FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

(X) QUARTERLY REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended December 26, 1999

( ) TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from_____to_____

Commission File No. 1-7604

CROWN CRAFTS, INC

(Exact name of registrant as specified in its charter)

Georgia	58-0678148
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1600 RiverEdge Parkway, Suite 200, Atlanta, Georgia 30328

(Address of principal executive offices)

(770) 644-6400

(Registrant's telephone number, including area code)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes [X] No [ ]

The number of shares of common Stock, $1.00 par value, of the Registrant outstanding as of February 11, 2000 was 8,608,843.

FORM 10-Q

CROWN CRAFTS, INC. AND SUBSIDIARIES

PART 1 - FINANCIAL INFORMATION
ITEM 1 - CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEETS
DECEMBER 26, 1999 (UNAUDITED) AND MARCH 28, 1999

<TABLE>
<CAPTION>

(in thousands)	December 26, 1999	March 28, 1999
<S>	<C>	<C>
ASSETS		
CURRENT ASSETS:		

Cash	$ 1,909	$ 744
Accounts receivable, net:		
Due from factor	27,890	48,042
Other	7,045	7,355
Inventories	87,785	87,287
Deferred income taxes	776	776
Income tax recoverable	4,070	4,422
Other current assets	8,004	7,258
	--------	--------
Total Current Assets	137,479	155,884
	--------	--------
PROPERTY, PLANT AND EQUIPMENT - at cost:		
Land, buildings and improvements	45,562	45,190
Machinery and equipment	98,375	92,689
Furniture and fixtures	2,120	2,100
	--------	--------
	146,057	139,979
Less accumulated depreciation	69,988	60,858
	--------	--------
Property, Plant and Equipment - net	76,069	79,121
	--------	--------
OTHER ASSETS:		
Goodwill	24,786	25,558
	--------	--------
Other	4,211	4,288
	--------	--------
Total Other Assets	28,997	29,846
	--------	--------
TOTAL ASSETS	$242,545	$264,851
	========	========

</TABLE>

See notes to interim consolidated financial statements.

CONSOLIDATED BALANCE SHEETS
DECEMBER 26, 1999 (UNAUDITED) AND MARCH 28, 1999

<TABLE>
<CAPTION>

(in thousands, except par value per share)	December 26, 1999	March 28, 1999
- --	------------	---------
<S>	<C>	<C>
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Notes payable	$ 52,736	$ 56,150
Accounts payable	18,476	25,339
Income taxes payable	22	8
Accrued wages and benefits	5,739	5,017
Accrued royalties	3,067	833
Other accrued liabilities	5,127	5,104
Dividends payable	258	
Current maturities of long-term debt	37,243	7,243
	---------	---------
Total Current Liabilities	122,668	99,694
	---------	---------
NON-CURRENT LIABILITIES:		
Long-term debt	35,714	72,857
Deferred income taxes	4,776	4,776
Other	745	745

Total Non-Current Liabilities	41,235	78,378
SHAREHOLDERS' EQUITY:		
Common stock - par value $1.00 per share; 50,000,000 shares authorized; 9,983,305 and 9,983,305 shares issued	9,983	9,983
Additional paid-in capital	46,096	46,096
Retained earnings	42,872	51,009
Less: 1,374,462 and 1,374,462 shares of common stock held in treasury	(20,309)	(20,309)
Total Shareholders' Equity	78,642	86,779
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 242,545	$ 264,851

</TABLE>

See notes to interim consolidated financial statements.

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE (LOSS) INCOME
DECEMBER 26, 1999 AND DECEMBER 27, 1998 (UNAUDITED)

<TABLE>
<CAPTION>

	THREE MONTHS ENDED		NINE MONTHS ENDED	
(dollars in thousands, except per share data)	Dec. 26, 1999	Dec. 27, 1998	Dec. 26, 1999	Dec. 27, 1998
<S>	<C>	<C>	<C>	<C>
NET SALES	$ 91,001	$ 120,394	$ 240,950	$ 275,003
COST OF PRODUCTS SOLD	76,409	97,575	203,748	225,715
GROSS PROFIT	14,592	22,819	37,202	49,288
MARKETING AND ADMINISTRATIVE EXPENSES	13,808	15,586	39,125	41,745
EARNINGS (LOSS) FROM OPERATIONS	784	7,233	(1,923)	7,543
OTHER INCOME (EXPENSE):				
Interest expense	(3,209)	(2,784)	(9,640)	(7,178)
Other - net	16	118	211	215
EARNINGS (LOSS) BEFORE INCOME TAXES	(2,409)	4,567	(11,352)	580
INCOME TAX PROVISIONS (CREDITS)	(742)	2,055	(4,041)	376
NET EARNINGS (LOSS)	$ (1,667)	$ 2,512	$ (7,311)	$ 204
OTHER COMPREHENSIVE INCOME, NET OF TAX:				
FOREIGN CURRENCY TRANSLATION ADJUSTMENT	$	$ (21)	$ (51)	$ (23)
COMPREHENSIVE (LOSS) INCOME	$ (1,667)	$ 2,491	$ (7,362)	$ 181
EARNINGS (LOSS) PER SHARE - BASIC	$ (0.19)	$ 0.29	$ (0.86)	$ 0.02

EARNINGS (LOSS) PER SHARE - DILUTED	$ (0.19)	$ 0.29	$ (0.86)	$ 0.02
AVERAGE SHARES OUTSTANDING				
BASIC	8,608,843	8,608,843	8,608,843	8,587,232
	===========	===========	===========	===========
DILUTED	8,608,843	8,608,843	8,608,843	8,705,943
	===========	===========	===========	===========
DIVIDENDS DECLARED PER SHARE	$ 0.03	$ 0.03	$ 0.09	$ 0.09
	===========	===========	===========	===========

</TABLE>

See notes to interim consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED DECEMBER 26, 1999 AND
DECEMBER 27, 1998
(UNAUDITED)

<TABLE>
<CAPTION>

(in thousands)	Dec. 26, 1999	Dec. 27, 1998
	---------	--------
<S>	<C>	<C>
OPERATING ACTIVITIES:		
Net earnings (loss)	$ (7,311)	$ 204
Adjustments to reconcile net earnings (loss) to net cash provided by operating activities;		
Depreciation and amortization of property, plant and equipment	9,413	8,453
Amortization of goodwill	772	916
Loss (gain) on sale of property, plant and equipment	(169)	29
Changes in assets and liabilities:		
Accounts receivable	12,124	7,958
Inventories	(498)	(13,702)
Other current assets	(746)	(2,869)
Other assets	77	1,038
Accounts payable	(6,863)	954
Income taxes payable	14	(71)
Accrued liabilities	2,979	1,037
	--------	--------
Net Cash Provided by Operating Activities	9,792	3,947
	--------	--------
INVESTING ACTIVITIES:		
Capital expenditures	(7,128)	(14,113)
Acquisitions, net of cash acquired		(8,949)
Proceeds from sale of property, plant and equipment	936	39
Other	(52)	
	--------	--------
Net Cash (Used for) Investing Activities	(6,244)	(23,023)
	--------	--------
FINANCING ACTIVITIES:		
Increase (decrease) in notes payable	(3,414)	17,725
Increase in advances from factor	8,690	
Payment of long-term debt	(7,143)	
Exercise of stock options		2,162
Cash dividends	(516)	(774)
	--------	--------
Net Cash (Used for) Provided by Financing Activities	(2,383)	19,113

NET INCREASE IN CASH	$ 1,165	$ 37
CASH, beginning of period	744	809
CASH, end of period	$ 1,909	$ 846
Supplemental Cash Flow Information:		
Income taxes paid (refunded)	$ (4,395)	$ 123
Interest paid net of amounts capitalized	$ 9,049	$ 6,867

</TABLE>

See notes to interim consolidated financial statements.

FORM 10-Q

CROWN CRAFTS, INC. AND SUBSIDIARIES

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. The accompanying unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles applicable to interim financial information and the rules and regulations of the Securities and Exchange Commission. Accordingly, they do not include all of the information and disclosures required by generally accepted accounting principles for complete financial statements. In the opinion of management, such interim consolidated financial statements contain all adjustments necessary to present fairly the Company's financial position as of December 26, 1999 and the results of its operations and comprehensive (loss) income and its cash flows for the periods ended December 26, 1999 and December 27, 1998. Such adjustments include normal recurring accruals and a pro rata portion of certain estimated annual expenses. Operating results for the nine-month period ended December 26, 1999, are not necessarily indicative of the results that may be expected for the year ending April 2, 2000. For further information, refer to the consolidated financial statements and footnotes thereto included in the annual report of Form 10-K for the year ended March 28, 1999 of Crown Crafts, Inc. (the "Company").

   Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

   Recently Issued Accounting Standards: In 1998, the Financial Accounting Standards Board (FASB) issued Statement No. 133, "Accounting for Derivative Financial Instruments and Hedging Activities" (SFAS No. 133). This statement requires that all derivatives be recognized in the statement of financial position as either assets or liabilities and measured at fair value. In addition, all hedging relationships must be designated, reassessed and documented pursuant to the provisions of SFAS No. 133. SFAS No. 133 is effective for fiscal years beginning after June 15, 1999. In June 1999, FASB issued Statement No. 137, "Accounting for Derivative Instruments and Hedging Activities - Deferral of the Effective Date of FASB Statement No. 133," which amends the effective date of SFAS No. 133 to all fiscal quarters of fiscal years beginning after June 15, 2000. The effect on the financial statements upon adoption of SFAS No. 133 has not been determined.

2. In 1999, the Company adopted SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information." The Company's principal segments include adult home furnishing and juvenile products, consisting of bedroom products (adult comforters and accessories), throws and decorative home accessories (primarily jacquard-woven throws in cotton, acrylic, rayon or chenille), and juvenile products (primarily Pillow Buddies). The second principal segment is infant products, consisting of infant bedding, bibs, and infant soft goods. The Company tracks revenues and operating profit information for these two business segments.

Financial information attributable to the Company's business segments for the quarters and nine months ended December 26, 1999 and December 27, 1998, was as follows (in thousands):

<TABLE>
<CAPTION>

Revenues:	Three Months Ended Dec. 26, 1999	Three Months Ended Dec. 27, 1998	Nine Months Ended Dec. 26, 1999	Nine Months Ended Dec. 27, 1998
<S>	<C>	<C>	<C>	<C>
Adult home furnishing and juvenile products	$69,462	$ 99,515	$170,414	$208,246
Infant products	21,539	20,879	70,536	66,757
Total	$91,001	$120,394	$240,950	$275,003

</TABLE>

<TABLE>
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Operating income (loss):	Three Months Ended Dec. 26, 1999	Three Months Ended Dec. 27, 1998	Nine Months Ended Dec. 26, 1999	Nine Months Ended Dec. 27, 1998
<S>	<C>	<C>	<C>	<C>
Adult home furnishing and juvenile products	$499	$6,604	$(6,863)	$3,293
Infant products	285	629	4,940	4,250
Total	$784	$7,233	$(1,923)	$7,543

</TABLE>

Net sales by individual product groups within these business segments were as follows (in thousands):

<TABLE>
<CAPTION>

	Three Months Ended Dec. 26, 1999	Three Months Ended Dec. 27, 1998	Nine Months Ended Dec. 26, 1999	Nine Months Ended Dec. 27, 1998
<S>	<C>	<C>	<C>	<C>
Bedroom products	$37,756	$ 41,991	$106,945	$104,128
Throws and decorative home accessories	27,189	46,131	53,472	81,209
Infant and juvenile				

products	25,986	31,962	80,341	88,950
Other	70	310	192	716
	-------	--------	--------	--------
Total net sales	$91,001	$120,394	$240,950	$275,003
	=======	========	========	========

</TABLE>

3. Interest costs of $69,000 and $121,000, respectively, were capitalized during the nine months ended December 26, 1999 and December 27, 1998.

4. Major classes of inventory were as follows (in thousands):

<TABLE>
<CAPTION>

	December 26, 1999	March 28, 1999
<S>	<C>	<C>
Raw materials	$27,637	$34,300
Work in process	6,607	4,738
Finished goods	53,541	48,249
	-------	-------
	$87,785	$87,287
	=======	=======

</TABLE>

ITEM 2 - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

ERP SOFTWARE

At the beginning of the second fiscal quarter, the Company's financial reporting system and its woven products division converted from its legacy computer systems to the new enterprise resource planning ("ERP") software package that had been in preparation for 13 months. The conversion encountered more difficulty than had been anticipated. The most significant problems have been an impaired ability to ship and bill orders on a timely basis, especially in the pick and pack operations that support the Goodwin Weavers division and certain of the Crown Crafts operations. The Company has identified a number of operational and system issues contributing to the problems and implemented a plan to rectify them. Among the actions taken were some system modifications, refinements of business procedures, clean-up of corrupted and inaccurate data, a complete physical inventory in affected facilities, and a controlled restart of operations on January 24, 2000. Following these actions, the system is performing much better than it had in the past, but several more weeks of operating experience will be required to assess the performance fully.

YEAR 2000 ISSUE

The Company's computer applications and systems entered the year 2000 without any significant difficulties. In addition, the Company did not experience any difficulties or disruptions to its operations in dealing with third parties.

RESULTS OF OPERATIONS

THREE MONTHS ENDED DECEMBER 26, 1999 COMPARED TO THE THREE MONTHS ENDED DECEMBER 27, 1998

Net sales declined $29.4 million, or 24.4%, to $91 million in the current year quarter compared to $120.4 million in the third quarter last fiscal year. The largest decline, from $46.1 million to $27.2 million (41.1%), was in the throws and decorative home accessories products group. There were four factors affecting revenues for this product group in the quarter: First, in March, 1999, the Company sold Textile, Inc., a weaving facility in Ronda, North Carolina, as a planned reduction in capacity for this group; second, in the current fiscal year, manufacturing capacity was shifted to woven bedspreads which are sold by the bedroom products group; the third factor in the decline in sales of throws and decorative home accessories products in the quarter was related to implementation of the ERP software system discussed above; and, lastly, the third quarter in the prior fiscal year included approximately $14 million in sales of imported fleece products which the Company did not handle directly this year.

In the infant and juvenile products group, sales in the current quarter declined by 18.7%, or $6 million, to $26 million from $32 million in the prior year quarter. The sales decline was all related to a repositioning of the Pillow Buddies product line to the direct shipment of licensed products and is transitional in nature. This resulted in approximately $7 million of lower revenues compared to the prior year quarter. Accordingly, revenues of infant products in this group were up by about $700,000, or by 3.2%.

Sales of bedroom products decreased by $4.2 million, or 10.1%, in the current year quarter to $37.8 million from $42 million in last year's third quarter. The decline in sales of bedroom products resulted from a decrease in sales of the Company's in-house studio line of products and final shipments in the prior year quarter of the discontinued mass merchant line of products. These decreases were partially off-set by an increase in the Calvin Klein Home product line of approximately $3.4 million and increased volume of woven bedcoverings.

For the third quarter, gross profit as a percentage of net sales decreased to 16% compared to 19% in the prior year quarter. The decline in gross margin, the decline in revenues, and an $823,000 increase in customer deductions from payments, led to a decrease in gross profits of approximately $8.2 million. This decline was partly the result of higher expenses and the lower absorption of fixed overhead costs in the Company's Georgia operations because of lower volume related to the ERP project and because of capacity issues at the Company's Roxboro, North Carolina manufacturing facilities due to the loss of a mass merchant bedding program and slow progress in the transition of the Calvin Klein Home product line from outside manufacturers into this plant. Also affecting margins in the quarter was the sale of close-out and irregular inventory of about $3 million at a loss of about $1.4 million.

Marketing and administrative expenses decreased by approximately $1.8 million in the quarter compared to the third quarter of last fiscal year, but were15.2% on a lower level of net sales, compared to 12.9% of net sales in the prior year. The principal decline in expenses ($1.1 million) occurred in marketing and retail store expenses due to the lower sales volume and because of fewer retail stores than in the prior year quarter.

Interest expense increased by $425,000 versus the prior year quarter because of higher effective interest rates in the Company's loan agreements compared to rates in the prior agreements.

The effective income tax rate during the quarter was affected by results of the Company's Mexican manufacturing facility and by higher effective state income tax rates. In the prior year, the tax rate was affected by non-deductible expenses associated with acquisitions.

NINE MONTHS ENDED DECEMBER 26, 1999 COMPARED TO THE NINE MONTHS ENDED DECEMBER 27, 1998

For the nine months ended December 26, 1999, net sales compared to the prior year period declined by $34.1 million, or 12.4%, to $240.9 million in the current year compared to $275 million for the first three quarters last fiscal year. Sales of bedroom products increased 2.7% from $104.1 million to $106.9 million. The sales increase resulted from the addition of the Calvin Klein Home line of products and higher volume in woven bedcoverings. Net sales of throws and decorative home accessories for the nine months declined by 34.2% at $53.5 million compared to $81.2 million in the prior fiscal year. The factors affecting sales in this product group are the same as those discussed for the three months ended December 26, 1999. In the infant and juvenile product group, net sales decreased by 9.7% from $89 million to $80.3 million. The lower level of sales was solely because of the repositioning of the Pillow Buddies line of products discussed above.

In the first nine months of the current fiscal year, gross profit decreased to $37.2 million compared to $49.3 million for the nine months ended December 27, 1998 and the gross margin declined from 17.9% in the prior year to 15.4%. The factors affecting gross profits and gross margin were four-fold: an increase of $3.8 million in deductions from and reserves for customer payments; the sale of close-out and discontinued inventory of approximately $13 million at loss of $5 million; lower volume to absorb fixed costs in the woven division because of the ERP project; and underabsorption of overhead costs in the bedding division as the Calvin Klein Home products are transitioned into the North Carolina manufacturing plant.

In the nine month period ended December 26, 1999, marketing and administrative expenses were lower by $2.6 million compared to the prior year period and were 16.2% of net sales in the current period compared to 15.2% last fiscal year. The decline was due to lower selling expenses on the reduced volume, lower retail expenses because of a reduction in the number of company-operated outlet stores and reduced goodwill amortization because of the sale of Textile, Inc.

Interest expense increased by $2.5 million in the first nine months of the current fiscal year because of higher average borrowings and because of higher effective interest rates.

The effective income tax rate for the nine months ended December 26, 1999 at 35.6% was affected by operations at the Company's Mexican manufacturing subsidiary, but was at more normal levels than in the prior fiscal period where the rate was affected by a high percentage of non-deductible expenses related to acquisitions and state income taxes.

FINANCIAL POSITION, LIQUIDITY AND CAPITAL RESOURCES

At December 26, 1999, the Company had committed credit facilities with two commercial banks totaling $85 million at interest rates equal to each bank's base plus 1% to 1 1/2% or the London Interbank Offered Rate (LIBOR) plus 2.75%. The amounts owed, the interest rate and the maturity of these facilities at December 26, 1999 is summarized in the following table (in thousands):

<TABLE>
<CAPTION>

Amounts Owed	Interest Rate	Maturity
<S>	<C>	<C>
$13,736	9.50%-9.75%	On Demand
7,000	9.50%-9.75%	January 15, 2000
14,000	8.95%	On Demand
3,000	8.86%	January 15, 2000
15,000	8.85%	March 31, 2000
52,736		
30,000	8.85%-8.86%	April 3, 2000
$82,736		

</TABLE>

In addition, approximately $2.1 million of letters of credit were outstanding under these facilities at December 26, 1999.

In the quarter ended December 26, 1999, one of the commercial banks converted its $30 million facility due January 15, 2000 to an uncommitted line of credit, under provisions of the loan agreement.

The Company's notes in the amount of $42,856,143 are placed with an insurance company, carry an interest rate of 10.42% and are due in annual installments of $7,143,857 through October 2005. The installment due on October 12, 1999 was paid by the Company.

To support the bank facilities and the insurance company notes, the Company has granted a security interest in substantially all of its assets. These assets also support a borrowing base which limits the amounts the Company may borrow under the agreements with its lenders and advances it may take from its factor. Under the borrowing base, the Company had available $11.1 million at December 26, 1999.

In addition, the agreements with the banks and insurance company contain covenants requiring the Company to maintain minimum levels of shareholders' equity and certain financial ratios, and restrict the amounts the Company may expend on acquisitions and purchases of treasury stock. The agreement with the insurance company also requires the Company to maintain a ratio of total debt to total capitalization. The Company was not in compliance with certain provisions of its loan agreements at December 26, 1999.

To reduce its exposure to credit losses and to enhance its cash flow forecasts, the Company factors the majority of its trade accounts receivable. The Company's factor establishes customer credit lines, and accounts for and collect receivable balances. The factor remits payments to the Company on the due dates of the factored invoices. The factor assumes all responsibility for credit losses on sales with approved credit lines, but may deduct from its remittances to the Company the amounts of customer deductions for returns, allowances, disputes and discounts. The Company's factor at any time may terminate or limit its approval of shipments to a particular customer. If such a termination occurs, the Company may either assume the credit risks for shipments after the date of such termination or cease shipments to such customer.

The agreements with its lenders, described above, provide for the Company to finance its seasonal working capital needs by taking advances against its factored receivables of up to $30 million. At December 26, 1999, the Company had taken such advances totaling $8,690,000 compared to no advances at December 27, 1998. The Company accounts for these advance payments on its balance sheet as a reduction in Accounts Receivable - Due from Factor.

At December 26, 1999, total debt, including factor advances, increased by approximately $11.6 million to $134.4 million from $122.8 million at December 27, 1998. The increase in borrowings was affected by the continuing operating performance of the Company, partially off-set by a $14.6 million decline in inventories compared to December 27, 1998. The decline in inventories resulted from the Company's emphasis on the disposition of close-out and discontinued merchandise, discussed above.

Subsequent to December 26, 1999, the Company presented a plan to its lenders to reduce debt and return operations to profitability. In response to this plan, the lenders agreed in principal to amend certain provisions of the Company's loan agreements to correct the non-compliance issues, to extend certain matured facilities to April 3, 2000, and to provide additional funding of $10 million. As a condition to these agreements in principal, the Company has agreed to discontinue dividends on its common stock. Although documentation for these agreements is not yet fully completed, the Company believes that it will be agreed to and executed in the near future.

The Company can, however, give no assurances in regards to the final documentation mentioned above nor that certain lenders will extend the maturity of their facilities beyond the April 3, 2000 date. If the Company is unable to reach final agreement with its lenders or obtain extension of certain of its agreements, the Company's ability to meet its obligations could be impaired.

FORWARD-LOOKING INFORMATION

This Form 10-Q contains forward-looking statements within the meaning of the federal securities law. Such statements are based upon management's current expectations, projections, estimates and assumptions. Words such as "expects," "believes," "anticipates" and variations of such words and similar expressions are intended to identify such forward-looking statements. Forward-looking statements involve known and unknown risks and uncertainties that may cause future results to differ materially

from those anticipated. These risks include, among others, general economic conditions, changing competition, the level and pricing of future orders from the Company's customers, the Company's dependence upon third-party suppliers, including some located in foreign countries with unstable political situations, the Company's ability to successfully implement new information technologies, the Company's ability to integrate its acquisitions and new licenses, and the Company's ability to implement improvements in its acquired businesses.

ITEM 3 - QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company is exposed to market risk from changes in interest rates on debt, commodity prices and foreign exchange rates.

The Company's exposure to interest rate risk relates to its floating rate debt and advances from its factor, $82,736,000 and $8,690,000, respectively, of which was outstanding at December 26, 1999.

The Company's exposure to commodity price risk primarily relates to changes in the price of cotton, which is a principal raw material in a substantial number of the Company's products. To manage this risk, from time to time the Company enters into commodity future contracts and forward purchase contracts. No such contracts were outstanding at December 26, 1999.

The Company's exposure to foreign exchange rates relates to its Mexican manufacturing subsidiary. During the fiscal year ended March 28, 1999, this subsidiary manufactured products for the Company with a value of approximately $7.2 million. The Company's investment in the subsidiary was approximately $4.7 million at December 26, 1999.

PART II - OTHER INFORMATION

Item 1 - Legal Proceedings

From time to time, the Company is involved in various legal proceedings relating to claims arising in the ordinary course of its business. Neither the Company nor any of its subsidiaries is a party to any such legal proceeding the outcome of which, individually or in the aggregate, is expected to have a material adverse effect on the Company's financial condition or results of operations.

Item 2 - Changes in Securities

None

Item 3 - Defaults Upon Senior Securities

At December 26, 1999, the Company was not in compliance with certain provisions of its bank loan agreements and with its 10.42% notes. Each of the lenders has agreed in principal to amend the affected provisions of its respective agreement so that the Company would have been in compliance at December 26, 1999 and prospectively based on the

Company's projections. Preliminary documentation for these amendments has been received by the Company, but final versions have not yet been executed.

Item 4 - Submission of Matters to Vote of Security Holders

None

Item 5 - Other Information

None

Item 6 - Exhibits and Reports on Form 8-K

<TABLE>
<CAPTION>

EXHIBIT NUMBER	DESCRIPTION OF EXHIBITS
<S>	<C>
27	Financial Data Schedule (for SEC use only)

</TABLE>

There were no reports on Form 8-K during the quarter ended December 26, 1999.

FORM 10-Q

CROWN CRAFTS, INC. AND SUBSIDIARIES

DECEMBER 26, 1999

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 thereunto duly authorized.

CROWN CRAFTS, INC.

Date: February 14, 2000 /s/ David S. Fraser

DAVID S. FRASER
(Chief Accounting Officer)

<TABLE> <S> <C>

<ARTICLE> 5
<LEGEND>
THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE
FINANCIAL STATEMENTS OF CROWN CRAFTS INCORPORATED FOR THE NINE MONTHS ENDED
DECEMBER 26, 1999 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH
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<COMMON> 9,983
<OTHER-SE> 68,659
<TOTAL-LIABILITY-AND-EQUITY> 242,545
<SALES> 240,950
<TOTAL-REVENUES> 240,950
<CGS> 203,748
<TOTAL-COSTS> 203,748
<OTHER-EXPENSES> 39,125
<LOSS-PROVISION> 0
<INTEREST-EXPENSE> 9,640
<INCOME-PRETAX> (11,352)
<INCOME-TAX> (4,041)
<INCOME-CONTINUING> (7,311)
<DISCONTINUED> 0
<EXTRAORDINARY> 0
<CHANGES> 0
<NET-INCOME> (7,311)
<EPS-BASIC> (.85)
<EPS-DILUTED> (.85)

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