



401 Theodore Fremd Avenue
Rye, New York 10580

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD MONDAY, MAY 10, 2010

We cordially invite you to attend the Annual Meeting of Shareholders of Teton Advisors, Inc. at the Greenwich Library, 101 West Putnam Avenue, Greenwich, CT 06830, on Monday, May 10, 2010 at 5:30 P.M, Eastern Time. At the meeting, we will ask shareholders to:

1. Elect a Board of four directors; and
2. Vote on any other business which properly comes before the meeting.

At the meeting, we will also review our 2009 financial results and outlook for the future. We will be available to answer your questions.

Shareholders of record at the close of business on March 31, 2010 are entitled to vote at the meeting or any adjournments or postponements thereof. Please read the attached proxy statement carefully and vote your shares promptly whether or not you are able to attend the meeting.

We encourage all shareholders to attend the meeting.

By Order of the Board of Directors

April 20, 2010

We are sending you this proxy statement and the accompanying proxy card in connection with the solicitation of proxies by the Board of Directors of Teton Advisors, Inc. (“Teton”, “we”, “us” and “our”) for use at our 2010 Annual Meeting of Shareholders (“the Annual Meeting”) and at any adjournments or postponements thereof. The purpose of the meeting is to elect directors and act upon any other matters properly brought to the meeting. We sent you this proxy statement, the proxy card, and our annual report containing our financial statements and other financial information for the year ended December 31, 2009 on or about April 20, 2010. The annual report however, is not part of the proxy solicitation materials.

Shareholders of record at the close of business on March 31, 2010, (the “Record Date”) are entitled to notice of and to vote at the Annual Meeting. On this record date, we had outstanding 955,364 shares of Class A Common Stock, par value \$.001 per share (“Class A Stock”), and 348,878 shares of Class B Common Stock, par value \$.001 per share (“Class B Stock”).

The presence, in person or by proxy, of a majority of the aggregate voting power of the shares of Class A Stock and Class B Stock outstanding on the record date shall constitute a quorum for the transaction of business at the Annual Meeting. The Class A Stock and Class B Stock vote together as a single class on all matters. Each share of Class A Stock is entitled to one vote per share and each share of Class B Stock is entitled to ten votes per share. Directors who receive a plurality of the votes cast at the Annual Meeting by the holders of Class A Stock and Class B Stock outstanding on the Record Date, voting together as a single class, are elected to serve until the 2011 Annual Meeting or until their successors are duly elected and qualified. Any other matters will be determined by a majority of the votes cast at the Annual Meeting. Abstentions and broker non-votes will count for purposes of establishing a quorum, but will not count as votes cast or on any matter.

We will pay for the costs of soliciting proxies and preparing the meeting materials. We ask securities brokers, custodians, nominees and fiduciaries to forward meeting materials to our beneficial shareholders as of the record date, and will reimburse them for the reasonable out-of-pocket expenses they incur. Our directors, officers and staff members may solicit proxies personally or by telephone, facsimile, e-mail or other means, but will not receive additional compensation.

If you are the beneficial owner, but not the record holder, of shares of our Class A Stock or Class B Stock, your broker, custodian or other nominee may only deliver one copy of this proxy statement and our 2009 Annual Report to multiple shareholders who share an address unless we have received contrary instructions from one or more of the shareholders. We will deliver promptly, upon written or oral request, a separate copy of

this proxy statement and our 2009 Annual Report to a shareholder at a shared address to which a single copy of the documents was delivered. A shareholder who wishes to receive a separate copy of the proxy statement and annual report, now or in the future, or who wishes to receive directions to the meeting site, should submit this request by writing to our Secretary at Teton Advisors, Inc., 401 Theodore Fremd Avenue, Rye, NY 10580-1422 or by calling him at (914) 457-1070. Beneficial owners sharing an address who are receiving multiple copies of proxy materials and annual reports and who wish to receive a single copy of such materials in the future will need to contact their broker, custodian or other nominee to request that only a single copy of each document be mailed to all shareholders at the shared address in the future.

ELECTION OF DIRECTORS

Teton's Board of Directors is currently comprised of the following individuals - Bruce N. Alpert, Alfred W. Fiore, Nicholas F. Galluccio, Douglas R. Jamieson, Edward T. Tokar, Howard F. Ward, and Robert S. Zuccaro. Messrs. Alpert, Galluccio, Ward and Zuccaro are nominees to remain on the Board for an additional one year term. Messrs. Jamieson, Fiore, and Tokar are not standing for election at the Annual Meeting. Nominees who receive a plurality of the votes cast at the meeting shall be elected.

All properly executed proxies received in time to be tabulated for the meeting will be voted **FOR** the election of the nominees unless otherwise indicated on the proxy. If any nominee becomes unable or unwilling to serve between now and the meeting, your proxies may be voted **FOR** the election of a replacement designated by the Board of Directors.

The Nominees

The following are brief biographical information of all four nominees to Teton's Board of Directors.

The Board of Directors recommends that you vote "**FOR**" all of the following nominees:

Bruce N. Alpert. Mr. Alpert has been a director of Teton since March 1998. Mr. Alpert is a Senior Vice President of GAMCO Investors, Inc., an asset management firm where he has served as Executive Vice President and Chief Operating Officer of Gabelli Funds, LLC or its predecessor since June 1988. Mr. Alpert serves as an officer to all the GAMCO/Gabelli open-end and closed-end funds. Mr. Alpert also served as President of Teton through June 2008 and is a director of Gabelli Fixed Income Inc. From 1983 through 1986 he worked at Smith Barney Harris Upham & Co. as Vice President in the Financial Services Division and

as Vice President and Treasurer of the mutual funds sponsored by Smith Barney. Mr. Alpert began his career at Price Waterhouse in the Investment Company Services Group. He is a certified public accountant.

Nicholas F. Galluccio. Mr. Galluccio has been a director of Teton since October 2008. Mr. Galluccio has been the President and Chief Executive Officer of Teton since July 2008. Mr. Galluccio is also the portfolio manager of the GAMCO Westwood SmallCap Fund. Mr. Galluccio was formerly with Trust Company of the West from 1982 through June 2008 where he served as the Group Managing Director, U.S. Equities and Senior Portfolio Manager for the TCW Small Cap Value Added Funds and TCW Mid Cap Value Opportunities Funds. Prior to joining Trust Company of the West, Mr. Galluccio was at Lehman Brothers Kuhn Loeb where he was a security analyst following the semiconductor industry. He is on the board of regents at University of Hartford.

Robert S. Zuccaro. Mr. Zuccaro has been a director of Teton since March 2010. Mr. Zuccaro is the Managing Director and Chief Financial Officer of Commonwealth Management Partners LLLP, a privately held investment management company from 2009. Previously, Mr. Zuccaro served as Executive Vice President and Chief Accounting Officer for National Financial Partners Corp., a publicly traded distributor of financial services to high net worth individuals and corporations, from 2003 to 2009. Mr. Zuccaro served as Chief Financial Officer of GAMCO Investors, Inc., an asset management firm, from 1998 to 2003. A certified public accountant, Mr. Zuccaro is a graduate of C.W. Post College with a B.S. in accounting.

Howard F. Ward. Mr. Ward has been a director of Teton since May 2009. Mr. Ward is the Chief Investment Officer of Growth Portfolios at GAMCO Investors, Inc., an asset management firm. He also serves as a portfolio manager of the GAMCO Growth Fund and is a member of the portfolio management team of the GAMCO Global Growth Fund. Prior to joining GAMCO in 1995, Mr. Ward spent twelve years at Scudder, Stevens and Clark where he served as Managing Director and a portfolio manager. Prior to joining Scudder, Mr. Ward was with Brown Brothers, Harriman & Co. for four years where he held the title of Investment Officer in the firm's Institutional Investment Department. Mr. Ward is a Chartered Financial Analyst and a member of the New York Society of Security Analysts.

ANNUAL REPORT

Our Annual Report for the fiscal year ended December 31, 2009, and the quarterly reports for 2009, as well as additional materials describing our Corporation, our business and our results of operations, are placed on our website as soon as they become publicly available, www.tetonadv.com.