

DIXIE GROUP INC  
Form 4  
March 22, 2006

**FORM 4**

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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

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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
FRIERSON PAUL K

(Last) (First) (Middle)  
141 BROW LAKE ROAD  
(Street)  
LOOKOUT MOUNTAIN, 2Q 30750

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
DIXIE GROUP INC [DXYN]

3. Date of Earliest Transaction  
(Month/Day/Year)  
03/20/2006

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

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

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount (A) or (D) Price		
Common Stock, \$3 par value	03/20/2006		M		5,000 A \$ 4.875	55,981 (1)	D
Common Stock, \$3 par value	03/20/2006		M		3,766 A \$ 7.66	59,747 (1)	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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Common Stock, \$3 par value	5,486	I	By Trust
Common Stock, \$3 par value	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)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities (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)	Amount or Number of Shares	
				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	

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 LOOKOUT MOUNTAIN, 2Q 30750		X		

## 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 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.  
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