

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**

**October 20, 2008**

Date of report (Date of earliest event reported)

**Granite City Food & Brewery Ltd.**

(Exact name of registrant as specified in its charter)

<b>Minnesota</b>	<b>000-29643</b>	<b>41-1883639</b>
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

**5402 Parkdale Drive, Suite 101  
Minneapolis, MN 55416**

(Address of principal executive offices, including zip code)

**(952) 215-0660**

(Registrant's telephone number, including area code)

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 (see General Instruction A.2):

- 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.**

(a) On October 20, 2008, we received a deficiency letter from the NASDAQ Stock Market ("NASDAQ") Listing Qualifications Department notifying us that, for the past 30 consecutive business days, the bid price for our common stock has closed below the minimum \$1.00 per share requirement for continued inclusion on the NASDAQ Global Market under Marketplace Rule 4450(a)(5).

NASDAQ further advised that it has determined to suspend enforcement of its bid price and market value of publicly held shares requirements through January 16, 2009. Following reinstatement of these rules, we will be provided until July 20, 2009 to regain compliance, which will require a closing bid price for our common stock above \$1.00 for a minimum of 10 consecutive business days. If we are not in compliance with Marketplace Rule 4450(a)(5) by July 20, 2009, we may be eligible to have the listing of our shares transferred to the NASDAQ Capital Market, if on such date we meet the initial listing requirements for the NASDAQ Capital Market, other than the minimum bid price. If we were eligible to and determined to transfer such listing to the NASDAQ Capital Market, we would have an additional period of 180 days to regain compliance with the minimum bid price requirement for a period of at least 10 consecutive business days. Alternatively, we could appeal a delisting determination to the NASDAQ Listing Qualifications Panel and thereby attempt to retain our listing on the NASDAQ Global Market.

There can be no guarantee that we will be able to regain compliance with NASDAQ continued listing requirements. If our common stock were delisted, the delisting may have an adverse impact on the price of our shares, the volatility of the price of our shares, and/or the liquidity of an investment in our shares.

If we have not regained compliance by the expiration of the temporary rule suspension, we anticipate that we will prepare a plan to achieve compliance with NASDAQ listing requirements.

We issued a press release regarding receipt of the NASDAQ deficiency letter on October 23, 2008, which is attached hereto as Exhibit 99 and incorporated herein by reference.

**ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS**

(d) Exhibits.

See "Exhibit Index."

**SIGNATURE**

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.

Granite City Food & Brewery Ltd.

Date: October 23, 2008

By: /s/ James G. Gilbertson  
James G. Gilbertson  
Chief Financial Officer

## EXHIBIT INDEX

**Exhibit  
Number**

**Description**

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99      Press Release, dated October 23, 2008.

**Granite City Food & Brewery Ltd. Receives Notice of  
Non-Compliance from NASDAQ**  
**Suspension of Enforcement Allows Company Until July 20, 2009 to Regain Compliance**

MINNEAPOLIS, October 23, 2008 – Granite City Food & Brewery Ltd. (NASDAQ:GCFB), a Modern American upscale casual restaurant chain, today announced that it has received a notice from NASDAQ regarding its non-compliance with the \$1.00 per share minimum requirement for continued listing of its common stock under Marketplace Rule 4450(a)(5).

NASDAQ further advised that it has determined to suspend enforcement of its bid price and market value of publicly held shares requirements through January 16, 2009. Following reinstatement of these rules, Granite City will be provided until July 20, 2009 to regain compliance.

If Granite City has not regained compliance by the expiration of the temporary rule suspension, management anticipates that it will prepare a plan to achieve compliance with NASDAQ listing requirements. Such plan may include a request to transfer the listing of the company's common stock to the NASDAQ Capital Market, which would, if the company's application is approved, provide the company with a second period of 180 calendar days to regain compliance.

If NASDAQ determines that Granite City's plan does not adequately address the noted non-compliance, or if Granite City fails to maintain compliance with any other listing requirement, Granite City will receive notice that its securities will be delisted from NASDAQ. At that time, Granite City would have the ability to appeal the decision to a NASDAQ Listing Qualifications Panel.

If Granite City's securities do not continue to be listed on NASDAQ, such securities would become subject to certain rules of the SEC relating to "penny stocks." Such rules require broker-dealers to make a suitability determination for purchasers and to receive a purchaser's prior written consent for a purchase transaction, thus restricting the ability to purchase or sell the securities in the open market. In addition, trading, if any, would be conducted in the over-the-counter market in the so-called "pink sheets" or on the OTC Bulletin Board, which was established for securities that do not meet NASDAQ listing requirements. Consequently, selling Granite City's securities would be more difficult because smaller quantities of securities could be bought and sold, transactions could be delayed, and security analyst and news media coverage of Granite City may be reduced. These factors could result in lower prices and larger spreads in the bid and ask prices for Granite City securities. There can be no assurance that Granite City securities will continue to be listed on NASDAQ.

Granite City Food & Brewery Ltd. is a Modern American upscale casual restaurant chain that operates 25 restaurants in 11 states. The menu features affordable yet high quality family favorite menu items prepared from made-from-scratch recipes and served in generous portions. The sophisticated yet unpretentious restaurants, proprietary food and beverage products, attractive price points and high service standards combine for a great dining experience. Granite City opened its first restaurant in 1999. Additional information about Granite City Food & Brewery Ltd. can be found at the company's website ([www.gcfb.net](http://www.gcfb.net)).

Contact:  
Granite City Food & Brewery Ltd.  
James G. Gilbertson, 952-215-0676  
Chief Financial Officer