

PART III NARRATIVE

State below in reasonable detail the reasons why Forms 10-K, 20-F, 11-K, 10-Q, N-SAR, or the transition report or portion thereof, could not be filed within the prescribed time period.

The Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2007 could not be filed within the prescribed time period because the Registrant has not finalized all of its accounting matters due to substantial time devoted to recent business issues. As a result, the financial statements of the Registrant for the quarter ended June 30, 2007 and the notes thereto, have not yet been completed.

PART IV OTHER INFORMATION

(1) Name and telephone number of person to contact in regard to this notification

| | | |
|------------------|-------------|--------------------|
| Charles Cimitile | 914 | 332-4100 |
| (Name) | (Area Code) | (Telephone Number) |

(2) Have all other periodic reports required under Section 13 or 15(d) of the Securities Exchange Act of 1934 or Section 30 of the Investment Company Act of 1940 during the preceding 12 months or for such shorter period that the registrant was required to file such report(s) been filed? If answer is no, identify report(s) Yes No

(3) Is it anticipated that any significant change in results of operations from the corresponding period for the last fiscal year will be reflected by the earnings statements to be included in the subject report or portion thereof? Yes No

If so, attach an explanation of the anticipated change, both narratively and quantitatively, and, if appropriate, state the reasons why a reasonable estimate of results cannot be made.
See Attachment A.

SPAR Group, Inc.

(Name of Registrant as Specified in Charter)

has caused this notification to be signed on its behalf by the undersigned hereunto duly authorized.

Date August 14, 2007

By: /s/ Charles Cimitile
Charles Cimitile, Chief Financial Officer

INSTRUCTION: The form may be signed by an executive officer of the registrant or by any other duly authorized representative. The name and title of the person signing the form shall be typed or printed beneath the signature. If the statement is signed on behalf of the registrant by an authorized representative (other than an executive officer), evidence of the representative's authority to sign on behalf of the registrant shall be filed with the form.

ATTENTION

Intentional misstatements or omissions of fact constitute Federal Criminal Violations (See 18 U.S.C. 1001).

ATTACHMENT A

PART IV OTHER INFORMATION

The Registrant anticipates reporting that the results of operations for the fiscal quarter ended June 30, 2007 have significantly changed in comparison with the results of operations for the fiscal quarter ended June 30, 2006. For further details respecting the Registrant's performance, please see the Registrant's Periodic Report on Form 8-K dated August 14, 2007 filed with the U.S. Securities and Exchange Commission on August 14, 2007 respecting the earnings press release for the second quarter ended June 30, 2007.