

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 10, 2003

SPAR Group, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware	0-27824	33-0684451
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(State or Other Jurisdiction of Incorporation)	(Commission File No.)	(IRS Employer Identification No.)

580 White Plains Road, Tarrytown, New York	10591
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(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code: (914) 332-4100

(Former Name or Former Address, if Changed Since Last Report)

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits.

(c) Exhibits:

99.1 Press Release of the Registrant dated November 10, 2003.

Item 12. Results of Operations and Financial Condition.

On November 10, 2003, SPAR Group, Inc. (the "Registrant") issued the press release attached to this Current Report on Form 8-K (the "Report") as Exhibit 99.1 reporting its financial results for the three months ended September 30, 2003, which is incorporated herein by reference.

The information in this Report, including the exhibit, shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. It shall not be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

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.

SPAR Group, Inc.

Date: November 13, 2003

By: /s/ CHARLIE CIMITILE

Charlie Cimitile
Chief Financial Officer

EXHIBIT INDEX

Exhibit
Number

Description

99.1

Press Release of the Registrant dated November 10, 2003.

CONTACTS: Charles Cimitile
 Chief Financial Officer
 SPAR Group, Inc.
 (914) 332-4100

Roger S. Pondel
 PondelWilkinson MS&L
 (323) 866-6060

SPAR GROUP REPORTS THIRD QUARTER, NINE-MONTHS RESULTS

TARRYTOWN, NY -- NOVEMBER 10, 2003 -- SPAR Group, Inc. (NASDAQ:SGRP) today reported financial results for the third quarter and nine months ended September 30, 2003.

The company sustained a net loss for the quarter of \$345,000, equal to \$0.02 per share, compared with net income of \$1.2 million, or \$0.06 per share, a year ago. Net revenue for the 2003 third quarter amounted to \$16.6 million vs. \$17.8 million last year.

Net income for the 2003 year-to-date period was \$1.5 million, equal to \$0.08 per share, compared with \$2.8 million, or \$0.15 per share, for the first nine months of 2002. Net revenue rose to \$52.7 million from \$51.4 million last year.

"A lower level of sales reflecting an increasingly competitive environment had a disproportionate impact on earnings for the third quarter," said Bob Brown, SPAR Group's chairman and chief executive officer. "Higher selling, general and administrative expenses, along with increased field costs, also affected the quarter.

"While we are currently implementing cost reductions throughout the company, we will continue to invest in systems, technology and a number of growth programs that we believe will enhance returns over the long term," Brown said. "Domestically, we plan to expand our merchandising services through development of new products as well as the development of attractive sales and marketing programs. We also plan to expand our in-store demonstration business through both acquisition and organic growth. Internationally, we will focus on acquisitions, as well as joint ventures in various countries.

(more)

SPAR Group, Inc.

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"SPAR's merchandising expertise has proven to enhance our customers' sales and profitability," Brown said. "We believe SPAR is well positioned to attract new customers and increase business with our existing customer base. While the investments we are currently making may have a short term negative impact on operating results, and not all of the cost reductions will have an immediate impact, we believe the actions we are taking now will improve SPAR's profitability in the future."

SPAR Group, Inc. is a diversified marketing services company, providing a broad array of productivity enhancing products and services to help Fortune 1000 companies improve their sales, operating efficiency and profits. The company provides in-store merchandising, in-store demonstration, database and research services to general retail, mass market, drug, and grocery chains both, throughout the United States and internationally.

Certain statements in this news release are forward-looking, including, but not limited to, benefits to be derived from cost reductions, new products, sales and marketing programs and international expansion. The company's actual results, performance and trends could differ materially from those indicated or implied by such statements as a result of various factors, including (without limitation) the continued strengthening of SPAR's selling and marketing functions, continued customer satisfaction and contract renewal, new product development, continued technological superiority over its competitors, continued availability of capable dedicated personnel, continued cost management, the success of its international efforts success and availability of acquisitions, and other factors, as well as by factors applicable to most companies such as

general economic, competitive and other business and civil conditions. Information respecting certain of these and other factors that could effect future results, performance or trends are discussed in SPAR Group's annual report on Form 10-K, quarterly reports on Form 10-Q, and other filings made with the Securities and Exchange Commission from time to time.

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(Tables Follow)

SPAR Group, Inc.
 Consolidated Statements of Operations
 (unaudited)
 (in thousands, except per share data)

	Three Months Ended		Nine Months Ended	
	September 30, 2003	September 30, 2002	September 30, 2003	September 30, 2002
Net revenues	\$ 16,615	\$ 17,775	\$ 52,704	\$ 51,363
Cost of revenues	11,380	10,760	33,777	31,102
Gross profit	5,235	7,015	18,927	20,261
Selling, general and administrative expenses	5,334	4,571	15,044	14,212
Depreciation and amortization	385	467	1,162	1,345
Operating (loss) income	(484)	1,977	2,721	4,704
Interest expense	69	144	209	231
Other expense	-	32	28	166
(Loss) income before provision for income taxes	(553)	1,801	2,484	4,307
(Benefit) provision for income taxes	(208)	588	943	1,544
Net (loss) income	\$ (345)	\$ 1,213	\$ 1,541	\$ 2,763
Net (loss) income per common share:				
Basic	\$ (0.02)	\$ 0.06	\$ 0.08	\$ 0.15
Diluted	\$ (0.02)	\$ 0.06	\$ 0.08	\$ 0.14
Weighted average common shares - basic	18,859	18,696	18,853	18,700
Weighted average common shares - diluted	18,859	19,103	19,508	19,118

SPAR Group, Inc.
 Consolidated Balance Sheets
 (unaudited)
 (in thousands, except share and per share data)

	September 30, 2003	December 31, 2002
ASSETS		
Current assets:		
Cash and cash equivalents	\$ -	\$ -
Accounts receivable, net	15,002	16,458
Prepaid expenses and other current assets	1,055	783
Deferred income taxes	707	903
Total current assets	16,764	18,144

Property and equipment, net	2,166	1,972
Goodwill	8,157	7,858
Deferred income taxes	648	705
Other assets	664	121
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Total assets	\$ 28,399	\$ 28,800
	=====	=====
LIABILITIES & STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 1,219	\$ 422
Accrued expenses and other current liabilities	2,700	5,140
Accrued expense due to affiliates	1,628	958
Restructuring charges, current	772	1,354
Line of credit, short-term	4,673	-
Due to certain stockholders	-	3,951
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Total current liabilities	10,992	11,825
Line of credit, long-term	-	148
Restructuring charges, long-term	-	235
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$.01 par value:		
Authorized shares - 3,000,000		
Issued and outstanding shares - none		
Common stock, \$.01 par value:		
Authorized shares - 47,000,000		
Issued and outstanding shares -		
18,858,972 - September 30, 2003		
18,824,527 - December 31, 2002		
	189	188
Treasury stock	(710)	(30)
Additional paid-in capital	10,872	10,919
Retained earnings	7,056	5,515
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Total stockholders' equity	17,407	16,592
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Total liabilities and stockholders' equity	\$ 28,399	\$ 28,800
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