

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

SCHEDULE 13D

INFORMATION TO BE INCLUDED IN STATEMENTS FILED
PURSUANT TO RULE 13d-1(a) AND AMENDMENTS
THERE TO FILED PURSUANT TO RULE 13d-2(a)

(Amendment No. 3)1

PIZZA INN, INC.

(Name of Issuer)

COMMON STOCK, PAR VALUE \$0.01 PER SHARE

(Title of class of securities)

725848 10 5

(CUSIP number)

STEVEN WOLOSKY, ESQ.
OLSHAN GRUNDMAN FROME ROSENZWEIG & WOLOSKY LLP
505 Park Avenue
New York, New York 10022
(212) 753-7200

(Name, address and telephone number of person
authorized to receive notices and communications)

February 27, 2003

(Date of event which requires filing of this statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box / /.

Note. Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties to whom copies are to be sent.

(Continued on following pages)

(Page 1 of 10 Pages)

1 The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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1 NAMES OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

NEWCASTLE PARTNERS, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) / /
(b) / /

3 SEC USE ONLY

4 SOURCE OF FUNDS*

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) / /

6 CITIZENSHIP OR PLACE OF ORGANIZATION

TEXAS

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH 7 SOLE VOTING POWER

3,566,200

8 SHARED VOTING POWER

0

9 SOLE DISPOSITIVE POWER

3,566,200

10 SHARED DISPOSITIVE POWER

0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,566,200

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES* / /

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

35.5%

14 TYPE OF REPORTING PERSON*

PN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

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1 NAMES OF REPORTING PERSONS I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

NEWCASTLE CAPITAL GROUP, L.L.C.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) / / (b) / /

3 SEC USE ONLY

4 SOURCE OF FUNDS*

00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) / /

6 CITIZENSHIP OR PLACE OF ORGANIZATION

TEXAS

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER	
			3,566,200

	8	SHARED VOTING POWER	
			0

	9	SOLE DISPOSITIVE POWER	
			3,566,200

	10	SHARED DISPOSITIVE POWER	
			0

11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON		
			3,566,200

12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*		/ /

13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)		
			35.5%

14	TYPE OF REPORTING PERSON*		
			CO

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*SEE INSTRUCTIONS BEFORE FILLING OUT!

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1	NAMES OF REPORTING PERSONS I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)		
			NEWCASTLE CAPITAL MANAGEMENT, L.P.

2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*	(a) / /	(b) / /

3	SEC USE ONLY		

4	SOURCE OF FUNDS*		
			00

5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)		/ /

6	CITIZENSHIP OR PLACE OF ORGANIZATION		
			TEXAS

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER	
			3,566,200

	8	SHARED VOTING POWER	
			0

9 SOLE DISPOSITIVE POWER

3,566,200

10 SHARED DISPOSITIVE POWER

0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,566,200

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

/ /

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

35.5%

14 TYPE OF REPORTING PERSON*

PN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

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1 NAMES OF REPORTING PERSONS I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

MARK E. SCHWARZ

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a) / /
(b) / /

3 SEC USE ONLY

4 SOURCE OF FUNDS*

00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

/ /

6 CITIZENSHIP OR PLACE OF ORGANIZATION

U.S. Citizen

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH 7 SOLE VOTING POWER

3,566,200

8 SHARED VOTING POWER

0

9 SOLE DISPOSITIVE POWER

3,566,200

10 SHARED DISPOSITIVE POWER

0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,566,200

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES* / /

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
35.5%

14 TYPE OF REPORTING PERSON*
IN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

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1 NAMES OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

STEVEN PULLY

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) / /
(b) / /

3 SEC USE ONLY

4 SOURCE OF FUNDS*

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) / /

6 CITIZENSHIP OR PLACE OF ORGANIZATION
U.S. Citizen

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH
7 SOLE VOTING POWER
0

8 SHARED VOTING POWER
0

9 SOLE DISPOSITIVE POWER
0

10 SHARED DISPOSITIVE POWER
0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
0

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES* / /

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
0.0%

14 TYPE OF REPORTING PERSON*
IN

The following statement constitutes Amendment No. 3 to the Schedule 13D filed by the undersigned (the "Statement"). Except as specifically amended by this Amendment No. 3, the Statement remains in full force and effect.

Item 3 is hereby amended in its entirety to read as follows:

The net investment cost (including commissions, if any) of the shares of Common Stock held directly by NP was approximately \$8,577,204.58, all of which was obtained from NP's working capital. None of NCG, NCM, Mr. Schwarz or Mr. Pully directly owns any shares of Common Stock.

Item 5(a) is hereby amended in its entirety to read as follows:

(a) The aggregate percentage of shares of Common Stock reported to be owned by the Reporting Persons is based upon 10,058,524 shares of Common Stock outstanding as of February 7, 2003, as reported in the Company's Form 10-Q for the period ended December 29, 2002 as filed with the Securities and Exchange Commission on February 11, 2003.

As of the filing date of this Statement, NP beneficially owned 3,566,200 shares of Common Stock, representing approximately 35.5% of the Company's issued and outstanding Common Stock.

NCM, as the general partner of NP, may be deemed to beneficially own the 3,566,200 shares of Common Stock beneficially owned by NP, representing approximately 35.5% of the issued and outstanding Common Stock.

NCG, as the general partner of NCM, which in turn is the general partner of NP, may also be deemed to beneficially own the 3,566,200 shares of Common Stock beneficially owned by NP, representing approximately 35.5% of the issued and outstanding Common Stock.

Mark Schwarz, as the managing member of NCG, the general partner of NCM, which in turn is the general partner of NP, may also be deemed to beneficially own the 3,566,200 shares of Common Stock beneficially owned by NP, representing approximately 35.5% of the issued and outstanding Common Stock.

Steven Pully currently does not own any shares of Common Stock.

Item 5(b) is hereby amended in its entirety to read as follows:

(b) By virtue of his position with NP, NCG and NCM, Mark Schwarz has the sole power to vote and to dispose of 3,566,200 shares of Common Stock or 35.5% of the issued and outstanding shares of Common Stock.

Item 5(c) is hereby amended to add the following:

(c) Schedule A annexed hereto lists all transactions by the Reporting Persons in the Company's Common Stock since the filing of Amendment No. 2 to this Schedule 13D. Purchases made on February 19th and 27th, 2003 were privately negotiated transactions. Purchases on March 3rd and March 5th, 2003 were made in the open market.

[Signature Page Follows]

SIGNATURES

After due inquiry and to the best of his knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: March 7, 2003

NEWCASTLE PARTNERS, L.P.

By: Newcastle Capital Management, L.P., its
 general partner

By: Newcastle Capital Group, L.L.C., its
 general partner

By: /s/ Mark Schwarz

 Mark Schwarz, Managing Member

NEWCASTLE CAPITAL MANAGEMENT, L.P.

By: Newcastle Capital Group, L.L.C., its
 general partner

By: /s/ Mark Schwarz

 Mark Schwarz, Managing Member

NEWCASTLE CAPITAL GROUP, L.L.C.

By: /s/ Mark Schwarz

 Mark Schwarz, Managing Member

/s/ Mark Schwarz

 MARK SCHWARZ

/s/ Steven Pully

 STEVEN PULLY

SCHEDULE A

Transactions in the Common Stock Since the Filing of Amendment
 No. 2 to the Schedule 13D

Shares of Common Stock Purchased	Price Per Share(\$)	Date of Purchase
-----	-----	-----
		Newcastle Partners, L.P.

85,000	\$2.25	February 19, 2003
120,000	\$2.00	February 27, 2003
27,000	\$1.57	March 3, 2003
27,000	\$1.59	March 5, 2003