

DIXIE GROUP INC  
Form 4  
September 25, 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 \*  
RGM Capital, LLC

(Last) (First) (Middle)

6621 WILLOW PARK  
DRIVE, SUITE ONE

(Street)

NAPLES, FL 34109

(City) (State) (Zip)

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

3. Date of Earliest Transaction  
(Month/Day/Year)  
09/19/2007

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
\_\_\_ Form filed by One Reporting Person  
\_X\_ 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 (D) Price			
Common Stock, \$3.00 par value per share	09/19/2007		P	24,634 A \$ 9.9387	1,256,365	I	By private investment limited partnerships and a separately managed account <sup>(1)</sup>
Common Stock, \$3.00 par value per	09/20/2007		P	11,940 A \$ 9.7123	1,268,305	I	By private investment limited partnerships

share

and a separately managed account <sup>(1)</sup>

Common Stock, \$3.00 par value per share

09/21/2007

P

5,191

A

\$ 9.9497

1,273,496

I

By private investment limited partnerships and a separately managed account <sup>(1)</sup>

Common Stock, \$3.00 par value per share

09/24/2007

P

7,535

A

\$ 9.8294

1,281,031

I

By private investment limited partnerships and a separately managed account <sup>(1)</sup>

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 (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. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned Following Reporting Transaction (Instr. 6)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

## Reporting Owners

Reporting Owner Name / Address

Relationships

Reporting Owners

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Director 10% Owner Officer Other

RGM Capital, LLC  
6621 WILLOW PARK DRIVE  
SUITE ONE X  
NAPLES, FL 34109

Moses Robert G  
RGM CAPITAL, LLC X  
6621 WILLOW PARK DRIVE SUITE ONE  
NAPLES, FL 34109

## Signatures

Robert G. 09/25/2007  
Moses

Signature of Reporting Person Date

Robert G. 09/25/2007  
Moses

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).

This Form 3 is filed jointly by Robert G. Moses and RGM Capital, LLC ("RGM"). The securities reported on this Form 3 are either held in the name of private investment limited partnerships, of which RGM is the general partner, or in the name of a separately managed (1) account for which RGM is investment manager. By virtue of his position as the managing member of RGM, Mr. Moses may be deemed to own the securities reported in this Form 3. Mr. Moses and RGM disclaim beneficial ownership of the securities reported on this Form 3 except to the extent of their pecuniary interest therein.

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.