

Davis Larry T
 Form 4
 January 03, 2007

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Davis Larry T

(Last) (First) (Middle)

GENERAL PHYSICS CORPORATION, 6095 MARSHALEE DRIVE

(Street)

ELKRIDGE, MD 21075

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 GP STRATEGIES CORP [GPX]

3. Date of Earliest Transaction (Month/Day/Year)
 12/28/2006

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Executive Vice President

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 ___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | | (A) or (D) | Price | | |
| Common Stock ⁽¹⁾ | 12/28/2006 | | M | 19,155 | A \$ 6.47 | 42,155 ⁽²⁾ ⁽³⁾ | D |
| Common Stock ⁽¹⁾ | 12/28/2006 | | F | 19,155 | D \$ 8.3 | 23,000 ⁽³⁾ | D |
| Common Stock ⁽²⁾ | 12/28/2006 | | M | 7,183 | A \$ 3.68 | 30,183 ⁽³⁾ | D |
| Common Stock ⁽²⁾ | 12/28/2006 | | F | 4,560 | D \$ 8.3 | 25,623 ⁽³⁾ | D |
| Common Stock | 12/28/2006 | | S | 2,623 | D \$ 8.3 | 23,000 | D |

| | | | |
|--------------|-------|---|-----------------------------------|
| Common Stock | 4,048 | I | GP 401(k) Retirement Savings Plan |
|--------------|-------|---|-----------------------------------|

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Underlying Security (Instr. 3 and 4) | | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|------------------|-----------------|--------------|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title |
| Stock Appreciation Rights ⁽⁴⁾ | \$ 6.47 | 12/28/2006 | | A | 19,155 | 12/28/2006 | 12/28/2006 | | | Common Stock |
| Stock Appreciation Rights | \$ 6.47 | 12/28/2006 | | M | 19,155 | 12/28/2006 | 12/28/2006 | | | Common Stock |
| Stock Appreciation Right ⁽⁵⁾ | \$ 3.68 | 12/28/2006 | | A | 7,183 | 12/28/2006 | 12/28/2006 | | | Common Stock |
| Stock Appreciation Rights | \$ 3.68 | 12/28/2006 | | M | 7,183 | 12/28/2006 | 12/29/2006 | | | Common Stock |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|--------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Davis Larry T GENERAL PHYSICS CORPORATION 6095 MARSHALEE DRIVE ELKRIDGE, MD 21075 | | | Executive Vice President | |

Signatures

Lydia M. DeSantis for Larry T.
Davis

01/03/2007

__Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Reflects cash settlement of stock appreciation right granted on 12/28/06 with respect to previously reported stock options.
- (2) Reflects exercise for stock of stock appreciation right granted on 12/28/06 with respect to previously reported stock options.
- (3) Includes 23,000 shares of Restricted Stock.
- (4) The stock appreciation right is granted with respect to previously reported stock options and may be exercised for cash or stock at the option of the holder. The exercise of the stock appreciation right results in the expiration of the related stock options.
- (5) The stock appreciation right is granted with respect to previously reported stock options and may be exercised for stock. The exercise of the stock appreciation right results in the expiration of the related stock options.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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