

Riley Christopher N
 Form 4
 May 04, 2007

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 *
 Riley Christopher N

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
 05/03/2007

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

PO BOX 11467

VP Product Quality & Develop.

(Street)

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

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

MOBILE, AL 36671-0467

(City) (State) (Zip)

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 | 05/03/2007 | | S | | 2,200 D \$ 12.0004 | 23,155 (1) | D |
| Common Stock, \$3 par value | 05/03/2007 | | S | | 4,000 D \$ 12.0616 | 19,155 (1) | D |
| Common Stock, \$3 par value | 05/03/2007 | | S | | 3,500 D \$ 12 | 15,655 (1) | D |
| Common Stock, \$3 | 05/03/2007 | | S | | 1,800 D \$ 12.0044 | 13,855 (1) | D |

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| | | | | | | | | |
|-----------------------------|------------|--|---|-------|---|---------|-------------------|---|
| par value | | | | | | | | |
| Common Stock, \$3 par value | 05/03/2007 | | G | 900 | D | \$ 0 | 12,955 <u>(1)</u> | D |
| Common Stock, \$3 par value | 05/03/2007 | | D | 725 | D | \$ 12 | 12,230 <u>(1)</u> | D |
| Common Stock, \$3 par value | 05/03/2007 | | M | 1,250 | A | \$ 6.96 | 13,480 <u>(1)</u> | D |

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

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(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 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) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Common Stock, \$3 par value option to buy | \$ 6.96 | 05/03/2007 | | M | 1,250 | 05/02/2007 05/02/2012 | Common Stock, \$3 par value | 1,250 |

Reporting Owners

Reporting Owner Name / Address

Relationships

Riley Christopher N
PO BOX 11467
MOBILE, AL 36671-0467

Director 10% Owner Officer Other

VP Product Quality & Develop.

Signatures

/s/ John F. Henry, Jr., by Power of Attorney for Christopher N.
Riley

05/04/2007

__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).
- (1) Includes 8,182 shares of restricted stock.

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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