DIXIE GROUP INC

Form 4

December 21, 2005

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

OMB Number:

Expires:

response...

3235-0287 January 31,

0.5

Check this box

if no longer subject to Section 16. Form 4 or

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

2005 Estimated average burden hours per

OMB APPROVAL

Form 5 obligations

may continue. See Instruction

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

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * **DAVIS W DEREK**

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to Issuer

DIXIE GROUP INC [DXYN]

(First) (Middle) (Last)

3. Date of Earliest Transaction

Director 10% Owner

(Check all applicable)

THE DIXIE GROUP, 2208 SOUTH

X_ Officer (give title Other (specify below)

below) VP - Human Resources

HAMILTON ST.

(Street)

4. If Amendment, Date Original 6. Individual or Joint/Group Filing(Check

Applicable Line)

Filed(Month/Day/Year)

(Month/Day/Year)

12/20/2005

X Form filed by One Reporting Person Form filed by More than One Reporting

(Instr. 4)

Person

DALTON, GA 30721

(City) (State) (Zip)

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

1. Title of Security (Instr. 3)

2. Transaction Date 2A. Deemed (Month/Day/Year)

Execution Date, if

(Month/Day/Year)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D) (Instr. 3, 4 and 5) (Instr. 8)

5. Amount of Securities Beneficially Owned Following

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect Beneficial Ownership (T)

(Instr. 4)

(A)

Reported Transaction(s)

(Instr. 3 and 4) Code V Amount (D) Price

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

Conversion or Exercise

3. Transaction Date 3A. Deemed (Month/Day/Year)

Execution Date, if any

4. 5. Number of **Transaction**Derivative Code Securities

6. Date Exercisable and **Expiration Date** (Month/Day/Year)

7. Title and Amount of **Underlying Securities** (Instr. 3 and 4)

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(Instr. 3) Price of (Month/Day/Year) (Instr. 8) Acquired (A) Derivative or Disposed of Security (D)

(Instr. 3, 4, and 5)

Code V (A) (D) Date Expiration Title Exercisable Date

or Number

Amount

of Share:

Employee

Stock Common Option \$ 13.51 15,000 12/20/2005 12/20/2015 Stock, \$3 12/20/2005 A 15,000 (right to

par value

buy)

Reporting Owners

Relationships Reporting Owner Name / Address

> Director 10% Owner Officer Other

DAVIS W DEREK THE DIXIE GROUP 2208 SOUTH HAMILTON ST. **DALTON, GA 30721**

VP - Human Resources

Signatures

Steven R. Barrett, by power of attorney for W. Derek

Davis 12/21/2005

> **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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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