DIXIE GROUP INC

Form 4

March 22, 2006

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number:

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OMB APPROVAL

if no longer subject to Section 16. Form 4 or Form 5 obligations

may continue.

See Instruction

Check this box

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 * FRIERSON PAUL K

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to Issuer

DIXIE GROUP INC [DXYN]

(Check all applicable)

(Last)

(First) (Middle) 3. Date of Earliest Transaction

_X__ Director Officer (give title

10% Owner Other (specify

141 BROW LAKE ROAD

03/20/2006

(Month/Day/Year)

below) 6. Individual or Joint/Group Filing(Check

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

Applicable Line)

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

Person

LOOKOUT MOUNTAIN, 2Q 30750

(Street)

(City)	(State)	(Zip) Tab	le I - Non-	Derivativ	e Secu	rities Acqui	red, Disposed of,	or Beneficiall	y Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	Code (Instr. 8)	4. Securities Acquired (A) our Disposed of (D) (Instr. 3, 4 and 5) (A) or			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	Ownership In Form: B Direct (D) C	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock, \$3 par value	03/20/2006		Code V M		(D)	Price \$ 4.875	55,981 <u>(1)</u>	D	
Common Stock, \$3 par value	03/20/2006		M	3,766	A	\$ 7.66	59,747 <u>(1)</u>	D	
Common Stock, \$3 par value	03/20/2006		S	5,766	D	\$ 15.3924	53,981 (1)	D	
Common Stock, \$3 par value	03/21/2006		S	3,000	D	\$ 15.1985	50,981 (1)	D	

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5,486	I	By Trust
6,080	I	By Wife

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

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SEC 1474 (9-02)

$\label{thm:convergence} \begin{tabular}{ll} Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned \\ (e.g., puts, calls, warrants, options, convertible securities) \end{tabular}$

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date 3A. Deemed (Month/Day/Year) Execution Date, if any (Month/Day/Year)		4. Transactic Code (Instr. 8)	5. Number on 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 Amount of Underlying Securities (Instr. 3 and 4)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (right to buy)	\$ 4.875	03/20/2006		M	1,250	08/22/1998	08/22/2006	Common Stock, \$3 par value	1,250
Employee Stock Option (right to buy)	\$ 4.875	03/20/2006		M	1,250	08/22/1999	08/22/2006	Common Stock, \$3 par value	1,250
Employee Stock Option (right to buy)	\$ 4.875	03/20/2006		M	1,250	08/22/2000	08/22/2006	Common Stock, \$3 par value	1,250
Employee Stock Option (right to buy)	\$ 4.875	03/20/2006		M	1,250	08/22/2001	08/22/2006	Common Stock, \$3 par value	1,250

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Employee Stock Option (right to buy)	\$ 7.66	03/20/2006	M	766	11/02/2002	05/02/2007	Common Stock, \$3 par value	766
Employee Stock Option (right to buy)	\$ 7.66	03/21/2006	M	3,000	11/02/2002	05/02/2007	Common Stock, \$3 par value	3,000

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

FRIERSON PAUL K
141 BROW LAKE ROAD X
LOOKOUT MOUNTAIN, 2Q 30750

Signatures

John F. Henry, Jr., by power of attorney for Paul K. Frierson 03/22/2006

**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).

Includes 1,936 shares of Common Stock allocated to the Reporting Person's account under the Issuer's 401(k) plan and 592 shares of 1. Common Stock deemed held pursuant to performance units issued as payment of one half of the annual ratainer for the Issuer's

(1) Common Stock deemed held pursuant to performance units issued as payment of one-half of the annual retainer for the Issuer's non-employee directors.

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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