

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): March 9, 2009

Sypris Solutions, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

0-24020
(Commission
File Number)

61-1321992
(I.R.S. Employer
Identification No.)

101 Bullitt Lane, Suite 450
Louisville, Kentucky
(Address of Principal
Executive Offices)

40222
(Zip Code)

Registrant's telephone number, including area code: (502) 329-2000

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:

- 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 5.02(e) Departure of Directors or Certain Executive Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Effective as of March 9, 2009, Sypris Solutions, Inc. (the “Company”) entered into an employment agreement (“Employment Agreement”) with participants in the Company’s Executive Long-Term Incentive Program (“ELTIP”) for 2009 (the “2009 ELTIP”). Each participant in the 2009 ELTIP, including named executive officers John R. McGeeney and Richard L Davis, and Chief Financial Officer Brian A. Lutes, executed an employment agreement, with the exception of Jeffrey T. Gill, the Company’s President and Chief Executive Officer. The form of employment agreement is attached to this Report as Exhibit 99.1 and incorporated by reference herein.

Each Employment Agreement is for a term of one year and provides that if, during the term of the Employment Agreement, the employee’s employment is terminated without Cause (as defined in the Employment Agreement) then (i) the employee will continue to receive his current salary for a period of 12 months following the date of termination, provided that if the employee becomes employed by another entity during such time, the employee will only receive 30% of such salary, and (ii) all of the employee’s outstanding restricted stock and stock options will become 100% vested and remain exercisable until the expiration date then in effect for such stock or options. The Employment Agreements also contain confidentiality, non-compete and non-solicitation covenants by the employee during the term of the agreement.

Section 9– Exhibits

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits

99.1 Form of Employment Agreement

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.

Sypris Solutions, Inc.

Dated: March 13, 2009

By: /s/ John R. McGeeney

John R. McGeeney
General Counsel and Secretary

INDEX TO EXHIBITS

<u>Exhibit Number</u>	<u>Description</u>
99.1	Form of Employment Agreement

**EXECUTIVE LONG-TERM INCENTIVE PROGRAM
2009 EMPLOYMENT AGREEMENT**

THIS AGREEMENT, is effective as of March 9, 2009, by and between Sypris Solutions, Inc., a Delaware corporation (“Company”), and [name] (“Employee”).

WHEREAS, the Company desires to recognize the Employee’s leadership and contribution to the long-term success of the Company and therefore is pleased to designate the Employee as a participant in the Company’s Executive Long-Term Incentive Program (“ELTIP”) for 2009 the benefits of which include the grant of restricted shares of the Company’s common stock, a 12-month contract of employment and certain other benefits.

NOW, THEREFORE, in reliance on the premises and terms hereof, the parties agree as follows:

1. Termination Benefits. If, during the term of this Agreement, the Employee’s employment is terminated without Cause, then:

(a) Salary. The Employee will continue to receive 100% of his or her current salary (subject to withholding of all applicable taxes) for a period of twelve (12) months following the date of such termination (the “Transition Period”) in the same frequency as it was being paid prior to termination; provided, however, that should the Employee become employed by another entity prior to the expiration of the Transition Period, the Employee will receive 30% of such current salary from the date of such new employment through the remaining term of the Transition Period. The Employee’s “current salary” will be the highest rate in effect during the six-month period prior to the Employee’s termination.

(b) Equity Compensation. As of any such termination date (without Cause), all of the Employee’s outstanding restricted stock and stock options will become 100% vested and remain exercisable until the expiration dates otherwise in effect had the Employee remained employed by the Company.

2. Definition of Cause. “Cause” means the Employee’s: (i) fraud, gross negligence, willful misconduct or failure to perform essential job duties, which causes material harm to the Business, and which remains uncured for 30 days after receipt of detailed written request for cure, (ii) conviction of any felony or any other crime of moral turpitude, (iii) inability or unwillingness to perform his or her duties for a continuous period of thirty days after receipt of the Company’s written notice thereof, and (iv) death or disability.

3. Confidentiality and Non-Compete. The Employee agrees not to disclose or to use in any way harmful to the Company, any of the Company’s information (including the existence or terms of this Agreement) which has not been made public by the Company, including without limitation, any customer, supplier, technical, marketing or financial information. The Employee will not engage within North America directly or indirectly in competition with any of the Company’s business activities from the date of this Agreement through the Transition Period. If the scope of this provision is deemed overbroad, the parties agree that it shall be construed to apply to the greatest extent legally permissible. If the Employee breaches this Section 3, the Company’s obligation to provide any of the termination benefits described in Section 1 (whether salary continuation payments, equity benefits or otherwise) shall cease immediately and the Company shall be entitled to recover any such benefits previously received by the Employee.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed effective as of the date first set forth above.

SYPRIS SOLUTIONS, INC.

EMPLOYEE

By: _____

By: _____

Name: _____

Name: _____

Date: _____

Date: _____

