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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-K/A
AMENDMENT NO. 2

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

For the year ended December 31, 1999

Commission file number 0-27824

SPAR GROUP, INC.

Delaware
(State or other jurisdiction of incorporation
or organization)

33-0684451
(I.R.S. Employer
Identification No.)

580 WHITE PLAINS ROAD, SIXTH FLOOR, TARRYTOWN, NY 10591
(Address of principal executive offices, including zip code)

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

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to section 12(g) of the Act: Common
Stock, par value \$.01 per share

Indicate by check mark whether the Registrant (1) has filed all reports
required to be filed by Section 13 or 15(d) of the Securities Exchange Act of
1934 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. YES[X]

Indicate by check mark if disclosure of delinquent filers pursuant to
Item 405 of Regulation S-K is not contained herein, and will not be contained,
to the best of Registrant's knowledge, in definitive proxy or information
statements incorporated by reference in Part III of this Form 10-K or any
amendment to this Form 10-K. []

The aggregate market value of the Common Stock of the Registrant held
by non-affiliates of the Registrant on March 30, 2000, based on the closing
price of the Common Stock as reported by the Nasdaq SmallCap Market on such
date, was approximately \$56,797,963.

The number of shares of the Registrant's Common Stock outstanding as of
March 30, 2000 was 18,175,348 shares.

DOCUMENTS INCORPORATED BY REFERENCE

None.

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INTRODUCTION

This Form 10-K/A (Amendment No. 2) amends the 1999 Form 10-K as
previously amended by Form 10-K/A (Amendment No. 1) by deleting Items 11, 12 and
13 from such form and substituting for such items the following replacements for
Items 11, 12 and 13.

ITEM 11. EXECUTIVE COMPENSATION AND OTHER INFORMATION OF SPAR GROUP, INC.
EXECUTIVE COMPENSATION

The following table sets forth all compensation received for services rendered to SPAR in all capacities for the years ended December 31, 1999, December 31, 1998 and December 31, 1997.

SUMMARY COMPENSATION TABLE(1)

NAME AND PRINCIPAL POSITIONS	FISCAL YEAR	ANNUAL COMPENSATION		LONG TERM COMPENSATION AWARDS	
		SALARY (\$)	BONUS (\$)	SECURITIES UNDERLYING OPTIONS (#)	ALL OTHER COMPENSATION(2) (\$)
Robert G. Brown Chief Executive Officer, Chairman of the Board, President, and Director	1999	7,500	--	765,972	--
	1998	125,000	--	--	791
	1997	46,756	--	--	553
William H. Bartels Vice Chairman and Director	1999	16,307	--	471,992	--
	1998	75,000	--	--	1,439
	1997	85,089	--	--	1,724
James H. Ross Treasurer	1999	99,327	12,408	92,665	2,187
	1998	80,535	1,710	--	1,897
	1997	79,290	28,665	--	3,001

- (1) For accounting purposes, the Merger is treated as an acquisition of PIA Merchandising Services, Inc. ("Old PIA"), by the SPAR Companies. Accordingly, these figures represent the compensation paid by the Company since July 8, 1999, the effective date of the Merger, and the SPAR Companies prior to that date, but not compensation paid by Old PIA. See Item I, "Merger and Restructuring". Prior to the Merger, Terry R. Peets served as the Chief Executive Officer, the President and a Director of Old PIA, which is the same legal entity as the Company but not the same accounting entity. Subsequent to the Merger, Mr. Peets served as Vice-Chairman of SPAR until his resignation in September, 1999. Mr. Peets received \$133,354 in compensation from the Old PIA prior to the Merger (which for accounting purposes was not compensation paid by the Company) and \$124,558 in compensation (including severance payments) from SPAR after the Merger.
- (2) Other compensation represents the Company's 401k contribution.

STOCK OPTION GRANTS IN LAST FISCAL YEAR

The following table sets forth information regarding each grant of stock options made during the year ended December 31, 1999, to each of the Named Executive Officers. No stock appreciation rights ("SAR's") were granted during such period to such persons.

NAME	INDIVIDUAL GRANTS					POTENTIAL REALIZABLE VALUE AT ASSUMED ANNUAL RATES OF STOCK PRICE APPRECIATION FOR OPTION (4)	
	NUMBER OF UNDERLYING OPTIONS GRANTED (#)	PERCENT OF TOTAL OPTIONS GRANTED TO EMPLOYEES IN PERIOD (%)	EXERCISE PRICE (\$/SH)	EXPIRATION DATE			
					5% (\$)	10% (\$)	
Robert G. Brown	382,986(1)	16.7	5.500	07/08/09	3,267,753	4,966,835	
	382,986(2)	16.7	5.500	07/08/09	3,267,753	4,966,835	
William H. Bartels	235,996(1)	10.3	5.500	07/08/09	1,830,536	2,782,331	
	235,996(2)	10.3	5.500	07/08/09	1,830,536	2,782,331	
Charles Cimitile	75,000(1)	3.3	3.500	11/24/09	407,224	618,961	
James H. Ross	40,000(1)	1.7	5.000	07/08/09	310,266	471,590	
	52,665(3)	2.3	0.010	07/08/09	408,504	620,907	

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- (1) All such options vest over four-year periods at a rate of 25% per year, beginning on the first anniversary of the date of grant.
 - (2) Options will vest in full at such time as the Company's stock price for the Company's common stock as reported on the Nasdaq SmallCap market, equals a price of \$10.00 per share.
 - (3) These options are fully vested at December 31, 1999.
 - (4) The potential realizable value is calculated based upon the term of the option (ten years) at its time of grant. It is calculated by assuming that the stock price on the date of grant appreciates at the indicated annual rate, compounded annually for the entire term of the option.

AGGREGATED STOCK OPTION EXERCISES IN LAST FISCAL YEAR AND FISCAL YEAR END OPTION VALUES

The following table sets forth the number and value of the exercisable and unexercisable options held by each of the Named Executive Officers at December 31, 1999. None of the Named Executive Officers exercised any options during the fiscal year ended December 31, 1999.

NAME	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS AT FISCAL YEAR-END (#)		VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS AT FISCAL YEAR-END (\$) (1)	
	EXERCISABLE	UNEXERCISABLE	EXERCISABLE	UNEXERCISABLE
Robert G. Brown	0	765,972	0	0
William H. Bartels	0	471,992	0	0
Charles Cimitile	0	75,000	0	0
James H. Ross	52,665	40,000	177,481	0

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- (1) The only in-the-money options at December 31, 1999, were owned by James H. Ross. The market value of SPAR common stock was \$3.38 as of December 31, 1999, which was greater than the exercise price of \$.01 per share.

COMPENSATION PLANS

As a result of the reverse merger with PIA, SPAR Group, Inc., has three stock option plans: The 1990 Stock Option Plan ("1990 Plan"), the Amended and Restated 1995 Stock Option Plan ("1995 Plan") and the 1995 Director's Plan ("Director's Plan").

The 1990 plan is a nonqualified option plan providing for the issuance of up to 683,109 shares of common stock to officers, directors and key employees. The options have a term of ten years and one week and are either fully vested or will vest ratably no later than five years from the grant date. Since 1995, no options have been granted under this plan.

The 1995 Plan provides for the granting of either incentive or nonqualified stock options to specified employees, consultants and directors of SPAR Group, Inc. for the purchase of up to 3,500,000 shares of SPAR's common stock. The options have a term of ten years, except in the case of incentive stock options granted to greater than 1% stockholders of the SPAR, for which the term is five years. The exercise price of nonqualified stock options must be equal to at least 85% of the fair market value of SPAR's common stock at the date of grant, the exercise price of incentive stock options must be equal to at least the fair market value of SPAR's common stock at the date of grant. At December 31, 1999, options to purchase 500,256 shares were available for grant under this plan.

The Director's Plan is a stock option plan for nonemployee directors and provides for the purchase of up to 100,000 shares of SPAR's common stock. An option to purchase 1,500 shares of SPAR's common stock shall be granted automatically each year to each director, following SPAR's annual stockholder's meeting. The exercise price of options issued under this plan shall be not less

than the fair market value of SPAR's common stock on the date of grant. Each option under this plan shall vest and become exercisable in full on the first anniversary of its grant date, provided the optionee is reelected as a director of SPAR. The maximum term of options granted under the plan is ten years and one day, subject to earlier termination following an optionee's cessation of service with SPAR. At December 31, 1999, options to purchase 86,500 shares were available for grant under this plan.

Under the Nonemployee Directors Plan, an option to purchase 1,500 shares of SPAR common stock is granted to each Eligible Director immediately following each annual meeting of stockholders of SPAR. Each option vests and becomes exercisable in full at the next annual meeting of stockholders, provided that the optionee is reelected as a director of SPAR. The maximum term of options granted under the Nonemployee Directors Plan is ten years and one day, subject to earlier termination following an optionee's cessation of service with SPAR. The exercise price of stock options granted under the Nonemployee Directors Plan will be the fair market value of the SPAR common stock on the date of grant.

COMPENSATION OF DIRECTORS

During the year ended December 31, 1999, SPAR paid to Mr. Aders and to Mr. Collins, a former director, an aggregate of \$3,000 and \$6,000, respectively, for services as members of the SPAR Board. Mr. Lewis received no compensation for his services as a director (other than the grant of options as described in the following paragraphs). Messrs. Aders, Collins and Lewis were also reimbursed for certain expenses in connection with their attendance at SPAR Board and committee

meetings. During 1999, Mr. Aders was granted an option to purchase 10,000 shares of SPAR's common stock at an exercise price of \$5.00 per share. The options vest ratably over a four-year period. Mr. Lewis was granted an option to purchase 1,500 shares of SPAR common stock at an exercise price of \$5.00 per share. These options have a one-year vesting period. Compensation for each outside director consists of \$3,000 per meeting they attend, up to four meetings per year and an additional \$500 per meeting for special meetings, including telephone meetings. All travel related expenses for these meetings will also be reimbursed.

SPAR's Compensation Committee administers the Nonemployee Directors Plan. Each member of the SPAR Board who is not otherwise an employee or officer of SPAR or any subsidiary of SPAR (each, an "Eligible Director") is eligible to participate in the Nonemployee Directors Plan. Directors who are consultants of, but not otherwise employees or officers of, SPAR are Eligible Directors.

Under the Nonemployee Directors Plan, an option to purchase 1,500 shares of SPAR common stock is granted to each Eligible Director immediately following each annual meeting of stockholders of SPAR. Each option vests and becomes exercisable in full at the next annual meeting of stockholders. The maximum term of options granted under the Nonemployee Directors Plan is ten years and one day, subject to earlier termination following an optionee's cessation of service with SPAR. The exercise price of stock options granted under the Nonemployee Directors Plan will be the fair market value of the SPAR common stock on the date of grant.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

No member of the Compensation Committee was at any time during the year ended December 31, 1999, or at any other time an officer or employee of SPAR. No executive officer of SPAR serves as a member of the SPAR Board or compensation committee of any other entity, which has one or more executive officers serving as a member of the SPAR Board or Compensation Committee.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

TITLE OF CLASS NAME AND ADDRESS OF BENEFICIAL OWNER	NUMBER OF SHARES BENEFICIALLY OWNED	PERCENTAGE
Common Shares	Robert G. Brown(1) 7,478,065(2)	38.7%

Common Shares	William H. Bartels(1)	4,873,022	25.2%
Common Shares	J. Christopher Lewis 300 S. Grand Avenue, Suite 2900 Los Angeles, California 90071	160,977(3)	*
Common Shares	James H. Ross(1)	68,865(4)	*
Common Shares	Patrick W. Collins(1)	7,500(5)	*
Common Shares	Richard J. Riordan 300 S. Grand Avenue, Suite 2900 Los Angeles, CA 90071	1,209,922(6)	6.3%

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TITLE OF CLASS NAME AND ADDRESS OF BENEFICIAL OWNER	NUMBER OF SHARES BENEFICIALLY OWNED	PERCENTAGE
Common Shares Heartland Advisors, Inc. 790 North Milwaukee Street Milwaukee, Wisconsin 53202	1,522,500(7)	7.9%
Common Shares Executive Officers and Directors	12,588,429	65.1%

* Less than 1%

- (1) The address of such owners is c/o SPAR Group, Inc. 580 White Plains Road, 6th Floor, Tarrytown, New York.
- (2) Includes 1,800,000 shares held by a grantor trust for the benefit of certain family members of Robert G. Brown over which Robert G. Brown, James R. Brown, Sr. and William H. Bartels is a trustee, and 180,000 shares held by a grantor trust for the benefit of certain other family members of Robert G. Brown over which each of Robert G. Brown, James R. Brown, Sr. and William H. Bartels is a trustee.
- (3) All information regarding share ownership is taken from and furnished in reliance upon the Schedule 13G (Amendment No. 1) dated February 10, 2000, filed by J. Christopher Lewis, Patrick C. Haden, Riordan Lewis & Haden, and RVM/PIA with the Securities and Exchange Commission on February 3, 2000. Includes 95,577 shares owned by Riordan Lewis & Haden ("RLH"). Mr. Lewis, a director of SPAR, may be deemed to share voting and investment power with respect to all such shares as a general partner of RLH. One other partner of RLH has voting power or investment power with respect to such shares. Also includes 7,000 shares issuable upon the exercise of options held by Mr. Lewis in connection with the Merger.
- (4) Includes 52,665 shares issuable by in the money options as of December 31, 1999.
- (5) Includes 7,500 shares issuable upon the exercise of options.
- (6) All information regarding share ownership is taken from and furnished in reliance upon the Schedule 13G, dated February 10, 2000, filed by Richard J. Riordan with the Securities and Exchange Commission on February 3, 2000.
- (7) All information regarding share ownership is taken from and furnished in reliance upon the Schedule 13G (Amendment No. 6), dated January 27, 2000, filed by Heartland Advisors, Inc. with the Securities and Exchange Commission on February 3, 2000.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Mr. Robert G. Brown, a director, the Chairman and the Chief Executive

Officer of the Company, and Mr. William H. Bartels, a director and the Vice Chairman of the Company, are the sole stockholders and executive officers and directors of SPAR Marketing Services, Inc. ("SMS"), SPAR Management Services, Inc. ("SMSI"), SPAR Infotech, Inc. ("SIT"), and certain other companies.

SMS and SMSI (through SMS) provided field representative (through its independent contractor field force) and field management services to the SPAR Marketing Companies at a total cost of \$6.2 million in the fiscal year ended March 31, 1998, and at a total cost of \$4.8 million to the SPAR Marketing Companies for the nine months ended December 31, 1998, and \$8.5 million for the 12 months ended December 31, 1999. Under the terms of the Field Service Agreement, SMS will continue to provide the services of approximately 2,300 field representative and through SMSI will provide 37 regional and district managers to the SPAR Marketing Companies as they may request from time to time, for which SPAR has agreed to pay SMS for all of its costs of providing those services plus 4%. However, SMS may not charge any SPAR Company for any past taxes or associated costs for which the SAI Principals have agreed to indemnify the SPAR Companies.

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SMS is currently engaged in a dispute with the Internal Revenue Service over the independent contractor status of its field personnel. See Note 8 the Financial Statements.

SIT provided computer programming services to SMF at a total cost of \$0 to SMF in the fiscal year ended March 31, 1998, and at a total cost of \$0 to SMF for the nine months ended December 31, 1998 and \$608,000 for the year ended December 31, 1999. Under the terms of the programming agreement between SMF and SIT effective as of October 1, 1998 (the "Programming Agreement"), SIT continues to provide programming services to SMF as SMF may request from time to time, for which SMF has agreed to pay SIT competitive hourly wage rates and to reimburse SIT's out-of-pocket expenses. See Note 10 to the Financial Statements.

In July 1999, SMF, SMS and SIT entered into a Software Ownership Agreement with respect to Internet job scheduling software jointly developed by such parties. In addition, STM, SMS and SIT entered into trademark licensing agreements whereby STM has granted non-exclusive royalty-free licenses to SIT and SMS for their continued use of the name "SPAR" and certain other trademarks and related rights transferred to STM in connection with the Merger.

In the event of any material dispute in the business relationships between SPAR, SMS, SMSI, or SIT, or in the course of pursuing SMS' independent contractor/employee dispute with the IRS, it is possible that Messrs. Brown and Bartels may have one or more conflicts of interest with respect to these relationships and dispute that could have a material adverse effect on SPAR Group, Inc. See Note 8 to the Financial Statements.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

June 29, 2000

By: /s/ Charles Cimitile

Charles Cimitile
Chief Financial Officer

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