



DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

February 3, 2011

Richard Kelley
Vice President – Finance
The Hallwood Group Incorporated
3710 Rawlins, Suite 1500
Dallas, Texas 75219

**Re: The Hallwood Group Incorporated
Form 10-K for Fiscal Year Ended December 31, 2009
Filed March 31, 2010
Amendment No. 1 to Form 10-K for
Fiscal Year Ended December 31, 2009
Filed April 8, 2010
Form 10-Qs for Fiscal Quarters Ended
March 31, 2010, June 30, 2010 and September 30, 2010
Filed May 14, 2010, August 13, 2010 and November 12, 2010, respectively
File No. 001-08303**

Dear Mr. Kelley:

We have completed our review of your filings and do not have any further comments at this time.

Sincerely,

/s/ H. Christopher Owings

H. Christopher Owings
Assistant Director