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

Date of Report (Date of earliest event reported): January 18, 2006 THE DIXIE GROUP, INC. (Exact name of Registrant as specified in its charter) 0-2585 62-0183370 Tennessee (State or other jurisdiction of incorporation) (Commission File Number) (I.R.S. Employer Identification No.) 345-B Nowlin Lane, Chattanooga, Tennessee (Address of principal executive offices) Registrant's telephone number, including area code (423) 510-7010 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. below): [] 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 1.01 Entry Into a Material Definitive Agreement.

Effective January 18, 2006, The Dixie Group, Inc. amended the Employment Agreement with David E. Polly dated November 20, 2002 to extend the term of the agreement for an additional year, so that it now runs through November 19, 2007.

Exhibit No. Description

10.1 Second Amendment, dated January 18, 2006, to Employment Agreement dated November 20, 2002 between The Dixie Group, Inc. and David E. Polley.

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SIGNATURES

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.

Date: January 18, 2006 THE DIXIE GROUP, INC.

By: /s/ Gary A. Harmon

Gary A. Harmon Chief Financial Officer

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