

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): July 4, 2014

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.)

333 Westchester Avenue, South Building, Suite 204, White Plains, NY
(Address of Principal Executive Offices)

10604
(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))

Item 8.01. Other Events.

On July 8, 2014, SPAR Group, Inc. ("SGRP" or the "Registrant"), and its subsidiaries (together with SGRP, "we", "our" or the "Company"), issued a press release (the "Release") reporting the acquisition described in this Item 8.01. A copy of the Release is attached to this Current Report on Form 8-K (this "Report") as Exhibit 99.1 and is hereby incorporated herein by reference.

On July 4, 2014, the Company's subsidiary in China, SPAR (Shanghai) Marketing Management Company Ltd. ("SPAR Shanghai"), completed its acquisition of all the business, fixed assets and established merchandising teams of the following three companies in China: Shanghai Unilink Marketing Execution and Design Co., Ltd, Shanghai Gold Park Investment Management Co. Ltd, and Beijing Merchandise Sales and Marketing Co., Ltd. (collectively, "Unilink").

SPAR Shanghai acquired such business, assets and teams pursuant to a Purchase Agreement dated as of July 4, 2014 (the "Purchase Agreement"). The parties to the Purchase Agreement include Unilink (as the asset seller); SPAR Shanghai's existing owners, namely SPAR (China) Co. Ltd, a subsidiary of the Company ("SPAR China"), and Shanghai Wedone Marketing Execution Co. Ltd ("Wedone"), the existing local investor in SPAR Shanghai; and the new additional local investors in SPAR Shanghai, namely Shanghai Gold Park Investment Management Co. Ltd, and Xu Gang (collectively, the "Unilink Investors").

As consideration for the purchase, Unilink will receive consideration totaling a maximum of RMB9,058,532.00 Yuan (approximately \$1.46 million), payable upon closing and periodically over two years, and the Unilink Investors will receive 20% of the equity interests in SPAR Shanghai at closing. Upon completion of the closing, the Company will have 51%, Wedone will have 29% and the Unilink Investors will have 20% of the SPAR Shanghai equity interests.

As part of the acquisition, in addition to the Purchase Agreement, the Company (through SPAR International Ltd) entered into a License Agreement dated as of July 4, 2014, with SPAR Shanghai respecting certain software and trademarks (the "License Agreement"), and the Company (through SPAR China) entered into an amended and restated Joint Venture Agreement dated as of July 4, 2014, with Wedone and the Unilink Investors (the "Restated JVA"), which admitted the Unilink Investors as additional local investors.

This acquisition is expected to expand revenues and profitability for SPAR Shanghai through its increased client base and operational synergies, which the Company anticipates will increase its annualized international revenue by approximately \$7 million.

Information Not "Filed"

The information in Item 8.01 of this Report and the Release attached as Exhibit 99.1, shall, to the greatest extent permitted by applicable law, 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. Such information, to the extent deemed or determined to have been not "filed" under applicable law, shall not be deemed incorporated by reference in any filing by us under the Securities Laws (as defined below), except as shall be expressly set forth by specific reference in such a filing.

Forward Looking Statements

There are "forward-looking statements" contained in this Report and any statements that may have been made in the Release referenced above. There also are "forward looking statements" contained in SGRP's Annual Report on Form 10-K for its fiscal year ended December 31, 2013 (the "Annual Report"), as filed on March 31, 2014, with the Securities and Exchange Commission (the "SEC"), in SGRP's definitive Proxy Statement respecting its Annual Meeting of Stockholders currently scheduled to be held on May 15, 2014 (the "Proxy Statement"), as filed with the SEC on April 24, 2014, SGRP's Quarterly Report on Form 10-Q for the quarter and three-month period ended March 31, 2014 (the "Quarterly Report"), as filed with the SEC on May 15, 2014, and the Company's other filings under applicable law with the SEC (including this Report, the Annual Report, the Proxy Statement and the Quarterly Report, each a "SEC Report"). "Forward-looking statements" are defined in Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and other applicable federal and state securities laws, rules and regulations, as amended (together with the Securities Act and Exchange Act, collectively, "Securities Laws").

The Company's forward-looking statements include, in particular and without limitation, the Release attached to this Report, the "Management's Discussion and Analysis of Financial Condition, Results of Operations, Liquidity and Capital Resources" in the Quarterly Report, and "Business", "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Annual Report. You can identify forward-looking statements in such information by the Company's use of terms such as "may", "will", "expect", "intend", "believe", "estimate", "anticipate", "continue" or similar words or variations or negatives of those words.

You should carefully consider all forward-looking statements, risk factors and the other risks, cautions and information noted in this Report, the Annual Report, the Proxy Statement, the Quarterly Report and the Company's other SEC Reports that could cause the Company's actual assets, business, capital, cash flow, credit, expenses, financial condition, income, liabilities, liquidity, locations, marketing, operations, prospects, sales, strategies, taxation or other achievement, results, risks or condition to differ materially from those anticipated by the Company and described in the information in the Company's forward-looking and other statements, whether express or implied, as the Company's anticipations are based upon the Company's plans, intentions, expectations and estimates and (although the Company believe them to be reasonable) involve known and unknown risks, uncertainties and other unpredictable factors (many of which are beyond the Company's control) that could cause them to fail to occur or be realized or to be materially and adversely different from those the Company anticipated.

Although the Company believes that its plans, intentions, expectations and estimates reflected or implied in such forward-looking statements are reasonable, the Company cannot assure you that such plans, intentions, expectations or estimates will be achieved in whole or in part, that the Company has identified all potential risks, or that the Company can successfully avoid or mitigate such risks in whole or in part. You should carefully review the risk factors described in our SEC Reports (See, among other things, Item 1A – Risk Factors - in the Annual Report) and any other risks, cautions or information contained or incorporated by reference into any applicable SEC Report. All forward-looking and other statements or information attributable to the Company or persons acting on its behalf are expressly subject to and qualified by all such risk factors and other risks, cautions and information.

You should not place undue reliance on the Company's forward-looking statements and similar information because the matters they describe are subject to known and unknown risks, uncertainties and other unpredictable factors, many of which are beyond its control. The Company's forward-looking statements, risk factors and other risks, cautions and information (whether contained in this Report, the Annual Report, the Proxy Statement, the Quarterly Report or any other applicable SEC Report) are based on the information currently available to the Company and speak only as of the date specifically referenced, or if no date is referenced, then as of December 31, 2013, in the case of the Annual Report or the Proxy Statement or the last day of the period covered by any other applicable SEC Report. New risks and uncertainties arise from time to time, and it is impossible for the Company to predict these matters or how they may arise or affect the Company. Over time, the Company's actual assets, business, capital, cash flow, credit, expenses, financial condition, income, liabilities, liquidity, locations, marketing, operations, prospects, sales, strategies, taxation or other achievements, results, risks or condition will likely differ from those expressed or implied by the Company's forward-looking statements, and such difference could be significant and materially adverse to the Company and the value of your investment in the Company's Common Stock.

The Company does not intend or promise, and the Company expressly disclaims any obligation, to publicly update or revise any forward-looking statements, risk factors or other risks, cautions or information (in whole or in part), whether as a result of new information, risks or uncertainties, future events or recognition 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 July 8, 2014 (as attached hereto and filed herewith).

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.

Date: July 9, 2014

SPAR Group, Inc.

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

EXHIBIT INDEX

Exhibit
Number

Description

99.1

Press Release of the Registrant dated July 8, 2014 (as attached hereto and filed herewith).

SPAR Group Announces New China Investment Expected to Increase International Annualized Revenue by \$7 Million

White Plains, NY - July 8, 2014 - SPAR Group, Inc. (Nasdaq:SGRP) (the "Company" or "SPAR Group"), a leading supplier of retail merchandising and other marketing services throughout the United States and internationally, today announced that the Company's subsidiary in China, SPAR (Shanghai) Marketing Management Company Ltd. ("SPAR Shanghai"), has completed an agreement to purchase all the business, fixed assets and established merchandising teams of the following three companies in China: Shanghai Unilink Marketing Execution and Design Co., Ltd, Shanghai Gold Park Investment Management Co. Ltd, and Beijing Merchandise Sales and Marketing Co., Ltd. (collectively, "Unilink"). As consideration for the purchase, Unilink will receive cash and 20% ownership in SPAR Shanghai. At closing SPAR will have 51%, Shanghai Wedone Marketing Consulting Co. Ltd (its current local investor) will have 29% and Unilink will have 20% of the SPAR Shanghai ownership interests.

Unilink is devoted to providing integrated marketing services to its clients in China. Over the past decades, Unilink has worked with brands that include McCormick, Clorox, BIC, Shiseido, Meiji Dairy, UHA, COFCO and Bright Dairy. Unilink's established merchandising teams executed more than 300,000 in store visits annually, currently covering almost all hyper markets, supermarkets and convenience stores in Shanghai and East China, Beijing, Guangzhou and Shenzhen.

Some of SPAR Shanghai's existing clients include Coca-Cola, Apple, PUMA, and Johnson & Johnson. SPAR Shanghai provides a broad range of merchandising, in-store promotion, store auditing, mini-road show services, POP material design, creation and production services.

Combining the business, resources and expertise of SPAR Shanghai with those from Unilink is expected to expand revenues and profitability for SPAR Shanghai through its increased client base and realized operational synergies. Based on this transaction alone, SPAR Group's annualized international revenue in this critical territory is projected to increase by approximately \$7 million.

"SPAR Group is extremely pleased to announce our expansion throughout this pivotal international location," said Jill Blanchard, Chief Executive Officer of SPAR Group, Inc. "Through this acquisition, China will become one of our largest overseas markets. Additionally, this acquisition will strengthen and increase our position in key markets, including cities such as Shanghai, Beijing, Guangzhou, Shenzhen, Hangzhou, Nanjing, Fuzhou, Tianjing, Jinan, Qingdao, Chengdu, Chongqing, Wuhan, Xi'an and Kuming. We continue actions to drive strong growth in our international division, and this acquisition will increase our profitability starting in the third quarter of 2014."

"On behalf of the Unilink team, I am pleased to have this transaction completed. By tapping into the advanced technology and continuous support from the SPAR Group, we will be able to provide broader and more comprehensive services such as nationwide activity tracking, market intelligence, etc.," stated Alan G Hsu, Chief Executive Officer of Unilink. "With our combined joint resources, our merchandising and marketing service coverage will be expanded to 100% of all Tier 1 and Tier 2 cities in China, accounting for more than 200 cities and regions, and that will benefit all parties."

"We are equally excited with the opportunity to join with Unilink," said James Qian, Chief Executive Officer of SPAR Shanghai. "We anticipate the joining of our two businesses will not only expand our merchandising and marketing reach within China, but it will also be extremely synergistic, with an opportunity to reduce cost while expanding our Client base."

About SPAR Group

SPAR Group, Inc. is a diversified international merchandising and marketing services Company and provides a broad array of services worldwide to help companies improve their sales, operating efficiency and profits at retail locations. The Company provides merchandising and other marketing services to manufacturers, distributors and retailers worldwide, primarily in mass merchandiser, office supply, grocery, drug, independent, convenience, electronics, toy and specialty stores, as well as providing furniture and other product assembly services, audit services, in-store events, technology services and marketing research. The Company has supplied these project and product services in the United States since certain of its predecessors were formed in 1979 and internationally since the Company acquired its first international subsidiary in Japan in May of 2001. Product services include restocking and adding new products, removing spoiled or outdated products, resetting categories "on the shelf" in accordance with client or store schematics, confirming and replacing shelf tags, setting new sale or promotional product displays and advertising, replenishing kiosks, providing in-store event staffing and providing assembly services in stores, homes and offices. Audit services include price audits, point of sale audits, out of stock audits, intercept surveys and planogram audits. Other merchandising services include whole store or departmental product sets or resets (including new store openings), new product launches, in-store demonstrations, special seasonal or promotional merchandising, focused product support and product recalls. The Company operates throughout the United States and internationally in 9 of the most populated countries, including China and India. For more information, visit the SPAR Group's website at www.sparinc.com.

Forward Looking Statements

Certain statements in this news release and made in the update conference call are forward-looking, including (without limitation) expectations or guidance respecting building upon the Company's strong foundation, leveraging compatible global opportunities, improving on the value we already deliver to customers, our growing client base, continuing balance sheet strength, customer contract expansion, growing revenues and becoming profitable through organic growth and acquisitions, attracting new business that will increase SPAR Group's revenues, improving product mix, continuing to maintain or reduce 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 factors 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.

Contact:

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