

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): March 8, 2024



THE DIXIE GROUP

THE DIXIE GROUP, INC.

(Exact name of registrant as specified in its charter)

Tennessee

(State or other jurisdiction of incorporation)

0-2585

(Commission File Number)

62-0183370

(I.R.S. Employer Identification No.)

475 Reed Road

Dalton

Georgia

30720

(Address of principal executive offices)

(Zip Code)

(706) 876-5800

(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report.)

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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class

Common Stock, \$3 Par Value

Trading Symbol(s)

DXYN

Name of each exchange on which registered

NASDAQ Stock Market, LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).
Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 7.01 Regulation FD Disclosure.

The information attached as Exhibit 99.1 hereto supersedes the investor presentation previously furnished on Form 8-K dated November 13, 2023 and is being furnished pursuant to Item 7.01; such information, including the information excerpted below in this Item 7.01, shall not be deemed to be "filed" for any purpose.

These updated investor presentation materials may be found on the Company's website at <https://investor.dixiegroupp.com>.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits

(99.1) [Presentation Materials, March 8, 2024.](#)

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: March 8, 2024

THE DIXIE GROUP, INC.

By: /s/ Allen L. Danzey

Allen L. Danzey

Chief Financial Officer



THE DIXIE GROUP

Exhibit 99.1

March 2024 Investor Presentation

Contact:
Allen Danzey
CFO
The Dixie Group

Phone: 706-876-5865

allen.danzey@dixiegroup.com

Forward Looking Statements

The Dixie Group, Inc.



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- Statements in this presentation which relate to the future, are subject to risk factors and uncertainties that could cause actual results to differ materially from those indicated in such forward-looking statements. Such factors include the levels of demand for the products produced by the Company. Other factors that could affect the Company's results include, but are not limited to, raw material and transportation costs related to petroleum prices, the cost and availability of capital, and general economic and competitive conditions related to the Company's business. Issues related to the availability and price of energy may adversely affect the Company's operations. Additional information regarding these and other factors and uncertainties may be found in the Company's filings with the Securities and Exchange Commission.
 - General information set forth in this presentation concerning market conditions, sales data and trends in the U.S. carpet and rug markets are derived from various public and, in some cases, non-public sources. Although we believe such data and information to be accurate, we have not attempted to independently verify such information.

Dixie History



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- 1920 Began as Dixie Mercerizing in Chattanooga, TN
 - 1990's Transitioned from textiles to floorcovering
 - 2003 Refined focus on upper- end floorcovering market
 - 2003 Launched Dixie Home - upper end residential line
 - 2005 Launched modular tile carpet line – new product category
 - 2012 Purchased Colormaster dye house and Crown Rugs
 - 2013 Purchased Robertex - wool carpet manufacturing
 - 2014 Purchased Atlas Carpet Mills – high-end commercial business
 - 2014 Purchased Burtco - computerized yarn placement for hospitality
 - 2016 Launched Calibr  luxury vinyl flooring in Masland Contract
 - 2017 Launched Stainmaster® LVF in Masland and Dixie Home
 - 2018 Launched engineered wood in our Fabrica brand
 - 2018 Unified Atlas and Masland Contract into single business unit
 - 2019 Launched TRUCOR™ and TRUCOR Prime™ LVF in Dixie Home and Masland
 - 2021 Sale of AtlasMasland Commercial Business
 - 2022 Launched 1866 by Masland and D cor by Fabrica
 - 2024 Celebrating the 50th Anniversary of the Fabrica Brand

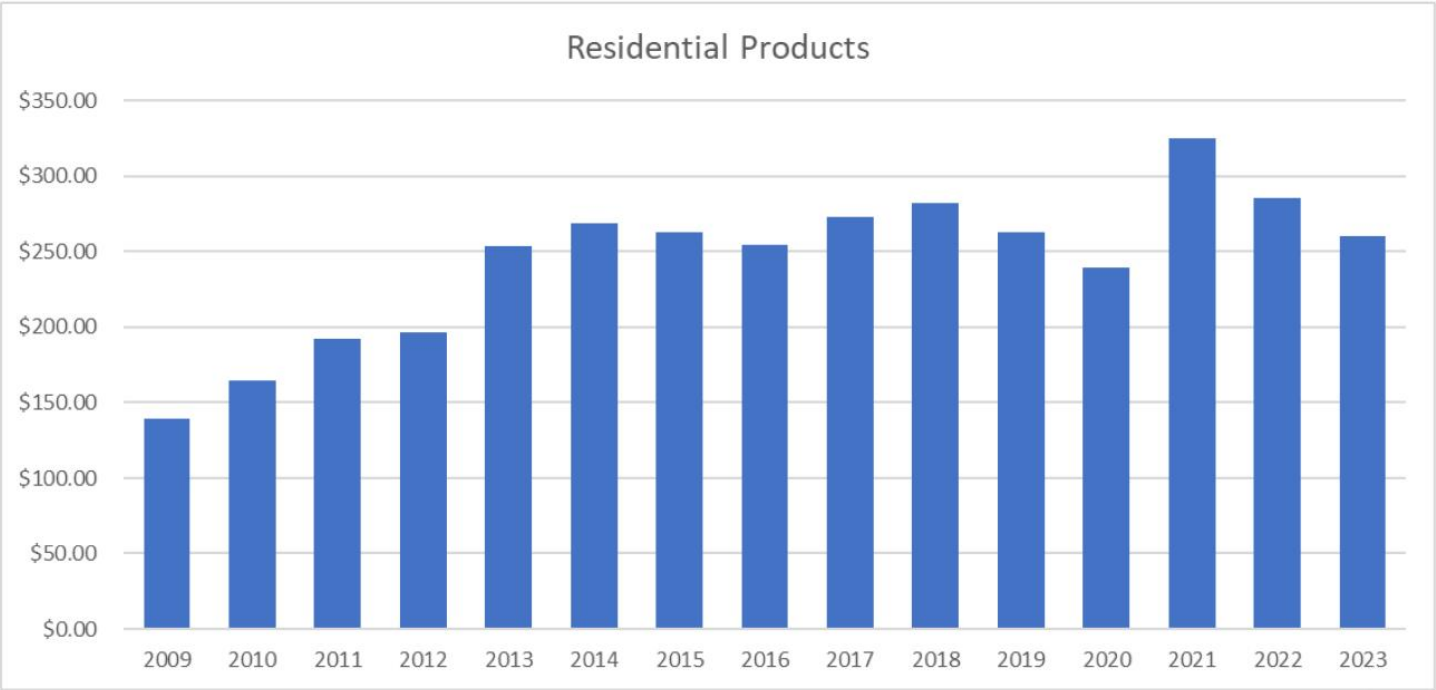
Dixie Today



- Commitment to brands in the upper-end residential market with strong growth potential.
- Diversified customer base
 - Top 10 customers
 - 6% of sales
 - Top 100 customers
 - 24% of sales

Net Sales of Residential Products

(\$ shown in millions)

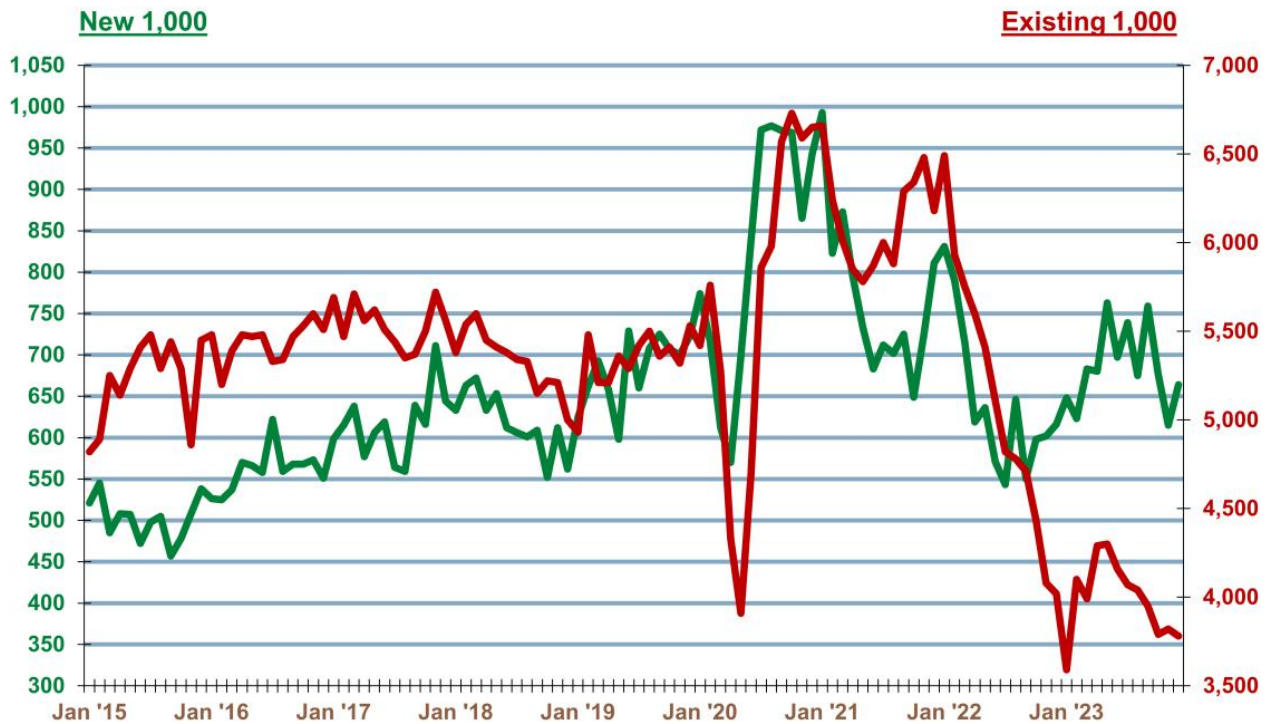


Dixie Group Business Drivers



- The residential flooring market is driven by remodeling, existing home sales and new construction of single family and multifamily housing.
- Our residential business plays primarily in the mid to high end residential replacement segment, dependent upon consumer confidence, the health of the stock market and the wealth effect.

New and Existing Home Sales Seasonally Adjusted Annual Rate



Source: National Association of Realtors (existing) and census.gov/newhomesales

Leading Indicator of Remodeling Activity – Fourth Quarter 2023



Notes: Improvements include remodels, replacements, additions, and structural alterations that increase the value of homes. Routine maintenance and repairs preserve the current quality of homes. Historical estimates since 2021 are produced using the LIRA model until American Housing Survey benchmark data become available.

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2022 U.S. Flooring Manufacturers



Flooring Manufacturers	Flooring \$ in millions	Flooring Market %
Shaw (Berkshire Hathaway)	6,076	24.7%
Mohawk (MHK)	5,306	21.6%
MSI	1,435	5.8%
Engineered Floors	1,414	5.7%
Mannington	1,010	4.1%
Imports & All Others	9,344	38.0%
Total	24,585	100.0%

Source: Floor Focus - Flooring includes sales of carpet, rugs, ceramic floor tile, wood, laminate, resilient and rubber

Industry Positioning

The Dixie Group



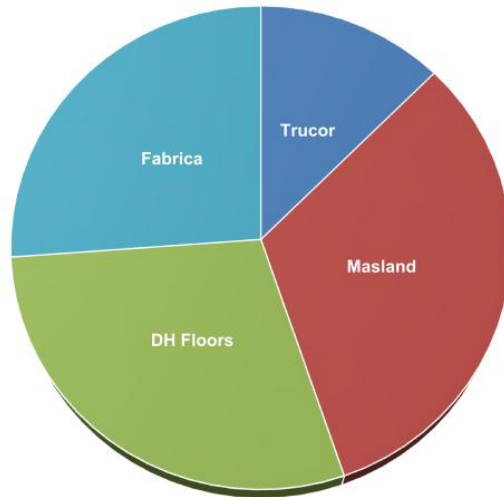
- Strategically our business is driven by our relationship to the upper-end consumer and the design community
- This leads us to:
 - Have a sales force that is attuned to design and customer solutions
 - Be a “product driven company” with an emphasis on beautiful and trend setting styles, colors, and designs
 - Be quality focused with a reputation for building excellent products and standing behind what we make
 - And, unlike most of the industry, not manufacturing driven

Dixie Group High-End Residential Sales All Brands



Sales by Brand for Q4 2023

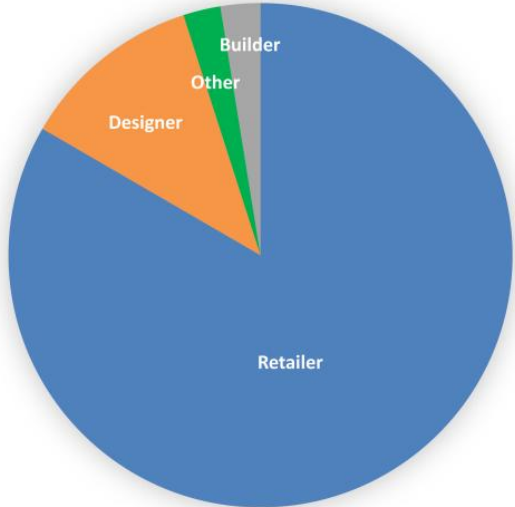
Trailing Twelve Months



Dixie Group High-End Residential Sales All Brands

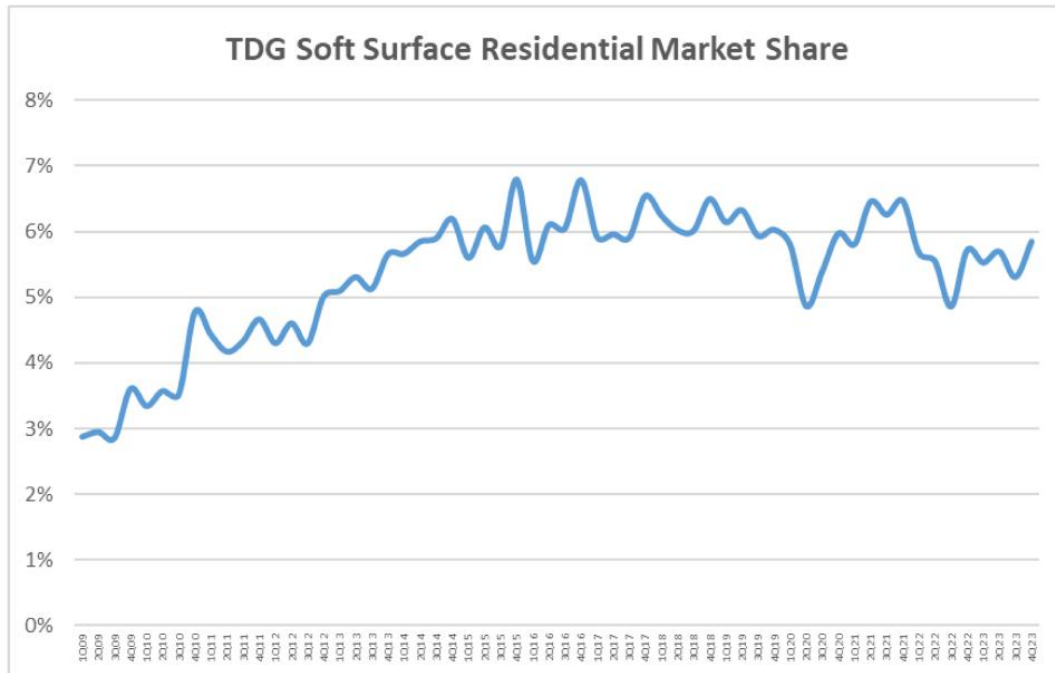


Sales by Channel for Q4 2023
Trailing Twelve Months



The company believes that a significant portion of retail sales also involve a designer.

Market Share



Sales by The Dixie Group as a percent of the estimated total residential market



- In January 2023, we rebranded Dixie Home as DH Floors and celebrated 20 years in the market.
- Affordable Fashion: DH Floors provides well styled carpet and hard surface designs in the mid to high end residential market.
- With a broad range of price points, DH Floors meets the needs of a wide range of consumers through the specialty retail channel.
- During 2023, our new collection of beautiful carpet styles made with Durasilk™ SD Pet Solutions polyester was well received by the market and became a key growth category.
- Growth initiatives
 - Durasilk™ Solution Dyed Polyester
 - TRUCOR® SPC flooring
 - DH engineered wood
 - EnVision Nylon™
 - EnVisionSD Pet Solutions™



- Inspired by Design: leading high-end brand with reputation for innovative styling, design and color
- High-end retail / designer driven, approximately 17% of sales directly involve a designer
- The most versatile offering in the industry



- Growth initiatives
 - TRUCOR® Prime WPC flooring
 - TRUCOR® Energy SPC flooring
 - TRUCOR® Tymbr high performance laminate flooring
 - 1866 by Masland high end wool and decorative carpet and rugs
 - EnVision Nylon™
 - EnVisionSD Pet Solutions™



- Quality without Compromise: beautiful, high end residential products, manufactured with the finest raw materials and an unwavering commitment to quality and attention to detail.
- Designer focused, approximately 23% of sales directly involve a designer
- Custom construction, pattern, and color capabilities.
- Celebrating the Fabrica brand's 50th Anniversary in 2024
- Growth initiatives
 - Fabrica Fine Wood Floors, a sophisticated collection of refined wood flooring
 - EnVision Nylon™
 - Décor by Fabrica – high end wool and decorative carpet and rugs

Current Business Conditions



Operating Results

- The results for the fiscal year 2023 reflected the positive impact of our facility consolidation efforts, fiber conversions and cost reductions as our gross profit margin was 26.7% for the year
- The operating income in 2023 \$5.0 million which included facility consolidation expenses in the amount of \$3.9 million and an \$8.2 million gain on the sale and leaseback of our Adairsville, Georgia facility
- For the year to date in 2024, order entry is closely in line with the comparable period in the prior year.

Growth Initiatives

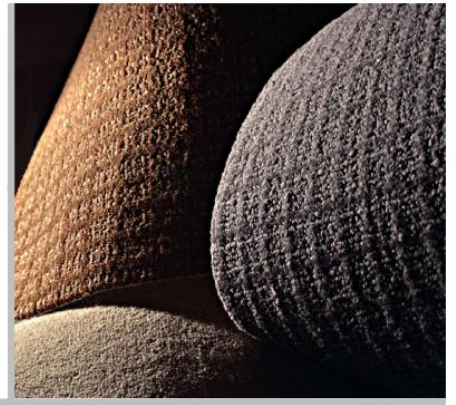
- In 2023 we launched our Elements Collection in DH Floors, featuring cut pile textures and patterns made with Durasilk™SD Pet Solutions polyester. These products have been very well received by the market and we are seeing strong levels of order entry and sales.
 - Ongoing development of best-in-class products under our EnVision Nylon™ and EnVisionSD Pet Solutions™ platforms.
 - Continued innovation and introduction of new hard surface products into our growing TRUCOR® and Fabrica Fine Wood programs; we are also entering new categories such as high-performance laminate to diversify our hard surface offering. We saw positive growth in hard surfaces in 2023.
 - Execution of our new decorative segment strategy. 1866 by Masland, 1866 All Seasons Collection, and Décor by Fabrica. Fueled by new products, this segment grew nicely in 2023.
 - Throughout 2023 we gained share in the residential replacement market, for both soft surface and hard surface. Our highest end brands were notably strong in the challenging market conditions we faced.
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FABRICA

Masland

INSPIRED BY DESIGN.





THE DIXIE GROUP



DIXIE
HOME 

 TRUCOR®
FLOORING SIMPLIFIED



