

**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)

January 4, 2008

Appliance Recycling Centers of America, Inc.

(Exact name of registrant as specified in its charter)

Minnesota
(State or other jurisdiction
of incorporation)

000-19621
(Commission
File Number)

41-1454591
(IRS Employer
Identification No.)

7400 Excelsior Blvd., Minneapolis, MN
(Address of principal executive offices)

55426-4517
(Zip Code)

Registrant's telephone number, including area code

(952) 930-9000

(Former name or former address, if changed since last report.)

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))

ITEM 3.01 NOTICE OF DELISTING OR FAILURE TO SATISFY A CONTINUED LISTING RULE OR STANDARD; TRANSFER OF LISTING.

(b) Noncompliance with Continued Listing Rule. On January 9, 2008, Appliance Recycling Centers of America, Inc. (the "Company") notified The NASDAQ Stock Market that, as a result of the resignation of W. William Bednarzyk from the Board of Directors on January 4, 2008 (see Item 5.02(d) below), the Company was not in compliance with the following rules for continued listing on the NASDAQ Capital Market:

- (i) NASDAQ Rule 4350(c), which requires that a majority of the Board of Directors must be comprised of independent directors as defined in NASDAQ Rule 4200; and
- (ii) NASDAQ Rule 4350(d)(2)(A), which requires that the Company must have an audit committee of at least three members, each of whom must be independent as defined in NASDAQ Rule 4200(15)(d) and must meet the other qualifications set forth in Rule 4350(d)(2)(A).

The Company is in the process of seeking a suitable candidate to be elected or appointed to the Board of Directors and the Audit Committee, and expects to regain compliance with the requirements of Rule 4350(c) and Rule 4350(d)(2)(A) before the expiration of the grace periods contained in such rules.

ITEM 5.02: DEPARTURE OF DIRECTORS OR PRINCIPAL OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF PRINCIPAL OFFICERS

(d) Departure of Director. On January 4, 2008, W. William Bednarzyk resigned from the Board of Directors of the Company. Mr. Bednarzyk was a member of the Audit Committee and the Compensation Committee of the Board of Directors. Following Mr. Bednarzyk's resignation, the members of the Audit Committee and the Compensation Committee are Duane S. Carlson and Albin S. Dubiak.

Election of Director. On November 5, 2007, the Board of Directors of the Company elected Morgan Wolf to serve as a director of the Company. Mr. Wolf has not been named to serve on any committees of the Board of Directors. A copy of the press release announcing the election of Mr. Wolf as a director is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

ITEM 9.01: FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits

Exhibit Number

Description

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.

APPLIANCE RECYCLING CENTERS OF AMERICA, INC.

Date: January 11, 2008

/s/ Patrick J. Winters

Patrick J. Winters, Controller



Appliance Recycling Centers of America, Inc.
7400 Excelsior Boulevard, Minneapolis MN 55426 (952) 930-9000

For Immediate Release

For Additional Information Contact:
 Edward R. (Jack) Cameron (CEO)
 (952) 930-9000

**Appliance Recycling Centers of America (ARCA) Names
 New Member to Board of Directors**

Minneapolis, MN—November 5, 2007—Appliance Recycling Centers of America, Inc. (NASDAQ: ARCI) today reported that Morgan Wolf has been named to the company's board of directors. He fills a new position on the board and will initially serve until the next election of directors, which will be held at the company's annual meeting of shareholders in May 2008. Wolf joins current directors Duane S. Carlson, W. William (Bill) Bednarczyk, Albin (Al) S. Dubiak and Edward R. (Jack) Cameron, ARCA's president and CEO, to compose the five-member board.

Wolf currently is a consultant specializing in budget planning and cost analysis for ARCA, as well as for other small local businesses. His 45-year retail career began with Sears and spanned 32 years in a variety of management positions throughout the upper Midwest, including sales promotion, store manager and district manager. After retiring from Sears, he joined ARCA in 1996 as national quality control manager and subsequently held several other positions at the company, including vice president of operations, before retiring from ARCA.

Edward R. (Jack) Cameron, president and chief executive officer, commented: "With his extensive experience in the appliance retailing industry combined with his in-depth working knowledge of ARCA's operations, Morgan Wolf will be a tremendous asset to our board of directors. ARCA has been fortunate to have had the expertise of board members Duane Carlson, Bill Bednarczyk and Al Dubiak, and we welcome Morgan's contributions to the continued growth of ARCA's appliance retailing and recycling operations."

About ARCA

ARCA is one of the nation's largest recyclers of major household appliances for the energy conservation programs of electric utilities. Through its ApplianceSmart operation, ARCA is also one of the nation's leading retailers of special-buy household appliances, primarily those manufactured by Maytag, GE, Frigidaire and Whirlpool. These special-buy appliances, which include close-out, factory overruns and scratch-and-dent unit, typically are not integrated into the manufacturer's normal distribution channel. ApplianceSmart sells these virtually new appliances at a discount to full retail, offers a 100% money-back guarantee and provides warranties on parts and labor. As of October 2007, ApplianceSmart was operating fourteen factory outlets: five in the Minneapolis/St. Paul market; three in the Columbus, Ohio, market; four in the Atlanta market; and two in San Antonio, Texas. As previously announced, ARCA will open its fourth store in the Columbus market in November 2007, bringing the total number of ApplianceSmart outlets nationally to fifteen.

Statements about ARCA's outlook are forward-looking and involve risks and uncertainties, including but not limited to: the strength of recycling programs, the growth of appliance retail sales, the speed at which individual retail stores reach profitability, and other factors discussed in the Company's filings with the Securities and Exchange Commission.

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