,740,840	1,743,390
Inventory	2,877,107	3,154,983
Deferred taxes	40,000	40,000
Other current assets	231,162	174,667
Total current assets	8,022,427	5,828,365
Property and equipment, net	2,197,968	2,320,336
Related party note receivable	109,046	126,505
Other assets, net	18,408	36,534
Total assets	$10,347,849	$ 8,311,740
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 960,706	$ 537,202
Accrued compensation and other benefits	477,213	486,658
Accrued income tax	314,089	45,982
Other accrued expenses	581,953	326,841
Current portion of long-term debt	--	285,630
Current portion of capital lease obligations	239,022	237,109
Total current liabilities	2,572,983	1,919,422
Long-term debt	--	402,584
Capital lease obligations	584,700	752,728
Total liabilities	3,157,683	3,074,734
Shareholders' equity:		
Common stock, 50,000,000 shares authorized, par value $.001, 8,126,869 and 7,698,523 shares issued and outstanding at March 31, 1999 and June 30, 1998	8,123	7,699
Additional paid-in capital	4,774,935	4,454,407
Retained earnings	2,407,108	774,900
Total shareholders' equity	7,190,166	5,237,006
Total liabilities and shareholders' equity	$10,347,849	$ 8,311,740

See accompanying notes

GENTNER COMMUNICATIONS CORPORATION

STATEMENTS OF OPERATIONS

	(Unaudited) Three Months Ended March 31, 1999	1998
Net sales	$ 5,819,151	$ 4,208,908
Cost of goods sold	2,437,243	2,045,970
Gross profit	3,381,908	2,162,938
Operating Expenses:		
Selling and marketing	1,290,077	846,125
General and administrative	723,669	546,045
Product development	375,850	352,338
Total operating expense	2,389,596	1,744,508
Operating income	992,312	418,430
Other income (expense):		
Interest income	21,490	3,257
Interest expense	(37,077)	(62,757)
Other, net	(9,696)	1,529
Total other income (expense)	(25,283)	(57,971)
Income before income taxes	967,029	360,459
Provision for income taxes	360,700	--
Net income	$ 606,329	$ 360,459
Basic earnings per common share	$ 0.07	$ 0.05
Diluted earnings per common share	$ 0.07	$ 0.05

See accompanying notes

GENTNER COMMUNICATIONS CORPORATION

STATEMENTS OF OPERATIONS

	(Unaudited) Nine Months Ended March 31, 1999	1998
Net sales	$ 16,570,569	$ 11,934,700
Cost of goods sold	7,316,768	5,672,251
Gross profit	9,253,801	6,262,449
Operating Expenses:		
Selling and marketing	3,509,366	2,352,336
General and administrative	1,912,388	1,891,539
Product development	1,146,785	996,658
Total operating expense	6,568,539	5,240,533
Operating income	2,685,262	1,021,916
Other income (expense):		
Interest income	65,926	10,469
Interest expense	(127,367)	(187,108)
Other, net	(14,913)	10,883
Total other income (expense)	(76,354)	(165,756)
Income before income taxes	2,608,908	856,160
Provision for income taxes	976,700	--
Net income	$ 1,632,208	$ 856,160
Basic earnings per common share	$ 0.20	$ 0.11
Diluted earnings per common share	$ 0.19	$ 0.11

See accompanying notes

GENTNER COMMUNICATIONS CORPORATION

STATEMENTS OF CASH FLOWS

	(Unaudited) Nine Months Ended March 31, 1999	1998
Cash flows from operating activities:		
Net income	$ 1,632,208	$ 856,160
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization of property and equipment	535,633	504,679
Amortization of other assets	16,374	41,470
Changes in operating assets and liabilities:		
Accounts receivable	(997,450)	(21,207)
Inventory	277,876	(968,359)
Other current assets	(56,495)	(104,303)
Accounts payable and other accrued expenses	937,278	439,177
Net cash provided by operating activities	2,345,424	747,617
Cash flows from investing activities:		
Purchases of property and equipment	(413,265)	(243,730)
Repayment of note receivable	17,459	--
Decrease (increase) in other assets	1,752	(17,987)
Net cash used in investing activities	(394,054)	(225,743)
Cash flows from financing activities:		
Proceeds from issuance of common stock	2,902	--
Exercise of employee stock options	318,050	25,611
Net repayments under line of credit	--	(162,655)
Principal payments of capital lease obligations	(166,115)	(199,586)
Principal payments of long-term debt	(688,214)	(189,322)
Net cash used in financing activities	(533,377)	(525,962)
Net increase (decrease) in cash	1,417,993	(4,088)
Cash at the beginning of the year	715,325	63,992
Cash at the end of the period	$ 2,133,318	$ 59,904
Supplemental disclosure of cash outflow information:		
Income taxes paid	$ (708,593)	$ (900)
Interest paid	$ (129,857)	$ (188,755)
Supplemental disclosure of other information:		
Property and equipment financed by capital leases	$ --	$ 212,945

See accompanying notes

GENTNER COMMUNICATIONS CORPORATION

NOTES TO FINANCIAL STATEMENTS
MARCH 31, 1999
(UNAUDITED)

1. BASIS OF PRESENTATION

The accompanying unaudited financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-QSB of Regulation S-B. Accordingly, certain information and footnote disclosures normally included in complete financial statements have been condensed or omitted. These financial statements should be read in conjunction with the financial statements and footnotes thereto included in the Company's 1998 Annual Report and Form 10-KSB.

In the opinion of management, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation have been included. The results of operations for interim periods are not necessarily indicative of the results of operations to be expected for the full year.

2. EARNINGS PER COMMON SHARE

The following tables set forth the computation of basic and diluted net income per share:

	Three months ended March 31, 1999	Three months ended March 31, 1998
Numerator:		
Net income	$ 606,329	$ 360,459
Denominator:		
Denominator for basic net income per share - weighted average shares	8,123,953	7,678,964
Effect of dilutive securities using treasury stock method	418,191	240,773
	8,542,144	7,919,737
Net income per share - basic	$ 0.07	$ 0.05
Net income per share - dilutive	$ 0.07	$ 0.05

	Nine months ended March 31, 1999	Nine months ended March 31, 1998
Numerator:		
Net income	$1,632,208	$ 856,160
Denominator:		
Denominator for basic net income per share - weighted average shares	8,064,981	7,673,652
Effect of dilutive securities using treasury stock method	319,380	222,257
	8,384,361	7,895,909
Net income per share - basic	$ 0.20	$ 0.11
Net income per share - dilutive	$ 0.19	$ 0.11

3. COMPREHENSIVE INCOME

As of July 1, 1998, the Company adopted Statement of Financial Accounting Standards No. 130, "Reporting Comprehensive Income." Comprehensive income for the nine-month periods ended March 31, 1999 and 1998 was equal to net income.

4. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts in the financial statements and these accompanying notes. Actual results could differ from those estimates.

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)

5. INVENTORY

Inventory is summarized as follows:

	(Unaudited) March 31, 1999	(Audited) June 30, 1998
Raw Materials	$1,084,965	$1,014,732
Work in progress	537,075	524,313
Finished Goods	1,255,067	1,615,938
Total inventory	$2,877,107	$3,154,983

6. STOCK OPTION EXERCISE

The following table shows the changes in stock options outstanding.

	Number of Shares	Weighted Average Exercise Price
Options outstanding as of June 30, 1998	1,853,000	$1.61
Options expired & canceled	(4,500)	$0.75
Options exercised	(423,202)	$0.75
Options outstanding as of September 30, 1998	1,425,298	$1.86
Options issued	55,000	$2.88
Options expired & canceled	(92,000)	$2.42
Options outstanding as of December 31, 1998	1,388,298	$1.86
Options expired & canceled	(5,500)	$2.49
Options exercised	(4,000)	$0.79
Options outstanding as of March 31, 1999	1,378,798	$1.86

7. COMMITMENTS

The Company has entered into an agreement to purchase 300 videoconference engines. Currently, the remaining cost of this commitment is approximately $500,000. The Company has entered into this agreement in order to secure parts for the new video product line.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Results of Operations

Sales for the three months ended March 31, 1999 increased 38% compared to the same three-month period last year. Sales for the nine months ended March 31, 1999 increased 39% compared to the same nine-month period last year. In both cases, growth is primarily due to increased Teleconferencing sales.

Sales in Teleconferencing operations increased 78% comparing the third quarter of this fiscal year to the same quarter last year. This increase is due to increased sales of the Company's Teleconferencing products. Teleconferencing products experienced a 89% sales growth comparing the third quarter of this fiscal year to the same quarter last year, driven by the Audio Perfect(TM) product line. The Audio Perfect(TM) product line began shipping in April of 1998. These products use a new digital technology called Distributed Echo Cancellation(TM) and incorporate several functional devices including automatic microphone mixing, echo cancellation, audio routing, audio equalization and audio processing into a single device. Instead of only receiving the revenue from the sale of an echo cancellation unit, the Company will receive more of the revenue associated with a room installation as a result of the expanded applications. Continuing strong sales in Teleconferencing services also contributed to Teleconferencing growth. The Company's conference calling service experienced a 39% sales growth over the same quarter last fiscal year. Sales in Teleconferencing operations increased 79% for this fiscal year to date as compared to the same period in fiscal 1998. This is also due to the strong sales of the Audio Perfect(TM) product line and the continued growth of Teleconferencing services.

Broadcast sales increased 12% in the third quarter of this fiscal year compared to the third quarter of last fiscal year. Broadcast sales increased 11% for the nine months ended March 31, 1999 compared to the nine months ended March 31, 1998. In this market, Remote Facilities Management (RFM, formerly known as Remote Site Control) grew 25%, comparing third quarters, and 27%, comparing year to date, mainly due to increased sales of the GSC3000 and its predecessor, the VRC-2000. The GSC3000 allows broadcasters to monitor and control many transmitter sites from one location. Sales to the television and non-broadcast markets also contributed to the increased sales of the GSC3000. The RFM products are also being used in applications that are not broadcast related. This means the potential market for these products is much larger than previously believed. The Telephone Interface line of products also contributed to the broadcast sales growth, primarily due to the Company's line of new telephone hybrids. Telephone hybrids are used to connect telephone line audio to professional audio equipment.

All other sales decreased 25% in the third quarter of this fiscal year compared to the third quarter of last fiscal year, and 15% for the nine months ending March 31, 1999 compared to the same period in 1998. Assistive Listening System products continue to be the largest source of revenue for this group. The Company believes that most of the other products in this category take focus and resources away from its core business. These other products are not being promoted, and the Company expects their sales to continue to decline.

The Company's gross profit margin percentage was 58% for the third quarter of this year, significantly higher than the 51% for the same quarter last year. The Company's gross profit margin percentage was 56% for the first nine months of this year, compared to 52% for the same period last year. This improved margin is due to increased efficiencies in many areas of the Company, especially the production and services labor. New products with better margins are also a contributing factor. OEM products have a lower gross profit margin. The Company anticipates that gross margins will not remain at this high level as the Company sells more OEM products from other manufacturers.

Operating expenses for the quarter increased 37% when comparing the third quarters of this fiscal year and last fiscal year. Operating expenses for the year to date increased 25% over last year. The most significant portion of these increases came in Sales and Marketing expenses.

Sales and Marketing expenses increased 52% for the third quarter as compared to last year. This was due to increased advertising expenses and the hiring of additional personnel to more aggressively market the Company's products and services. Also contributing to this increase was higher commission expense resulting from the increase in sales. Sales and Marketing expenses increased 49% for the year-to-date as compared to last year-to-date. This was also the result of the hiring of additional personnel, increased advertising expenses and increased commission expense.

Product Development expenses increased 7% in the third quarter of this year compared to last year. Product Development expenses increased 15% for the year-to-date as compared to the same period last year. The Product Development team is aggressively working on new product development. Part of this product development requires hiring additional personnel and investing in technical research.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS - (CONTINUED)

Results of Operations - (continued)

Third quarter General and Administrative expenses are up 33% compared to the same period last year. This is due to increased collection expense, increased personnel and equipment in the information systems department, and fees associated with the early payment of long-term debt. Year-to-date expenses are up 1% as compared to the same period last year.

Interest expense for the quarter is down 41% compared to the same quarter last year. In the past nine months, the Company has not used its line of credit. Since there was no outstanding balance, there was no interest expense associated with the line of credit. Also contributing to this decrease in interest expense was the maturing of some of the Company's leases, and the pay off of several notes. Interest expense for the year is down 32% for the same reasons.

Due to tax loss carryforwards, the Company paid no income taxes in the first three quarters of fiscal 1998. During the third quarter of fiscal 1999, income tax expense was calculated at a combined federal and state tax rate of approximately 37%. This results in a tax expense of $360,700 for the third quarter and $976,700 for the year.

Financial Condition and Liquidity

The Company's current ratio increased from 3.04:1 on June 30, 1998 to 3.12:1 on March 31, 1999. This increase in current ratio was caused primarily by an increase in the amount of cash on hand and accounts receivable. Accounts receivable increased due to increased sales.

The Company continues to experience strong operating cash flows. Increasing sales and profitability are the main reasons for positive operating cash flows. The reduction of inventory and increases in accounts payable and accrued expenses also were significant factors in improved operating cash flows. The Company did consume cash by building up the accounts receivable balance, but overall operating cash flows remain strong.

The Company has an available revolving line of credit of $5.0 million, which is secured by the Company's accounts receivable and inventory. The interest rate on the line of credit is a variable interest rate (250 basis points over the London Interbank Offered Rate (LIBOR), or prime less 0.25%, whichever the Company chooses). There was no outstanding balance on March 31, 1999. The line of credit expires on December 22, 2000.

As sales continue to increase, the Company expects to achieve its business plan through a combination of internally generated funds and short-term or long-term borrowings, if necessary.

Forward Looking Statements and Risk Factors

To the extent any statement presented herein deals with information that is not historical, such statement is necessarily forward looking. As such, it is subject to occurrence of many events outside of the Company's control that could cause the Company's results to differ materially from predicted results. Please see a detailed list of the risk factors that are outlined in the Company's Form 10-KSB for the fiscal year ended June 30, 1998, incorporated herein by reference.

Competition - Rapid Technological Change

The Broadcast and Teleconferencing markets are highly competitive and characterized by rapid technological change. The Company's future performance will depend in large part upon its ability to remain competitive and to develop and market new products and services in these markets. The Company competes with businesses having substantial financial, research and development, manufacturing, marketing and other resources.

The markets in which the Company competes have historically involved the introduction of new and technologically advanced products and services that cost less or perform better. If the Company is not competitive in its research and development efforts, its products may become obsolete or be priced above competitive levels.

Although management believes that based on their performance and price, its products are attractive to customers, there can be no assurance that competitors will not introduce comparable or technologically superior products, which are priced more favorably than the Company's products.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS - (CONTINUED)

Forward Looking Statements and Risk Factors - (continued)

Marketing

The Company has experience in marketing its products. However, it is subject to all of the risks inherent in the sale and marketing of current and new products and services in an evolving marketplace. The Company must effectively allocate its resources to the marketing and sale of these products through diverse channels of distribution. The Company's strategy is to establish distribution channels and direct selling efforts in markets where it believes there is a growing need for its products and services. There can be no assurance that this strategy will prove successful.

Dependence on Distribution Network

The Company markets its products primarily through a network of representatives, dealers and master distributors. All of the Company's agreements retaining such representatives and dealers are non-exclusive and terminable at will by either party. Although the Company believes that its relationships with such representatives and dealers are good, there can be no assurance that any of such representatives or dealers will continue to offer the Company's products.

Price discounts are based on performance. However, there are no obligations on the part of such representatives and dealers to provide any specified level of support to the Company's products or to devote any specific time, resources or efforts to the marketing of the Company's products. There are no prohibitions on dealers offering products that are competitive with those of the Company. Most dealers do offer competitive products. The Company reserves the right to maintain house accounts, which are for products sold direct. The loss of a majority or all representatives or dealers could have a material adverse effect on the Company's business.

Limited Capitalization

As of March 31, 1999, the Company had $2,133,318 in cash and $5,449,444 in working capital. The Company may be required to seek additional financing if anticipated levels of revenue are not realized, if higher than anticipated costs are incurred in the development, manufacture or marketing of the Company's products, or if product demand exceeds expected levels. There can be no assurance that any additional financing thereby necessitated will be available on acceptable terms, or at all.

In addition, the Company's revolving $5 million line of credit matures in December of 2000, and there can be no assurance that the Company will be able to extend the maturity date of the line of credit or obtain a replacement line of credit from another commercial institution. To the extent the line of credit is not extended or replaced and cash from operations is unavailable to pay the indebtedness then outstanding under the line of credit, the Company may be required to seek additional financing. The Company had no outstanding balance payable on the line of credit as of March 31, 1999.

Telecommunications and Information Systems (Network)

The Company is highly reliant on its network equipment, data and software to support all functions of the Company. The Company's conference calling service relies 100% on the network for its revenues. While the Company endeavors to provide for failures in the network by providing back up systems and procedures, there is no guarantee that these back-up systems and procedures will operate satisfactorily in an emergency. Should the Company experience such a failure, it could seriously jeopardize its ability to continue operations. In particular, should the Company's conference calling service experience even a short-term interruption of its network, its ongoing customers may choose a different provider.

Dependence Upon Key Employees

The Company is substantially dependent upon certain of its employees, including Frances M. Flood, a Director, President and Chief Executive Officer and a stockholder of the Company. The loss of Ms. Flood by the Company could have a material adverse effect on the Company. The Company currently has in place a key person life insurance policy on the life of Ms. Flood in the amount of $1,000,000.

The Company is also dependent upon Brooks Gibbs, Director of Technology. Due to his technological expertise and product familiarity, the loss of Mr. Gibbs by the Company could have a material adverse effect on the Company. The Company currently has in place a key person life insurance policy on the life of Mr. Gibbs in the amount of $1,000,000.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS - (CONTINUED)

Forward Looking Statements and Risk Factors - (continued)

Dependence on Supplier and Single Source of Supply

The Company does not have written agreements with most of its suppliers. Furthermore, certain digital microprocessor chips used in connection with the Company's products can only be obtained from a single manufacturer and the Company is dependent upon the ability of this manufacturer to deliver such chips to the Company's suppliers so that they can meet the Company's delivery schedules. The Company does not have a written commitment from such suppliers to fulfill the Company's future requirements. The Company's suppliers maintain an inventory of such chips, but there can be no assurance that such chips will always be readily available, available at reasonable prices, available in sufficient quantities, or deliverable in a timely fashion. If such chips or other key components become unavailable, it is likely that the Company will experience delays, which could be significant, in production and delivery of its products unless and until the Company can otherwise procure the required component or components at competitive prices, if at all. The lack of availability of these components could have a materially adverse effect on the Company.

Although the Company believes that most of the key components required for the production of its products are currently available in sufficient production quantities, there can be no assurance that they will remain available. Furthermore, suppliers of some of these components are currently or may become competitors of the Company, which might also affect the availability of key components to the Company. It is possible that other components required in the future may necessitate custom fabrication in accordance with specifications developed or to be developed by the Company. Also, in the event the Company, or any of the manufacturers whose products the Company expects to utilize in the manufacture of its products, is unable to develop or acquire components in a timely fashion, the Company's ability to achieve production yields, revenues and net income will be adversely affected.

Lack of Patent Protection

The Company currently relies on a combination of trade secret and nondisclosure agreements to establish and protect its proprietary rights in its products. There can be no assurance that others will not independently develop similar technologies, or duplicate or design around aspects of the Company's technology. The Company believes that its products and other proprietary rights do not infringe any proprietary rights of third parties. There can be no assurance, however, that third parties will not assert infringement claims in the future.

Government Funding and Regulation

In the teleconferencing market, the Company is dependent on government funding to place its distance learning sales and courtroom equipment sales. In the event government funding was stopped, these sales would be negatively impacted. Additionally, many of the Company's products are regulated by governmental regulations. New regulations could significantly impact sales.

Year 2000

The Company has assessed the impact of the Year 2000 issue* on its information technology ("IT") and non-IT systems. $53,354 has been incurred to upgrade existing systems so that they are Year 2000 compatible. To date, the Company has identified two of its systems and some personal computers that have been upgraded. There were no significant interruptions to the business caused by the upgrade process. The Company financed the upgrades with operating income.

The Company purchased the software and hardware to upgrade its internal phone system, including the voice mail system. The system was upgraded, and associates were trained how to use the new system. The cost of this software and hardware was $49,860. Also identified as needing an upgrade is the conference calling bridge. This system is essential to the Company's conference calling service. The manufacturer furnished the software to the Company at no cost, and internal costs during the upgrade process were minimal. The personal computers were upgraded by the end of April of 1999, at a cost of approximately $3,494.

The Company is in the process of determining through direct contacts whether its material vendors and suppliers, and its larger customers are Year 2000 compliant. To date, no major customer or supplier that the Company contacted has stated any Year 2000 compliance problems that would significantly impact the operations of the Company.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS - (CONTINUED)

Forward Looking Statements and Risk Factors - (continued)

At the present time, the Company believes that a reasonably likely worst case scenario involving a Year 2000 event would be in a non-IT system affecting the Company's manufacturing process. Such an event could result in the suspension of the affected portion of the manufacturing process until such a problem is corrected. However, the Company believes that as it continues its Year 2000 assessment the risk of such an event will decrease.

The Company currently is in the process of developing contingency plans for dealing with Year 2000 issues, including the worst case scenario just described. Those plans are scheduled to be complete and in place by the end of fiscal 1999.

The Company has performed a Year 2000 compliance review of its product line. To date, the Company has addressed all existing Year 2000 compliance issues on products.

The costs of the projects and the dates on which the Company believes it will complete the Year 2000 upgrades are based on management's best estimates at this time, which were derived utilizing numerous assumptions of future events, including the continued availability of certain resources and other factors. However, there can be no guarantees that these estimates will be achieved, that personnel trained in this area will be available at a reasonable cost, or that we will locate and correct all relevant computer codes and similar uncertainties.

* The "Year 2000 Problem" has arisen because many computer programs were written using only the last two digits to refer to a year (i.e. "98" for 1998). Therefore, these computer programs may not properly recognize the year 2000. If not corrected, many computer applications could fail or create erroneous results.

PART II - OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

Exhibits Required by Item 601 of Regulation S-B

The following exhibits are hereby incorporated by reference from the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 1989. The exhibit numbers shown are those in the 1989 Form 10-K as originally filed.

EXHIBIT NUMBER	DESCRIPTION
3.1 (1),(2)	Articles of Incorporation and all amendments thereto through March 1, 1988. (Page 10)
10.4 (1),(2)	VRC-1000 Purchase Agreement between Gentner Engineering Company, Inc. (a former subsidiary of the Company which was merged into the Company) and Gentner Research Ltd., dated January 1, 1987. (Page 71)

The following exhibits are hereby incorporated by reference from the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 1991. The exhibit numbers shown are those in the 1991 Form 10-K as originally filed.

EXHIBIT NUMBER	DESCRIPTION
3.1 (1),(2)	Amendment to Articles of Incorporation, dated July 1, 1991. (Page 65)
10.1 (1),(2)	Internal Modem Purchase Agreement between Gentner Engineering Company, Inc. and Gentner Research, Ltd., dated October 12, 1987. (Page 69)
10.2 (1),(2)	Digital Hybrid Purchase Agreement between Gentner Engineering, Inc. and Gentner Research, Ltd., dated September 8, 1988. (Page 74)

The following documents are hereby incorporated by reference from the Company's Form 10-KSB for the fiscal year ended June 30, 1993. The exhibit numbers shown are those in the 1993 Form 10-KSB as originally filed.

EXHIBIT NUMBER	DESCRIPTION
3 (1),(2)	Bylaws, as amended on August 24, 1993. (Page 16)

The following documents are hereby incorporated by reference from the Company's Form 10-KSB for the fiscal year ended June 30, 1996. The exhibit numbers shown are those in the 1996 Form 10-KSB as originally filed.

EXHIBIT NUMBER	DESCRIPTION
10 (1),(2),(3)	1990 Incentive Plan, as amended August 7, 1996 (Page 40)

The following documents are hereby incorporated by reference from the Company's Form 10-KSB for the fiscal year ended June 30, 1997. The exhibit numbers shown are those in the 1997 Form 10-KSB as originally filed.

EXHIBIT NUMBER	DESCRIPTION
10.1 (1),(2)	Commercial Credit and Security Agreement, and Promissory Note, between Company and First Security Bank, N.A. (original aggregate amount of $2,500,000) (Page 7)
10.2 (1),(2),(3)	1997 Employee Stock Purchase Plan (Page 37)
10.3 (1),(2)	Promissory Note in favor of Safeco Credit Company ($419,000) (Page 52)
10.4 (1),(2)	Commercial Credit and Security Agreement, and Promissory Note, between Company and First Security Bank ($322,716.55) (Page 53)
10.5 (1),(2)	Lease between Company and Valley American Investment Company (Page 71)

The following documents are hereby incorporated by reference from the Company's Form 10-KSB for the fiscal year ended June 30, 1998. The exhibit numbers shown are those in the 1998 Form 10-KSB as originally filed.

EXHIBIT NUMBER	DESCRIPTION
10.1 (1),(2),(3)	1998 Stock Option Plan and Form of Grant (Page 42)
10.2 (1),(2)	Modification Agreement dated as of December 24, 1997, between First Security Bank, N.A. and the Company (Page 66)

The following documents are hereby incorporated by reference from the Company's Form 10-QSB for the fiscal quarter ended December 31, 1998. The exhibit numbers shown are those in the Form 10-QSB as originally filed.

EXHIBIT NUMBER	DESCRIPTION
10	Promissory Note, Loan Agreement, and Commercial Security Agreement between Company and Bank One, Utah, N.A. dated as of January 5, 1999 (original aggregate amount of $5,000,000) (Page 15)

The following document is filed as an exhibit to this Form 10-QSB.

EXHIBIT NUMBER	DESCRIPTION
27	Financial Data Schedule (Page 17)

1 Denotes exhibits specifically incorporated into this Form 10-QSB by reference to other filings pursuant to the provisions of Rule 12b-32 under the Securities Exchange Act of 1934.

2 Denotes exhibits specifically incorporated into this Form 10-QSB by reference, pursuant to Regulation S-B, Item 10(f)(2). These documents are located under File No. 0-17219 and are located at the Securities and Exchange Commission, Public Reference Branch, 450 South 5th St., N.W., Washington, DC 20549.

3 Identifies management or compensatory plans, contracts or arrangements.

(b) Reports on Form 8-K

The Company filed no reports on Form 8-K during the latest fiscal quarter.

SIGNATURES

In accordance with the requirements of the Securities and Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GENTNER COMMUNICATIONS CORPORATION
(Registrant)

Date: May 13, 1999

/s/ Susie Strohm

Susie Strohm
Vice President, Finance

EXHIBIT NUMBER	DESCRIPTION
10.1 (1),(2)	Commercial Credit and Security Agreement, and Promissory Note, between Company and First Security Bank, N.A. (original aggregate amount of $2,500,000) (Page 7)
10.2 (1),(2),(3)	1997 Employee Stock Purchase Plan (Page 37)
10.3 (1),(2)	Promissory Note in favor of Safeco Credit Company ($419,000) (Page 52)
10.4 (1),(2)	Commercial Credit and Security Agreement, and Promissory Note, between Company and First Security Bank ($322,716.55) (Page 53)
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3 Identifies management or compensatory plans, contracts or arrangements.

5

3-MOS
JUN-30-1999
MAR-31-1999
2,133,318
0
3,021,287
(280,447)
2,877,107
8,022,427
6,244,872
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606,329
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0.07