

SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM S-8
REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

SUNSOURCE INC.

(Exact name of registrant as specified in its charter)

Delaware

23-2874736

(State or other jurisdiction of
incorporation or organization)

(I.R.S. Employer Identification No.)

3000 One Logan Square
Philadelphia, Pennsylvania

19103

(Address of Principal Executive Offices)

(Zip Code)

SunSource Inc. 1998 Equity Compensation Plan

(Full title of the plan)

Joseph M. Corvino
Vice President - Finance, Chief Financial Officer,
Treasurer and Secretary
SunSource Inc.
3000 One Logan Square
Philadelphia, Pennsylvania 19103

(Name and address of agent for service)

(215) 282-1290

(Telephone number, including area code, of agent for service)

Copies to:
Donald A. Scott, Esquire
Morgan, Lewis & Bockius LLP
2000 One Logan Square
Philadelphia, Pennsylvania 19103-6993
(215) 963-5000

CALCULATION OF REGISTRATION FEE

<TABLE>
<CAPTION>

Title of securities to be registered	Amount to be registered	Proposed maximum offering price per share(1)	Proposed maximum aggregate offering price(1)	Amount of registration fee
<S> Common Stock, \$.01 par value	<C> 2,000,000	<C> \$ 28.5625	<C> \$ 57,125,000	<C> \$ 16,852

(1) Calculated pursuant to Rule 457(c) under the Securities Act of 1933, based upon the average of the high and low sales prices of the Company's Common Stock, as reported on the New York Stock Exchange Composite Tape on May 14, 1998.

PART II

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference.

The following documents filed by SunSource Inc. (the "Registrant" or the "Company") with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934 are incorporated in this registration statement by reference:

1. The Registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 1997.

2. The Registrant's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 1998.

3. The description of the Registrant's shares of Common Stock, \$.01 par value (the "Common Shares"), contained in the Registration Statement on Form 8-A, filed by the Registrant with the Securities and Exchange Commission to register such securities under the Securities Exchange Act of 1934 (the "Exchange Act"), and any amendment to such Registration Statement filed for the purpose of updating such description.

All documents filed by the Registrant pursuant to Section 13(a), 13(c), 14 and 15(d) of the Exchange Act after the date of this registration statement and prior to the filing of a post-effective amendment which indicates that all securities offered hereby have been sold or which deregisters all securities then remaining unsold, shall be deemed to be incorporated by reference in this registration statement and to be a part hereof from the date of filing of such documents. Any statement contained in a document incorporated by reference herein shall be deemed to be modified or superseded for purposes hereof to the extent that a statement contained herein (or in any other subsequently filed document which also is incorporated by reference herein) modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed to constitute a part hereof except as so modified or superseded.

Item 4. Description of Securities.

Not applicable.

Item 5. Interests of Named Experts and Counsel.

Donald A. Scott, a partner in Morgan, Lewis & Bockius LLP which is passing upon the validity of the Common Shares, is a director of the Registrant and beneficially owns 2,250 Common Shares.

Item 6. Indemnification of Directors and Officers.

The Company's By-laws contain provisions permitted by the Delaware General Corporation Law (under which the Company is organized) that provide that directors and officers will be indemnified by the Company to the fullest extent permitted by law for all losses that may be incurred by them in connection with any action, suit or proceeding in which they may become

involved by reason of their service as a director or officer of the Company. In addition, the Company's Certificate of Incorporation contains provisions permitted by the Delaware General Corporation Law that limit the monetary liability of directors of the Company for certain breaches of their fiduciary duty, and its By-laws provide for the advancement by the Company to directors and officers of expenses incurred by them in connection with a proceeding of a type to which the duty of indemnification applies. The Company maintains directors' and officers' liability insurance to insure its directors and officers against certain liabilities incurred in their capacity as such, including claims based on breaches of duty, negligence, error and other wrongful acts. Insofar as indemnification for liabilities arising under the Securities Act of 1933, as amended, may be permitted to directors, officers, or persons controlling the Company pursuant to the foregoing provisions, the Company has been informed that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in that Act and is therefore unenforceable.

Item 7. Exemption from Registration Claimed.

Not applicable.

Item 8. Exhibits.

The following Exhibits are filed as part of this Registration Statement:

- 4 Rights Agreement between the Company and Registrar and Transfer Company (incorporated by reference to Exhibit 10.5 to the Company's Registration Statement on Form S-4 (No.333-19077)).
- 5 Opinion of Morgan, Lewis & Bockius LLP.
- 10 SunSource Inc. 1998 Equity Compensation Plan (incorporated by reference to Exhibit 10.1 to the Company's Report on Form 10-Q for the quarterly period ended March 31, 1998).
- 23.1 Consent of Coopers & Lybrand L.L.P.

23.2 Consent of Morgan, Lewis & Bockius LLP (contained in Exhibit 5).

24 Power of Attorney (contained on signature page of this Registration Statement).

Item 9. Undertakings.

(a) The undersigned Registrant hereby undertakes:

1. To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof)

which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement; provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed by the Registrant pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement.

2. That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

3. To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the Registrant's annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES AND POWER OF ATTORNEY

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Philadelphia, Pennsylvania on May 20, 1998.

By: /s/ Joseph M. Corvino

Joseph M. Corvino
Vice President - Finance

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Joseph M. Corvino and John J. Dabrowski, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments to this Registration Statement, and to file the same, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed below by the following persons in the capacities and on the dates indicated.

<TABLE>

<CAPTION>

<S> Signature - -----	<C> Title -----	<C> Date ----
/s/ Donald T. Marshall ----- Donald T. Marshall	Chairman and Chief Executive Officer (Principal Executive Officer) and Director	May 20, 1998
/s/ Joseph M. Corvino ----- Joseph M. Corvino	Vice President-Finance, Chief Financial Officer, Treasurer and Secretary (Principal Financial Officer)	May 20, 1998
/s/ John J. Dabrowski ----- John J. Dabrowski	Controller (Principal Accounting Officer)	May 20, 1998

<TABLE>

<CAPTION>

<S> Signature - -----	<C> Title -----	<C> Date ----
/s/ O. Gordon Brewer, Jr. ----- O. Gordon Brewer, Jr.	Director	May 20, 1998
/s/ Norman V. Edmonson ----- Norman V. Edmonson	Director	May 20, 1998
/s/ Arnold S. Hoffman ----- Arnold S. Hoffman	Director	May 20, 1998
/s/ Robert E. Keith, Jr. ----- Robert E. Keith, Jr.	Director	May 20, 1998
/s/ John P. McDonnell ----- John P. McDonnell	Director	May 20, 1998
/s/ Donald A. Scott ----- Donald A. Scott	Director	May 20, 1998

</TABLE>

SUNSOURCE INC.

REGISTRATION STATEMENT ON FORM S-8

EXHIBIT INDEX

Exhibit No.

- -----

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23.1	Consent of Coopers & Lybrand L.L.P.
23.2	Consent of Morgan, Lewis & Bockius LLP (contained in Exhibit 5.1)
24	Power of Attorney (contained on signature page of this Registration Statement)

Morgan, Lewis & Bockius LLP
Counselors at Law
2000 One Logan Square
Philadelphia, Pennsylvania 19103-6993
Telephone: (215) 963-5000
Fax: (215) 963-5299

May 20, 1998

SunSource Inc.
3000 One Logan Square
Philadelphia, PA 19103

Re: SunSource Inc.
Registration Statement on Form S-8 Relating to the SunSource Inc.
1998 Equity Compensation Plan

Ladies and Gentlemen:

We have acted as counsel to SunSource Inc., a Delaware corporation (the "Company"), in connection with the preparation of a registration statement on Form S-8 (the "Registration Statement") to be filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Act"), relating to 2,000,000 shares of the Company's common stock, par value \$.01 per share (the "Common Shares"), issuable under the SunSource Inc. 1998 Equity Compensation Plan (the "Plan"). We have examined such certificates, records, statutes and other documents as we have deemed relevant in rendering this opinion. As to matters of fact, we have relied on representations of officers of the Company. In our examination, we have assumed the genuineness of documents submitted to us as originals and the conformity with the original of all documents submitted to us as copies thereof.

Based on the foregoing, it is our opinion that the Common Shares issuable under the Plan will be, when issued in accordance with the terms of the Plan, validly issued, fully paid and nonassessable shares of Common Stock.

The opinion set forth above is limited to the Delaware General Corporation Law.

We hereby consent to the use of this opinion as Exhibit 5 to the Registration Statement. In giving such opinion, we do not thereby admit that we are acting within the category of persons whose consent is required under Section 7 of the Act or the rules or regulations of the Securities and Exchange Commission thereunder.

Very truly yours,

/s/ Morgan, Lewis & Bockius LLP

Consent of Independent Accountants

We consent to the incorporation by reference in this registration statement on Form S-8 of our report dated January 29, 1998, except for Note 22 as to which the date is February 5, 1998, on our audits of the consolidated financial statements of SunSource Inc. as of December 31, 1997 and 1996 and for the years ended December 31, 1997, 1996 and 1995, which report is included in SunSource Inc.'s 1997 Annual Report on Form 10-K.

/s/ Coopers & Lybrand L.L.P.

2400 Eleven Penn Center
Philadelphia, Pennsylvania
May 18, 1998