

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):

May 11, 2022



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 GA
(Address of principal executive offices)

30720
(zip code)

706

876-5800

(Registrant's telephone number, including area code)

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 7.01 Regulation FD Disclosure.

The information attached as Exhibit 99.1 hereto supersedes the investor presentation previously furnished on Form 8-K dated March 10, 2022 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.dixiegroup.com>.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits

(99.1) [Presentation Materials, May 11, 2022.](#)



THE DIXIE GROUP

Exhibit 99.1

**May 2022
Investor Presentation**

**Contact:
Allen Danzey
CFO
The Dixie Group**

Phone: 706-876-5865

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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



THE DIXIE GROUP

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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 Calibré 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 decorative segment programs, 1866 by Masland and Décor by Fabrica



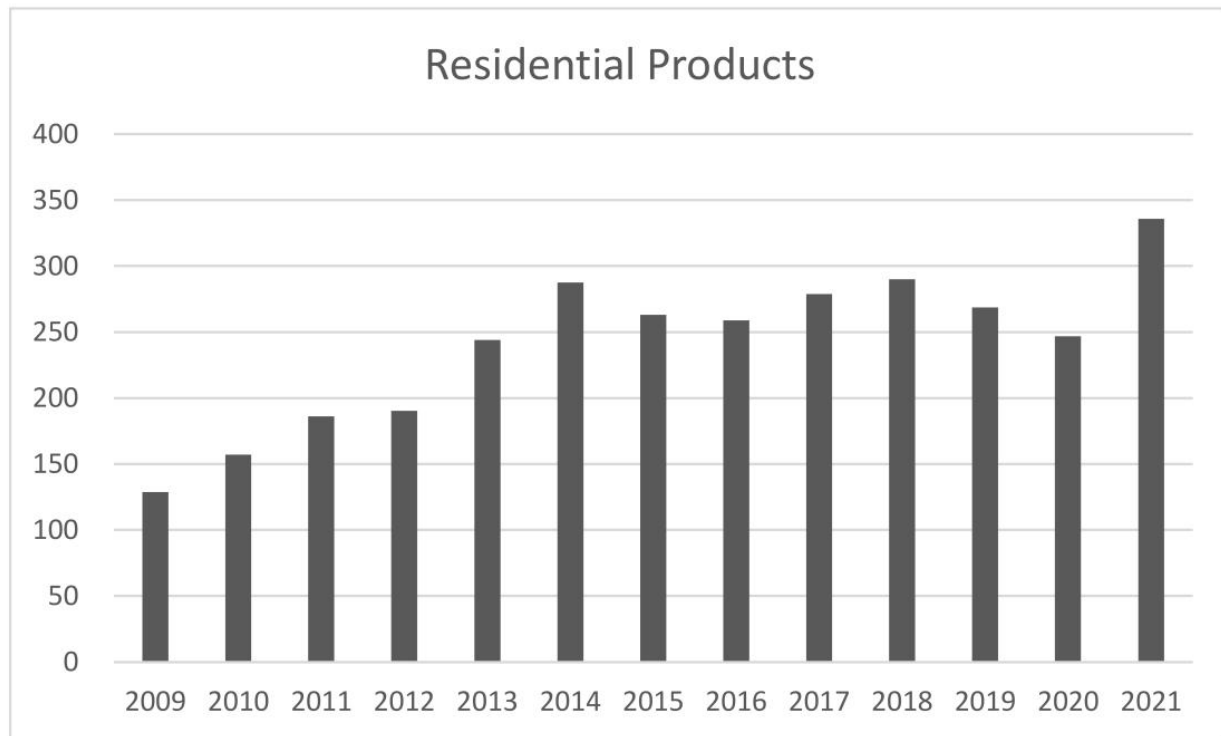
- Commitment to brands in the upper-end residential market with strong growth potential.
- Diversified customer base (TTM Basis)
 - Top 10 customers
 - 12% of sales
 - Top 100 customers
 - 29% of sales

Net Sales of Residential Products

(\$ shown in millions)



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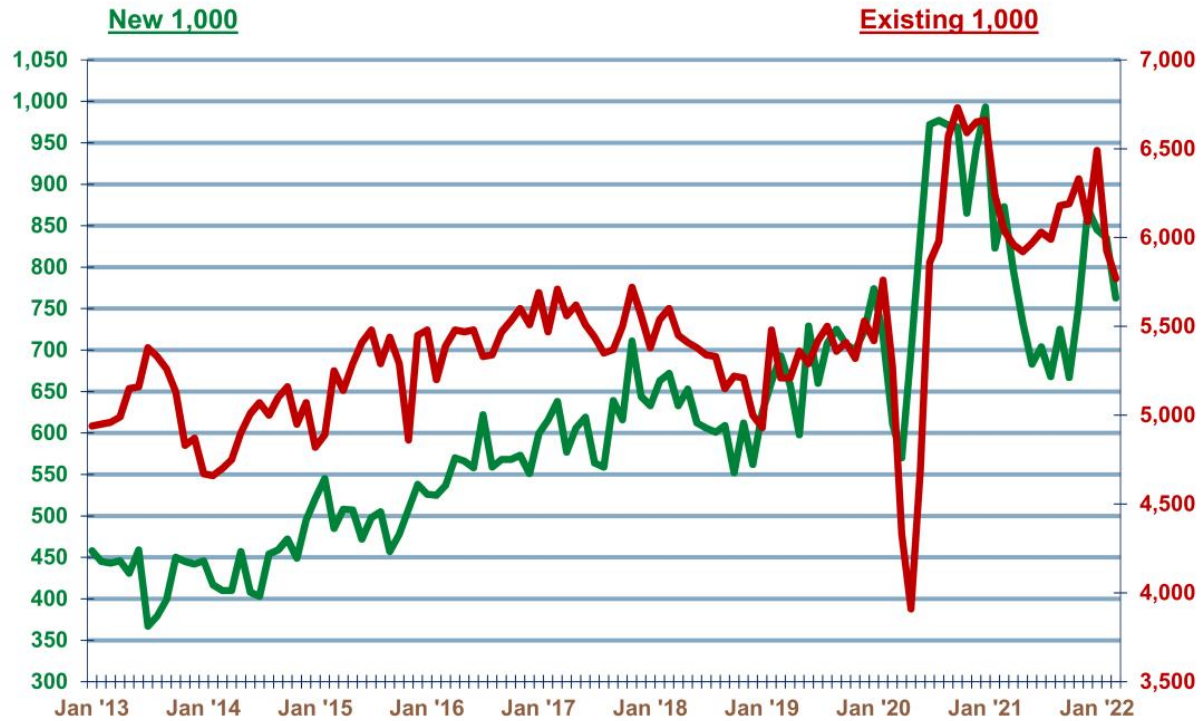
Dixie Group Business Drivers



- 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 – First Quarter 2022



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 2019 are produced using the LIRA model until American Housing Survey benchmark data become available.

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Joint Center for Housing Studies of Harvard University





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2021 Top 10 U.S. Flooring Manufacturers

Flooring Manufacturerrrs	U.S. Flooring Sales \$ in Millions	U.S. Flooring Market %
Shaw	6,144	22.4%
Mohawk	5,259	19.2%
Engineered Floors	1,226	4.5%
Mannington	956	3.5%
Tarkett	726	2.6%
Interface	597	2.2%
Emser	563	2.1%
Armstrong	478	1.7%
MSI	463	1.7%
The Dixie Group	341	1.2%
Imports and All Others	10,704	39.0%
Total U.S. Market	27,457	100.0%

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

Industry Positioning

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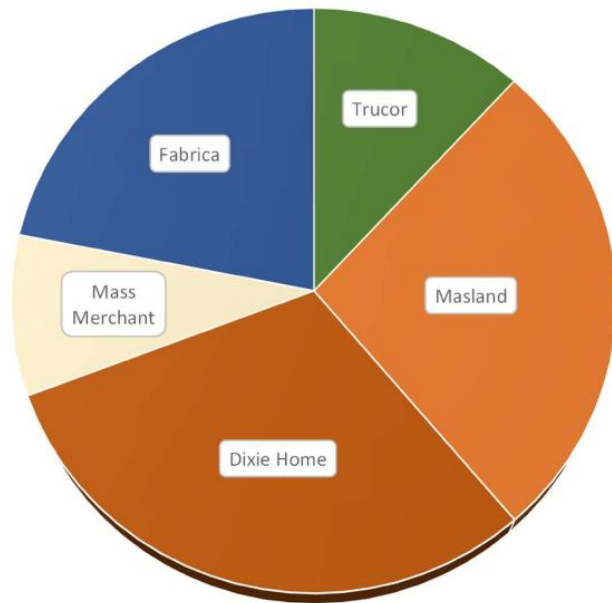


- Strategically our business is driven by our relationship to the upper-end consumer and the design community
- This leads us to:
 - Have a sales force that is attuned to design and customer solutions
 - Be a “product driven company” with emphasis on the most beautiful and up-to-date styling and design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

Dixie Group High-End Residential Sales All Brands



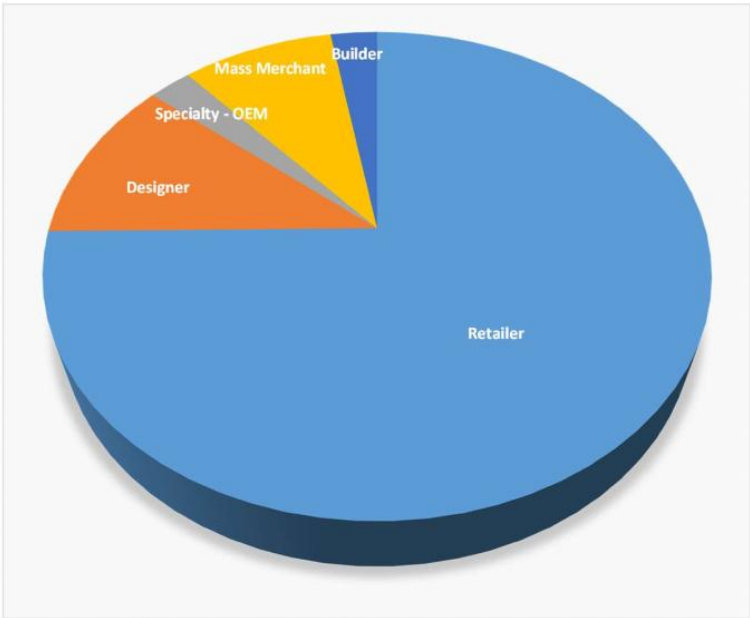
Sales by Brand for Q1 2022 (TTM)



Dixie Group High-End Residential Sales All Brands



Sales by Channel for Q1 2022 (TTM)

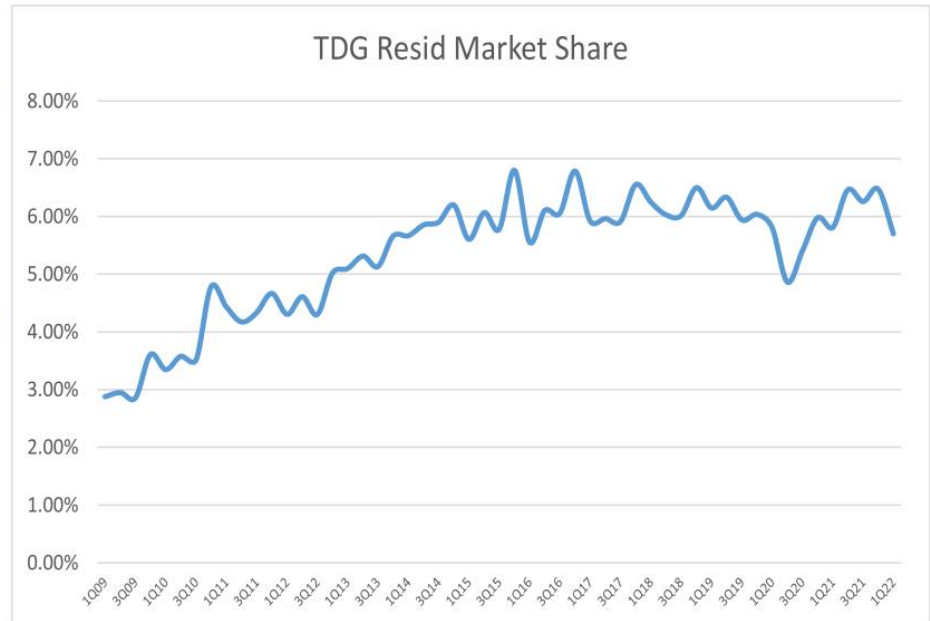


The company believes that a significant portion of retail sales also involve a designer.



Market Share

- Doubled our market share of carpet in the past 10 years, aided by an upper end segment that outpaced the market
- Successfully entered the hard surface market in the rigid core and engineered wood segments





- Affordable Fashion: Dixie Home provides well styled carpet and hard surface designs in the mid to high end residential market.
- With a broad range of price points, Dixie Home meets the needs of a variety of consumers through specialty retailers and mass merchants.
- Growth initiatives
 - TRUCOR™ SPC and TRUCOR Prime™ WPC flooring
 - EnVision Nylon™
 - EnVisionSD Pet Solutions™
 - Dwellings by Dixie Home engineered wood



- Leading high-end brand with reputation for innovative styling, design and color
- High-end retail / designer driven
 - Approximately 19% of sales directly involve a designer
 - Hand crafted and imported rugs
- Growth initiatives
 - TRUCOR Prime™ WPC Luxury Vinyl Flooring &
 - TRUCOR™ Energy SPC flooring
 - EnVision Nylon™
 - TRUCOR® Tymbr high performance laminate flooring
 - 1866 by Masland - high end wool and decorative segment



- Premium high-end brand
 - “Quality without Compromise”
- Designer focused
 - Approximately 26% of sales directly involve a designer
 - Hand crafted and imported rugs



- Growth initiatives
 - Fabrica Fine Wood Flooring, a sophisticated collection of refined wood flooring
 - EnVision Nylon™
 - Décor by Fabrica – high end wool and decorative segment

Current Business Conditions



Outlook:

- Net sales in the first quarter of 2022 increased 6.6% over the first quarter of the prior year.
- Our growth initiatives:
 - In response to the sale of the SM brand to Lowe's, we have created the Premier Flooring Center program and are transitioning all of our nylon customers to our EnVision Nylon and EnVisionSD Pet Solutions brands.
 - We continue to introduce new hard surface products into our rapidly growing TRUCOR® and Fabrica Fine Wood programs. We are also entering new categories to diversify our hard surface offering.
 - We have launched our new decorative segment offering with 1866 by Masland and Décor by Fabrica.
- Although a strategic shift in strategy by our primary mass merchant customer will negatively impact our top line for the remainder of the year, we are seeing growth through our initiatives in the specialty retail segment. Our floorcovering sales and orders for the start of the second quarter have continued at a pace ahead of comparative business from the same period a year ago.



FABRICA

Masland
INSPIRED BY DESIGN.



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DIXIE
HOME 

 TRUCOR®
FLOORING SIMPLIFIED



