
**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) **December 13, 2007**

Pizza Inn, Inc.

(Exact name of registrant as specified in its charter)

Missouri	0-12919	47-0654575
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

3551 Plano Parkway, The Colony, Texas	75056
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code **(469) 384-5000**

Not Applicable

(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 (see General Instruction A.2. below):

- 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 3.01 Notice of Delisting for Failure to Satisfy a Continued Listing Rule or Standard; Transfer of Listing.

In a letter dated December 17, 2007, Nasdaq notified Pizza Inn, Inc. (the "Company") that, by virtue of the election of W.C. Hammett, Jr. to the Company's board of directors at the Company's annual shareholders' meeting on December 13, 2007 and Mr. Hammett's subsequent appointment to the board's audit committee, the Company has regained compliance with NASDAQ Marketplace Rule 4350(d)(2) and Marketplace Rule 4200(a)(15) and accordingly Nasdaq's listing standards. A copy of the letter is furnished as Exhibit 99.1 to this Form 8-K.

As previously disclosed, in a letter dated March 19, 2007, Nasdaq notified the Company that the it would have until the earlier of its next annual shareholders meeting or December 13, 2007 to add an additional member to its audit committee in order to regain compliance with the audit committee composition requirements set forth in Nasdaq Marketplace Rule 4350(d). The March 19 letter superceded an earlier Nasdaq staff deficiency letter dated January 8, 2007 in which Nasdaq notified the Company that, due to a vacancy on its audit committee following its 2006 annual meeting, the Company was not in compliance with Marketplace Rule 4350(d) and that the Company would have until April 16, 2007 to regain compliance.

The Company's Proxy Statement for its 2007 shareholders' meeting had listed Jim Zielke as a member of the board's audit committee. Mr. Zielke was, however, simply an observer and not a member of the committee. The Company clarified this in a discussion with Nasdaq on or about November 29, 2007 and in subsequent correspondence.

Item 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers; Compensatory Arrangements of Certain Officers

On December 13, 2007, the Company's board of directors appointed Charles R. Morrison, 39, to serve as President and Chief Executive Officer. Mr. Morrison was previously appointed Chief Financial Officer of the Company in January 2007 and Interim President and Chief Executive Officer in August 2007. Prior to joining the Company, Mr. Morrison was with Metromedia Restaurant Group from 2004 through 2006, serving as President for Steak and Ale and The Tavern Restaurants and also previously serving as Chief Financial Officer for Steak and Ale and Ponderosa Restaurants, which were each divisions of Metromedia. Prior to that, he was Vice President of Finance for Kinko's, Inc.

In connection with Mr. Morrison's promotion, Mr. Morrison's employment arrangement with the Company, as set forth in his Employment Letter dated January 31, 2007, was modified to increase his annual salary to \$275,000 and his bonus opportunity for the third and fourth quarters of fiscal year 2008 to 50% of his salary. In addition, Mr. Morrison will also be granted 50,000 non qualified stock options under the Company's employee incentive stock option plan on terms generally consistent with prior grants. All other terms of Mr. Morrison's Employment Letter will remain the same.

Item 8.01 Other Events

On December 14, 2007, the Company issued a press release announcing the appointment of Mr. Morrison as President and Chief Executive Officer of the Company. A copy of the press release is being furnished as Exhibit 99.2 to this Current Report on Form 8-K.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

Exhibit No. Description of Exhibit

99.1	NASDAQ Letter, dated December 17, 2007 (furnished herewith)
99.2	Press Release dated December 14, 2007 (furnished 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 hereunto duly authorized.

Pizza Inn, Inc.

Date: December 19, 2007

By: \s\ Charles R. Morrison

Charles R. Morrison
President and CEO (Principal Executive

Officer)

INDEX OF EXHIBITS

Exhibit No.	Description of Exhibit
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99.1	NASDAQ Letter, dated December 17, 2007 (furnished herewith)
99.2	Press Release dated December 14, 2007 (furnished herewith)

By Electronic Delivery to: cmorrison@pihq.com; sbowman@pihq.com

December 17, 2007
Mr. Charles R. Morrison
President & Chief Executive Officer
Pizza Inn, Inc.
3551 Plano Parkway
The Colony, TX 75056

Re: Pizza Inn, Inc. (the "Company")
Nasdaq Symbol: PZZI

Dear Mr. Morrison:

On January 8 and March 19, 2007, Staff notified the Company that it did not comply with the audit committee requirement for continued listing on The Nasdaq Capital Market set forth in Marketplace Rule 4350(d)(2) (the "Rule"). Based on the information regarding the appointment of W.C. Hammett, Jr. to the Company's audit committee, as detailed in your submission dated December 14, 2007, Staff has determined that the Company complies with the Rule, and this matter is now closed.

If you have any questions, please contact Wayne Bush, Lead Analyst, at (301) 978-8034.

Sincerely,



Stanley Higgins
Director
Nasdaq Listing Qualifications



FOR IMMEDIATE RELEASE

Contact: Danny Meisenheimer

VP of Brand Management

Pizza Inn, Inc.

469-384-5000

dmeisenheimer@pihq.com

PIZZA INN NAMES MORRISON AS PRESIDENT AND CEO

The Colony, Texas – December 14, 2007-- PIZZA INN INC. (NASDAQ:PZZI) announced the appointment of Charlie Morrison as its new President and Chief Executive Officer. Morrison has been serving as the company's Interim President and CEO and Chief Financial Officer since August 15, 2007.

Prior to joining Pizza Inn as its Chief Financial Officer in January 2007, Mr. Morrison served as President for Steak and Ale and The Tavern Restaurants. Prior to that, he served as Vice President of Finance for Kinko's, Inc.

Mark Schwarz, Chairman of the Board of Pizza Inn, stated, "Over the last several months, Charlie has clearly demonstrated his ability to lead the Pizza Inn brand. By continuing to work closely with the Board of Directors, our franchise partners and the company's management team, I am confident that he will provide the organization with the strategic leadership needed to maximize Pizza Inn's long-term potential."

Mr. Morrison commented, "I am extremely excited about the opportunities that exist at Pizza Inn. The Company is in a strong and stable financial position and poised for growth. In recent quarters we have established a great deal of momentum, specifically in the areas of comparable store sales increases, earnings improvements, the openings of three new domestic buffets within the last two weeks and the signing of a multi-unit agreement in our international division last month."

Certain statements in this press release, other than historical information, may be considered forward-looking statements, within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, and are subject to various risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may differ materially from those anticipated, estimated or expected. Among the key factors that may have a direct bearing on Pizza Inn's operating results, performance or financial condition are its ability to implement its growth strategies; success of its franchise operations; national, regional and local economic conditions affecting the restaurant industry; competition within the restaurant industry; restaurant sales cannibalization; negative publicity; fluctuations in quarterly results of operations, including seasonality; government regulations; weather; and commodity, insurance and labor costs

Pizza Inn, Inc. (www.pizzainn.com) is headquartered in The Colony, Texas, along with its distribution division, Norco Restaurant Services Company. Pizza Inn franchises approximately 350 restaurants and owns one restaurant with annual domestic and international chain-wide sales of approximately \$145 million.