



February 9, 1999

SPAR Acquires MCI Performance Group...Adds Incent

Tarrytown, NY: - February 9, 1999 - SPAR Group one of the country's leading providers of merchandising and marketing support services, announced today that one of its units has completed the acquisition of MCI Performance Group, a \$40 million Dallas, Texas-based motivation, incentive, travel and recognition company.

MCI has been in business since 1978. Its competitive advantage lies in its ability to provide a full line of motivation, merchandise incentive, travel incentive and recognition programs, and to develop, design and implement as well as analyze results of any program it's assigned.

In addition, MCI is active in using the most advanced computer and communications technology in facilitating its interaction with clients. For example, MCI's travel division operates an Internet-based American Airlines Sabre reservation system. In March, 1998, over 15,000 travel program participants registered directly with MCI on the Internet. MCI's superior Internet capabilities include creative design and implementation of complex web sites. This focus fits well with SPAR Group's fundamental objective of applying tomorrow's tools with today's marketing challenges. The addition of MCI Performance Group continues SPAR's strategic program of expanding its family of marketing services providers by acquiring innovative business units from aligned industries. Already in place are retail merchandising, information, research, database marketing, and teleservices. The ultimate goal of the strategy is to provide each SPAR client with differentiated integrated marketing and sales solutions through a single point of contact MCI numbers among its clients some of America's largest corporations: MCI Telecommunications, Bell Atlantic, Taco Bell, Pizza Hut, CVS Drug Stores, Yamaha Corporation.

When MCI Communications and WorldCom were recently merged, it was MCI Performance Group (no relation to MCI Communications) that managed the planning, movement to and accommodations for 2,600 people at the site of the merger's announcement.

MCI will serve as the foundation travel company for SPAR's new Incentive Marketing Group. Mr. Gary Oakley will serve as its CEO. Mr. Oakley brings more than 25 years of management and consulting experience with particular emphasis in marketing, promotion and sales, to this position. He was the founder, chairman and CEO of Saugatuck Group, a \$50-plus million conglomerate of marketing consulting, direct response and incentive travel companies. He sold the company to a British firm, and continued to manage it for a few years before returning to consulting.

As a SPAR company, MCI Performance Group will continue to operate as an independent entity, providing on-going support to its existing customers, while offering the remainder of the SPAR companies the opportunity to add professional performance enhancement to the services they're already delivering. Mr. Mark Whitney, MCI's President and COO for the last nine years, will assume the role of CEO for the company.

"We're all very excited about the possibilities MCI offer to SPAR", said Bill Bartels, Senior Vice President of SPAR Group. "They're self-contained and self-sufficient, and will be able to assist our business units without impacting the day-to-day operations of any of them", he added.

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