

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):

July 3, 2007

BARRETT BUSINESS SERVICES, INC.
(Exact name of registrant as specified in charter)

Maryland
(State or other jurisdiction of incorporation)

0-21886
(SEC File Number)

52-0812977
(IRS Employer Identification No.)

8100 N.E. Parkway Drive, Suite 200
Vancouver, Washington
(Address of principal executive offices)

98662
(Zip Code)

Registrant's telephone number, including area code:

(360) 828-0700

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 7.01. Regulation FD Disclosure.

Barrett Business Services, Inc. (the "Company"), has completed its acquisition of certain assets of Strategic Staffing, Inc., a privately held staffing company with headquarters in Salt Lake City, Utah. As previously reported, the consideration in the transaction included payment of \$12 million in cash, with additional contingent consideration based on future financial performance and calculated as a multiple of pre-tax earnings above a pre-determined target.

The press release announcing the acquisition is attached as Exhibit 99.1 to this Form 8-K and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits: The following exhibit is furnished with this Form 8-K:

99.1 Press Release dated July 3, 2007.

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 thereunto duly authorized.

BARRETT BUSINESS SERVICES, INC.

Dated: July 3, 2007

By: /s/ Michael D. Mulholland
Michael D. Mulholland
Vice President – Finance, Treasurer and Secretary

NEWS RELEASE

For Immediate Release

Contact: William W. Sherertz
President and
Chief Executive Officer

Telephone: (360) 828-0700

BBSI
ANNOUNCES ACQUISITION OF STRATEGIC STAFFING, INC.

VANCOUVER, WASHINGTON, July 3, 2007 - Barrett Business Services, Inc. (Nasdaq: BBSI) today announced that it has successfully completed its acquisition of Strategic Staffing, Inc. based in Salt Lake City, Utah. The transaction was previously announced on May 10, 2007, subject to completion of due diligence. Consideration for the transaction included \$12 million in cash and potential additional consideration that is contingent on the financial performance of the Strategic Staffing offices during the 12-month period beginning July 2, 2007. The contingent consideration, if any, will be calculated as a multiple of pre-tax earnings above a pre-determined target.

Strategic Staffing, a privately held staffing company, operates five offices in Utah and one office in Colorado Springs, Colorado. For 2006, Strategic Staffing's revenues were approximately \$38 million and management expects revenues for 2007 to be approximately \$48 million. BBSI anticipates that this acquisition will increase earnings by approximately 8 to 9 cents per diluted share for the second half of 2007.

BBSI provides a comprehensive range of human resource management solutions to large and small companies throughout many regions of the United States.

Statements in this release about future events or performance, including earnings expectations for 2007, are forward-looking statements, which involve known and unknown risks, uncertainties and other factors that may cause the actual results of the Company to be materially different from any future results expressed or implied by such forward-looking statements. Factors that could affect future results include economic conditions in the Company's service areas, the effect of changes in the Company's mix of services on gross margin, the Company's ability to successfully integrate acquired businesses with its existing operations, future workers' compensation claims experience, the effect of changes in the workers' compensation regulatory environment in one or more of our primary markets, collectibility of accounts receivable, among others. Other important factors that may affect the Company's future prospects are described in the Company's 2006 Annual Report on Form 10-K. Although forward-looking statements help to provide complete information about the Company, readers should keep in mind that forward-looking statements may be less reliable than historical information. The Company undertakes no obligation to update or revise forward-looking statements in this release to reflect events or changes in circumstances that occur after the date of this release.

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