SECURITIES AND EXCHANGE COMMISSION WASHINGTON, DC 20549

SCHEDULE 13D

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

(Amendment No. 26)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)

Mark E. Schwarz Newcastle Capital Management, L.P. 200 Crescent Court, Suite 1400 Dallas, Texas 75201 (214) 661-7474

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

January 7, 2011

(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 14 Pages)

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).

Page 1 of 14

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.

1	MANG OF REPORTED	G PEDGOVIG		
	NAME OF REPORTING			
	I.R.S. IDENTIFICATIOIN NOS. OF ABOVE PERSONS (ENTITIES ONLY)			
	NEWCASTI E DADTNIEDS I D			
	NEWCASTLE PARTNERS, L.P.			
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A			
	GROUP*			
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3	SEC USE ONLY			
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4	SOURCE OF FUNDS*			
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5	CHECK BOX IF DISCI	LOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)	_	
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0	CITIZENSHIP OR PLA	CE OF ORGANIZATION		
	TEXAS			
NUMBER OF	7	SOLE VOTING POWER		
SHARES	/	SOLE VOTING FOWER		
BENEFICIALLY		1,729,771		
OWNED BY	8	SHARED VOTING POWER		
EACH	8	SHARED VOTINGTOWER		
REPORTING		- 0 -		
PERSON WITH	9	SOLE DISPOSITIVE POWER		
		SOLE DISTOSTIVE TO WER		
		1,729,771		
	10	SHARED DISPOSITIVE POWER		
		- 0 -		
11	AGGREGATE AMOUN	VT BENEFICIALLY OWNED BY EACH REPORTING PERSON		
	1,729,771			
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*			
		· ·	0	
13	PERCENT OF CLASS	REPRESENTED BY AMOUNT IN ROW (11)		
	21.6%			
14	TYPE OF REPORTING	PERSON*		
	PN			

1	NAME OF REPORTING		
	I.R.S. IDENTIFICATIOI	IN NOS. OF ABOVE PERSONS (ENTITIES ONLY)	
	NEWCASTLE	CAPITAL MANAGEMENT, L.P.	
2	CHECK THE APPROPI	RIATE BOX IF A MEMBER OF A GROUP*	
			(a)o
			(b)o
3	SEC USE ONLY		```
4	SOURCE OF FUNDS*		
	00		
5	CHECK BOX IF DISCI	LOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)	
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6	CITIZENSHIP OR PLA	CE OF ORGANIZATION	
	TEXAS		
NUMBER OF	7	SOLE VOTING POWER	
SHARES	,	SOLE VOTING TO WER	
BENEFICIALLY		1,746,819	
OWNED BY	8	SHARED VOTING POWER	
EACH	8	SHARED VOTING FOWER	
REPORTING		- 0 -	
PERSON WITH	9	SOLE DISPOSITIVE POWER	
TERSON WITH	9	SOLE DISPOSITIVE POWER	
		1.746.010	
	10	1,746,819 SHARED DISPOSITIVE POWER	
	10	SHARED DISPOSITIVE POWER	
11	A CORECATE AMOUN	- 0 -	
11	AGGREGATE AMOUN	NT BENEFICIALLY OWNED BY EACH REPORTING PERSON	
	1.746.010		
	1,746,819		
12	CHECK BOX IF THE A	AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*	
			(
13	PERCENT OF CLASS	REPRESENTED BY AMOUNT IN ROW (11)	
	_		
	21.8%		
14	TYPE OF REPORTING	PERSON*	
	PN		

1	MANG OF REPORTING	2 PERCONG	
1	NAME OF REPORTING		
	I.R.S. IDENTIFICATION	N NOS. OF ABOVE PERSONS (ENTITIES ONLY)	
		CAPITAL GROUP, L.L.C.	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*		
			(a)o
			(b)o
3	SEC USE ONLY		
4	SOURCE OF FUNDS*		
	00		
5	CHECK BOX IF DISCL	OSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)	
	l = ===== Bisez	(a)	0
6	CITIZENSHIP OR PLAC	CE OF ORGANIZATION	
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	TEXAS		
NUMBER OF	7	SOLE VOTING POWER	
SHARES	/	SOLE VOTING FOWER	
BENEFICIALLY		1.746,819	
OWNED BY	8	SHARED VOTING POWER	
	8	SHARED VOTING POWER	
EACH			
REPORTING	_	- 0 -	
PERSON WITH	9	SOLE DISPOSITIVE POWER	
		1,746,819	
	10	SHARED DISPOSITIVE POWER	
		- 0 -	
11	AGGREGATE AMOUN	T BENEFICIALLY OWNED BY EACH REPORTING PERSON	
	1,746,819		
12	CHECK BOX IF THE A	GGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*	
			c
13	PERCENT OF CLASS F	REPRESENTED BY AMOUNT IN ROW (11)	
	21.8%		
14	TYPE OF REPORTING	PER SON*	
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1	NAME OF REPORTING	G PERSONS	
	I.R.S. IDENTIFICATION	N NOS. OF ABOVE PERSONS (ENTITIES ONLY)	
	MARK E. SCH	WARZ	
2	CHECK THE APPROPE	RIATE BOX IF A MEMBER OF A GROUP*	
1	CHECK THE THE TROTT	ACTUAL BOX II TINEMBERGO II GROOT	(a)c
			(b)o
3	SEC USE ONLY		(0)0
3	SEC USE ONLY		
4	SOURCE OF FUNDS*		
	OO, PF		
5	CHECK BOX IF DISCI	OSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)	
			O
6	CITIZENSHIP OR PLA	CE OF ORGANIZATION	
	USA		
NUMBER OF	7	SOLE VOTING POWER	
SHARES			
BENEFICIALLY		1,912,662	
OWNED BY	8	SHARED VOTING POWER	
EACH	0	SIMALE VOTINGTOWER	
REPORTING		- 0 -	
PERSON WITH	9	SOLE DISPOSITIVE POWER	
TERSON WITH	9	SOLE DISPOSITIVE POWER	
		1.012.672	
		1,912,662	
	10	SHARED DISPOSITIVE POWER	
		- 0 -	
11	AGGREGATE AMOUN	IT BENEFICIALLY OWNED BY EACH REPORTING PERSON	
	1,912,662		
12	CHECK BOX IF THE A	GGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*	
			C
13	PERCENT OF CLASS I	REPRESENTED BY AMOUNT IN ROW (11)	
	23.9%		
14	TYPE OF REPORTING	DED SON*	
14	11FE OF KEFORIING	LENDON	
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1	NAME OF REPORTING	G PERSONS	
	I.R.S. IDENTIFICATION	N NOS. OF ABOVE PERSONS (ENTITIES ONLY)	
	NEWCASTLE	FOCUS FUND II, L.P.	
2		RIATE BOX IF A MEMBER OF A GROUP*	
			(a)c
			(b)o
3	SEC USE ONLY		(0)0
	SEC OSE ONE!		
4	SOURCE OF FUNDS*		
	00		
5		OSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)	
3	CHECK BOX IF DISCL	COSURE OF LEGAL PROCEEDINGS IS REQUIRED FORSUANT TO TTEM 2(u) OR 2(c)	
6	CITIZENCHID OP DI A	CE OF ORGANIZATION	C
0	CITIZENSHIP OR PLA	CE OF UNUANIZATION	
	TEVAC		
NH P (DED OF	TEXAS	COLE HOTBIC BOWER	
NUMBER OF	7	SOLE VOTING POWER	
SHARES		17.010	
BENEFICIALLY		17,048	
OWNED BY	8	SHARED VOTING POWER	
EACH			
REPORTING		- 0 -	
PERSON WITH	9	SOLE DISPOSITIVE POWER	
		17,048	
	10	SHARED DISPOSITIVE POWER	
		- 0 -	
11	AGGREGATE AMOUN	IT BENEFICIALLY OWNED BY EACH REPORTING PERSON	
	17,048		
12	CHECK BOX IF THE A	GGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*	
			C
13	PERCENT OF CLASS I	REPRESENTED BY AMOUNT IN ROW (11)	
	Less than 1%		
14	TYPE OF REPORTING P	FRSON*	
	PN		
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1	NAME OF REPORTIN			
	I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)			
	CLINTON J. C			
2	CHECK THE APPROP	RIATE BOX IF A MEMBER OF A GROUP*		
			(a)o	
_			(b)o	
3	SEC USE ONLY			
	GOLIDGE OF FIRIDG*			
4	SOURCE OF FUNDS*			
	OO, PF			
5		LOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)		
,	CILCR BOX II DISCI	ECOCKE OF EEORET ROCEEDINGS IS REQUIRED FORSOMIT TO TTEM 2(u) OR 2(c)	O	
6	CITIZENSHIP OR PLA	ACE OF ORGANIZATION		
	USA			
NUMBER OF	7	SOLE VOTING POWER		
SHARES				
BENEFICIALLY		107,259		
OWNED BY	8	SHARED VOTING POWER		
EACH REPORTING				
PERSON WITH	9	- 0 - SOLE DISPOSITIVE POWER		
FERSON WITH	9	SOLE DISPOSITIVE POWER		
		107.259		
	10	SHARED DISPOSITIVE POWER		
	10	SIMILED DISTOSTITY ET OWER		
		- 0 -		
11	AGGREGATE AMOUN	NT BENEFICIALLY OWNED BY EACH REPORTING PERSON		
	107,259			
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*			
			0	
13	PERCENT OF CLASS	REPRESENTED BY AMOUNT IN ROW (11)		
	1.3%			
14	TYPE OF REPORTING	G PERSON*		
14	THE OF KEI OKING	J I EKDON		
	IN			

1	NAME OF REPORTING		
	I.R.S. IDENTIFICATION	N NOS. OF ABOVE PERSONS (ENTITIES ONLY)	
	HALLMARK	FINANCIAL SERVICES, INC.	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*		
			(a)o
	202112000000000000000000000000000000000		(b)o
3	SEC USE ONLY		
4	SOURCE OF FUNDS*		
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3	CHECK BOX IF DISCI	LOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)	0
6	CITIZENSHIP OR PLA	CE OF ORGANIZATION	
MIN (DED OF	NEVADA	COLE MOTERIO DOMER	
NUMBER OF SHARES	7	SOLE VOTING POWER	
BENEFICIALLY		647,284	
OWNED BY	8	SHARED VOTING POWER	
EACH REPORTING		- 0 -	
PERSON WITH	9	SOLE DISPOSITIVE POWER	
	10	647,284	
	10	SHARED DISPOSITIVE POWER	
		- 0 -	
11	AGGREGATE AMOUN	VT BENEFICIALLY OWNED BY EACH REPORTING PERSON	
	647,284		
12		AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*	
			o
13	PERCENT OF CLASS I	REPRESENTED BY AMOUNT IN ROW (11)	
	8.1%		
14	TYPE OF REPORTING	FPERSON*	
	IC, CO		

1	NAME OF REPORTED	G PERGOVG	
I I	NAME OF REPORTIN		
	I.R.S. IDENTIFICATION	N NOS. OF ABOVE PERSONS (ENTITIES ONLY)	
		HALLMARK INSURANCE COMPANY OF TEXAS	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*		
			(a)o
			(b)o
3	SEC USE ONLY		
4	SOURCE OF FUNDS*		
	WC, OO		
5	CHECK BOX IF DISC	LOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)	
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6	CITIZENSHIP OR PLA	ACE OF ORGANIZATION	
Ŭ	CITIZENSIII GICTE		
	TEXAS		
NUMBER OF	7	SOLE VOTING POWER	
SHARES	,	SOLL VOTING FOWER	
BENEFICIALLY		647,284	
OWNED BY	8	SHARED VOTING POWER	
EACH	8	SHARED VOITING FOWER	
REPORTING		- 0 -	
PERSON WITH	0		
PERSON WITH	9	SOLE DISPOSITIVE POWER	
		(47.204	
	10	647,284	
	10	SHARED DISPOSITIVE POWER	
		- () -	
11	AGGREGATE AMOUN	NT BENEFICIALLY OWNED BY EACH REPORTING PERSON	
	647,284		
12	CHECK BOX IF THE A	AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*	
			0
13	PERCENT OF CLASS	REPRESENTED BY AMOUNT IN ROW (11)	
	8.1%		
14	TYPE OF REPORTING	G PERSON*	
	IC, CO		
l—————————————————————————————————————			

The following statement constitutes Amendment No. 26 to the Schedule 13D filed by the undersigned (the "Statement"). Except as specifically amended by this Amendment No. 26, the Statement remains in full force and effect.

Item 3. Source and Amount of Funds

Item 3 is hereby amended and restated in its entirety as follows:

As of the filing date of this Statement, NP had invested \$4,446,101 (inclusive of brokerage commissions) in shares of Common Stock. The source of the foregoing funds was the working capital of NP. Neither NCG nor NCM directly owns any shares of Common Stock.

As of the filing date of this Statement, Mr. Schwarz had invested \$127,470 (inclusive of brokerage commissions) in shares of Common Stock. The source of the foregoing funds was the personal funds of Mr. Schwarz. Mr. Schwarz also directly owns options exercisable within 60 days from the date hereof into 110,000 shares of Common Stock, which options were granted to him as consideration for his service as a director of the Issuer.

As of the filing date of this Statement, NFF had invested \$43,272 (inclusive of brokerage commissions) in shares of Common Stock. Such amount represents the share contribution by Mr. Schwarz to NFF as of July 9, 2010.

As of the filing date of this Statement, Mr. Coleman had invested \$64,108 (inclusive of brokerage commissions) in shares of Common Stock. The source of the foregoing funds was the personal funds of Mr. Coleman. Mr. Coleman also directly owns options exercisable within 60 days from the date hereof into 71,506 shares of Common Stock, which options were granted to him as consideration for his service as a director of the Issuer.

As of the filing date of this Statement, AHIC had invested \$849,176 (inclusive of brokerage commissions) in shares of Common Stock. The source of the foregoing funds was the working capital of AHIC. Hallmark does not directly own any shares of Common Stock.

Item 5. <u>Interest in Securities of the Issuer</u>

Items 5(a)-(b) are hereby amended in their 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 8,010,919 shares of Common Stock outstanding as of November 3, 2010 as reported in the Company's Form 10-Q as filed with the Securities and Exchange Commission on November 9, 2010.

As of the filing date of this Statement, NP beneficially owned 1,729,771 shares of Common Stock, representing approximately 21.6% of the issued and outstanding Common Stock.

NCM, as the general partner of NP and NFF, may be deemed to beneficially own the 1,729,771 shares of Common Stock beneficially owned by NP and the 17,048 shares of Common Stock beneficially owned by NFF, representing in total approximately 21.8% of the issued and outstanding Common Stock.

NCG, as the general partner of NCM, which in turn is the general partner of NP and NFF, may also be deemed to beneficially own the 1,729,771 shares of Common Stock beneficially owned by NP and the 17,048 shares of Common Stock beneficially owned by NFF, representing in total approximately 21.8% of the issued and outstanding Common Stock

Mark E. Schwarz, as the managing member of NCG, the general partner of NCM, which in turn is the general partner of NP and NFF, may also be deemed to beneficially own the 1,729,771 shares of Common Stock beneficially owned by NP and the 17,048 shares of Common Stock beneficially owned by NFF. In addition, as of the filing date of this Statement, Mr. Schwarz directly owns 55,843 shares of Common Stock and 110,000 shares of Common Stock underlying currently exercisable stock options. In total, Mr. Schwarz may be deemed to own shares representing approximately 23.9% of the issued and outstanding Common Stock.

As of the filing date of this Statement, NFF beneficially owned 17,048 shares of Common Stock, representing less than 1% of the issued and outstanding Common Stock.

As of the filing date of this Statement, Mr. Coleman beneficially owned 35,753 shares of Common Stock and 71,506 shares of Common Stock underlying currently exercisable stock options, representing in total approximately 1.3% of the issued and outstanding Common Stock.

As of the filing date of this Statement, AHIC beneficially owned 647,284 shares of Common Stock, representing approximately 8.1% of the issued and outstanding Common Stock. Hallmark, as the parent of AHIC, may also be deemed to beneficially own the 647,284 shares of Common Stock beneficially by AHIC, representing approximately 8.1% of the issued and outstanding Common Stock.

The filing of this Statement and any future amendment by the Reporting Persons, and the inclusion of information herein and therein, shall not be considered an admission that any of such persons, for the purpose of Section 13(d) of the Act, or otherwise, are the beneficial owners of any shares of Common Stock in which such persons do not have a pecuniary interest.

(b). By virtue of his position with NP, NFF, NCM and NCG, Mr. Schwarz has the sole power to vote and to dispose of the shares of Common Stock owned by NP reported in this Statement. Mr. Schwarz has the sole power to vote and to dispose of the shares of Common Stock he holds directly reported in this Statement. Mr. Coleman has the sole power to vote and dispose of the shares of Common Stock he holds directly reported in this Statement. AHIC has the sole power to vote and dispose of the shares of Common Stock owned by AHIC.

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

(c). During the past sixty days, the following transactions by the Reporting Persons were effected: (1) on January 7, 2011, NP effected a distribution of a total of 107,105 shares of Common Stock to limited partners of NP in satisfaction of redemption requests as of December 31, 2010 and (2) the purchase transactions set forth on Schedule A (which were effected in the open market).

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: January 11, 2011

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 E. Schwarz

Mark E. Schwarz, Managing Member

NEWCASTLE CAPITAL MANAGEMENT, L.P.

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

By: /s/ Mark E. Schwarz

Mark E. Schwarz, Managing Member

NEWCASTLE CAPITAL GROUP, L.L.C.

By: /s/ Mark E. Schwarz

Mark E. Schwarz, Managing Member

/s/ Mark E. Schwarz MARK E. SCHWARZ

NEWCASTLE FOCUS FUND II, L.P.

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

By: /s/ Mark E. Schwarz

Mark E. Schwarz, Managing Member

/s/ Clinton J. Coleman CLINTON J. COLEMAN

HALLMARK FINANCIAL SERVICES, INC.

By: <u>/s/ Mark E. Schwarz</u> Name: Mark E. Schwarz Title: Chairman

AMERICAN HALLMARK INSURANCE COMPANY OF TEXAS

By: /s/ Mark E. Schwarz Name: Mark E. Schwarz Title: Director

Schedule A

Transactions in the Common Stock During the Past 60 Days

American Hallmark Insurance Company of Texas

Transaction Date Buy/Sell		Quantity (Shares)	Price (\$)
12/7/10	Buy	6,000	1.89
12/23/10	Buy	14,000	1.89