

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13G

Under the Securities Exchange Act of 1934

Amendment #1

Name of

Issuer: DIXIE YARNS INC

Title of Class

of Securities: Common Stock

CUSIP Number: 255579104

1) NAME OF I.R.S. IDENTIFICATION NO. OF REPORTING PERSON

The Prudential Insurance Company of America 22-1211670

2) MEMBER OF A GROUP: (a) N/A

(b) N/A

3) SEC USE ONLY:

4) PLACE OF ORGANIZATION: A mutual insurance company organized
under the laws of the State of New Jersey

NUMBERS OF SHARES BENEFICIALLY OWNED BY REPORTING PERSON WITH:

5) Sole Voting Power: 0 Not Applicable

6) Shared Voting Power: 0 NOT APPLICABLE

7) Sole Dispositive Power: 0 Not Applicable

8) Shared Dispositive Power: 0 Not Applicable

9) AGGREGATE AMOUNT BENEFICIALLY OWNED: Not Applicable

10) AGGREGATE AMOUNT IN ROW (9) EXCLUDES SHARES: N/A

11) PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9): Not Applicable

12) TYPE OF REPORTING PERSON: BD, IC, IA

ITEM 1(a). NAME OF ISSUER:

DIXIE YARNS INC

ITEM 1(b). ADDRESS OF ISSUER'S EXECUTIVE OFFICES:

1100 S. Watkins Street
Chattanooga, TN 37404

ITEM 2(a). NAME OF PERSON FILING:

The Prudential Insurance Company of America

ITEM 2(b). ADDRESS OF PRINCIPAL BUSINESS OFFICE:

Prudential Plaza
Newark, New Jersey 07102-3777

ITEM 2(c). CITIZENSHIP:

A mutual insurance company organized under the laws
of the State of New Jersey

ITEM 2(d). TITLE OF CLASS SECURITIES:

Common Stock

ITEM 2(e). CUSIP NUMBER:

255579104

ITEM 3. The Person filing this statement is an Insurance Company
as defined in Section 3(a)(19) of the Securities Exchange
Act of 1934, a Broker-Dealer registered under Section 15
of that Act and an Investment Adviser registered under
Section 203 of the Investment Advisers Act of 1940.

ITEM 4. OWNERSHIP:

(a) Number of Shares
Beneficially Owned: Not Applicable

(b) Percent of Class: Not Applicable

(c) Powers	Number Of Shares	
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Sole power to vote or to direct the vote	0	Not Applicable
Shared power to vote or to direct the vote	0	NOT APPLICABLE
Sole power to dispose or to direct disposition	0	Not Applicable
Shared power to dispose or to direct disposition	0	Not Applicable

ITEM 5. OWNERSHIP OF 5% OR LESS OF A CLASS:

Prudential has ceased to be the owner of more than 5% of the
outstanding Common Stock of this issuer.

ITEM 6. OWNERSHIP OF MORE THAN 5% ON BEHALF OF ANOTHER PERSON:

Not Applicable

ITEM 7. IDENTIFICATION AND CLASSIFICATION OF THE SUBSIDIARY
WHICH ACQUIRED THE SECURITY BEING REPORTED ON BY THE
ULTIMATE PARENT COMPANY:

Not Applicable

ITEM 8. IDENTIFICATION AND CLASSIFICATION OF MEMBERS OF THE GROUP:

Not Applicable

ITEM 9. NOTICE OF DISSOLUTION OF GROUP:

Not Applicable

ITEM 10. CERTIFICATION: Not Applicable

SIGNATURE

After reasonable inquiry and to the best of its knowledge and belief, The Prudential Insurance Company of America certifies that the information set forth in this statement is true, complete and correct.

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

By: Richard S. Biegen
Assistant General Counsel

Date: February 2, 1995

As of: December 31, 1994

