

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): March 17, 2010

SPAR Group, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware  
(State or Other Jurisdiction  
of Incorporation)

0-27824  
(Commission  
File No.)

33-0684451  
(IRS Employer  
Identification No.)

560 White Plains Road, Suite 210, Tarrytown, New York  
Address of Principal Executive Offices)

10591  
(Zip Code)

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

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

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 2.02. Results of Operations and Financial Condition.**

On March 17, 2010, we, SPAR Group, Inc. ("we" or the "Registrant"), issued a press release (the "Release") reporting its net income and revenues for its fiscal year ended December 31, 2009, a copy of which is attached to this Current Report on Form 8-K (the "Report") as Exhibit 99.1, and which is hereby incorporated herein by reference.

**Item 8.01. Other Events.**

In the Release, we also announced our plans to hold a public conference call for our shareholders and others, and we will announce the date, time and dial-in information in the near future. In our investor call, we anticipate that management will discuss our financial results for our fiscal year ended December 31, 2009, and provide those on the call with an update respecting our current operations and growth strategies.

**Information Not "Filed"**

The information in Item 8.01 of this Report and the Release attached as Exhibit 99.1, and any information that may be conveyed in such conference call, shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that Section. It shall not be deemed incorporated by reference in any filing by us under the Securities Act of 1933, as amended (the "Securities Act"), except as shall be expressly set forth by specific reference in such a filing.

**Forward Looking Statements**

Statements contained in this Report and the attached Release, and any statements that may be made in such conference call, include "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act, including (without limitation) the statements relating to acquisitions, strategies and updates. You also can identify forward-looking statements by our use of terms such as "may", "will", "expect", "intend", "believe", "estimate", "anticipate", "continue" or similar words or variations or negatives of those words. Forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause our actual achievements, business, performance, prospects and results, whether expressed or implied by such forward-looking statements, to fail to occur or be realized or to be less than expected. Although such forward-looking statements are generally based upon our plans, intentions and estimates, which we believe reasonable, we cannot assure you that our plans, intentions or estimates will be achieved in whole or in part, that we have identified all potential risks, or that we can successfully avoid or mitigate such risks in whole or in part. You should not place undue reliance on our forward-looking statements because the matters they describe are subject to known and unknown risks, uncertainties and other unpredictable factors, many of which are beyond our control. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified by all such risk factors and other cautionary statements.

You should carefully review the risk factors described in our annual and quarterly reports and other filings under the Exchange Act and Securities Act and any other cautionary statements contained or incorporated by reference therein. However, please note that new risks and uncertainties arise from time to time, and it is impossible for us to predict these matters or how they may arise or affect us. We do not intend or promise, and we expressly disclaim any obligation, to update or revise any forward-looking statements or risk factor (in whole or in part), whether as a result of new information, future events or otherwise, except as and to the extent required by applicable law.

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

(a) Exhibits:

[99.1 Press Release of the Registrant dated March 17, 2010, as attached hereto.](#)

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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: March 22, 2010

By: /s/ James R. Segreto  
James R. Segreto, Chief Financial Officer

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EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
<a href="#"><u>99.1</u></a>	<a href="#"><u>Press Release of the Registrant dated March 17, 2010, as attached hereto.</u></a>



## SPAR Group Announces Preliminary 2009 Revenue and EPS Results

*EPS \$0.03 per share for 2009, up 391% from 2008*

Wednesday, March 17, 2010 - SPAR Group, Inc. (NASDAQ: SGRP) (the "Company" or "SPAR"), a leading supplier of retail merchandising and other marketing services throughout the United States and internationally, today announced preliminary revenue and net income results for 2009. The Company anticipates the release of its full quarterly and year end financial results on or before March 31<sup>st</sup>.

"We are very encouraged by our increased profitability during 2009 from 2008 while navigating through difficult economic and retail industry conditions. It was our ability to make up ground with new accounts, while also making the proper cost reductions, which enabled us to mitigate the effects of the bad economy and the loss of a key customer in early 2009. The result was increased earnings for 2009 over 2008", stated Gary Raymond, President and Chief Executive Officer. "Heading into 2010 we have a strong revenue platform to fuel our organic growth and will remain focused on improving our margins and fixed cost structure all of which we expect to continue improving our bottom-line."

Revenue for the year ended 2009 totaled \$57.5 million, a decrease of 17%, compared to \$69.6 million for the year ended 2008. Domestic and international revenues for the year ended 2009 totaled \$26.4 million and \$31.1 million, respectively. The decrease in revenue was due in part to the loss of an electronic retail chain customer that ceased to exist in early 2009 and the move away from less profitable business.

Revenue for the fourth quarter of 2009 totaled \$14.2 million versus \$16 million for the fourth quarter of 2008, a decrease of 11.2%. Revenue in the United States totaled \$7.5 million and internationally totaled \$6.7 million for the fourth quarter of 2009.

While the Company's revenue declined worldwide in 2009 as compared to 2008, SPAR continued to manage both its gross margin, which improved 0.4%, while reducing its general and administrative costs by over \$2.3 million compared to 2008. The Company posted net income for 2009 of \$502,000, equal to \$0.03 per share based on 19.1 million shares outstanding, an increase of 391% compared to net income of \$102,000, equal to \$0.01 per share based on 19.1 million shares outstanding the prior year. Net income for the three months ended December 31, 2009 totaled \$303,000 or \$0.02 per share compared to \$467,000 for the fourth quarter of 2008 or \$0.02 per share.

"We believe that we will see steady organic growth during 2010 as the economy continues to recover and we expand the services provided to our existing customers and attract new business. Our ability to maintain strong control over our operating expenses and gain steady cash flow allowed us to implement our acquisition strategy resulting in the recently announced acquisition of National Marketing Services in December 2009. We expect this acquisition to generate \$6 million in revenue and be accretive to earnings in 2010. Today, we are evaluating several other similar acquisition opportunities that we can seamlessly integrate yielding positive upside to our business in 2010," concluded Mr. Raymond.

The Company will file year end results and communicate to shareholders a date for an investor conference call before the end of March 2010.

### About SPAR Group

SPAR Group, Inc. is a diversified international merchandising and marketing services company that provides a broad array of services worldwide to help companies improve their sales, operating efficiency and profits at retail locations. SPAR Group provides product services, project services, in-store events, radio frequency identification ("RFID"), technology services and marketing research covering all product and trade classifications, including mass market, drug store, convenience store and grocery chains. Product services include product additions; placement, reordering, replenishment, labeling, evaluation and deletions, and project services include seasonal and special product promotions, product recalls and complete setups of departments and stores. The company operates throughout the United States and internationally in 12 of the most populated countries, including China and India. For more information, visit the SPAR Group's Web site at [www.sparinc.com](http://www.sparinc.com).

Certain statements in this news release and such conference call are forward-looking, including (without limitation) growing revenues and profits through acquisitions, attracting new business that will increase SPAR Group's revenues, continuing to maintain costs and consummating any transactions. Undue reliance should not be placed on such forward-looking statements because the matters they describe are subject to known and unknown risks, uncertainties and other unpredictable factors, many of which are beyond the company's control. 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 Group's selling and marketing functions, continued customer satisfaction and contract renewal, new product development, continued availability of capable dedicated personnel, continued cost management, the success of its international efforts, success and availability of acquisitions, availability of financing and other factors, as well as by factors applicable to most companies such as general economic, competitive and other business and civil conditions. Information regarding certain of those and other risk factors and cautionary statements that could affect future results, performance or trends are discussed in SPAR Group's most recent 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. All of the company's forward-looking statements are expressly qualified by all such risk factors and other cautionary statements.

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