

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): November 16, 2011

**Crown Crafts, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction  
of incorporation)

**1-7604**

(Commission File Number)

**58-0678148**

(IRS Employer  
Identification No.)

**916 South Burnside Avenue, Gonzales, LA**

(Address of principal executive offices)

**70737**

(Zip Code)

Registrant's telephone number, including area code: **(225) 647-9100**

(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:

- ☐ 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 2.02. Results of Operations and Financial Condition.

On November 16, 2011, Crown Crafts, Inc. issued a press release announcing its financial results for the second quarter of fiscal year 2012, which ended October 2, 2011. A copy of that press release is attached hereto as Exhibit 99.1.

The information in this Current Report is being furnished and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of such section. The information in this Current Report shall not be incorporated by reference into any registration statement or document pursuant to the Securities Act of 1933, as amended.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

99.1 Press Release dated November 16, 2011.

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: November 16, 2011

/s/ Olivia W. Elliott

Olivia W. Elliott

Vice President and Chief Financial Officer

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## Exhibit Index

| <u>Exhibit<br/>No.</u> | <u>Exhibit Description</u>            |
|------------------------|---------------------------------------|
| 99.1                   | Press Release dated November 16, 2011 |



*Crown Crafts, Inc.*

**For Immediate Release**

**November 16, 2011**

**Crown Crafts Reports Results for Fiscal 2012 Second Quarter**

Gonzales, Louisiana – Crown Crafts, Inc. (NASDAQ-CM: CRWS) today reported its operating results for the fiscal 2012 second quarter, which ended October 2, 2011.

**Operating Results**

Net income for the second quarter of fiscal 2012 was \$1.1 million, or \$0.11 per diluted share, on net sales of \$21.3 million, compared with net income in the second quarter of fiscal 2011 of \$1.2 million, or \$0.12 per diluted share, on net sales of \$23.7 million.

For the first half of fiscal 2012, net income was \$1.6 million, or \$0.16 per diluted share, on net sales of \$38.8 million, compared with net income of \$1.9 million, or \$0.20 per diluted share, on net sales of \$40.9 million in the first half of fiscal 2011.

“Several macroeconomic factors had a negative impact on our financial results in the second quarter, including the continued softness in the retail environment and the declining U.S. birth rate, which decreased by approximately 7% from 2007 to 2010,” said E. Randall Chestnut, Chairman, President and Chief Executive Officer. “We remain confident, however, that the popularity of our products and strength of our business strategy will serve as the foundation for growth despite the headwinds that currently challenge our industry.”

According to Chestnut, the Company’s gross profit in the second quarter and year-to-date period of fiscal 2012 has continued to be impacted by higher raw material and labor costs, which began to increase in late fiscal 2011. Additionally, in connection with the Company’s allocation of indirect costs related to inventory, the Company was negatively impacted by \$624,000 and \$977,000 when comparing the current year second quarter and year-to-date periods, respectively, with the prior year periods.

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## **Debt Retirement**

During the second quarter of fiscal 2012, the Company improved its balance sheet by paying off the final \$2.0 million owed on subordinated notes that had originated over 10 years ago. “We are proud that our history of strong operating cash flow has been the primary resource for the reduction of our debt from \$47.7 million in July 2001 to \$1.2 million in October 2011. This debt reduction has resulted in significant financial flexibility for us. That flexibility, coupled with the strength of our product line and marketing strategies, will position us well for further profitable growth when global economic and market conditions improve.”

## **Quarterly Cash Dividend**

The Company previously announced that its Board of Directors declared a quarterly cash dividend of \$0.04 per share on the Company’s Series A common stock – the eighth consecutive quarterly dividend since early 2010 and an increase of \$0.01 per share over the preceding quarterly dividend. The dividend will be paid on January 6, 2012 to stockholders of record at the close of business on December 16, 2011. “The Board’s decision to increase the dividend for the second time in calendar 2011 is further evidence of its confidence in the Company’s financial strength, long-range business focus, growth strategy and profitability,” said Chestnut.

## **Conference Call**

The Company will host a teleconference today at 1:00 p.m. Central Standard Time to discuss the Company’s results, during which interested individuals will be given the opportunity to ask appropriate questions. To join the teleconference, dial (877) 317-6789 and refer to conference number 10006432. The teleconference can also be accessed in listen-only mode by visiting the Company’s website at [www.crowncrafts.com](http://www.crowncrafts.com). The financial information to be discussed during the teleconference may be accessed prior to the call on the investor relations portion of the Company’s website.

A telephone replay of the teleconference will be available one hour after the end of the call through 8:00 a.m. Central Standard Time on November 24, 2011. To access the replay, dial (877) 344-7529 in the U.S. or (412) 317-0088 from international locations and refer to conference number 10006432.

## **About Crown Crafts, Inc.**

Crown Crafts, Inc. designs, markets and distributes infant, toddler and juvenile consumer products, including crib and toddler bedding and blankets; nursery and bath accessories; reusable and disposable bibs and floor mats; burp cloths; room décor; and disposable placemats, toilet seat covers and changing mats. The Company’s operating subsidiaries include Crown Crafts Infant Products, Inc. in California and Hamco, Inc. in Louisiana. Crown Crafts is among America’s largest producers of infant bedding, bibs and bath items. The Company’s products include licensed and branded collections as well as exclusive private label programs for certain of its customers. The latest news about Crown Crafts can be found at [www.crowncrafts.com](http://www.crowncrafts.com).

### ***Forward-Looking Statements***

*The foregoing contains forward-looking statements within the meaning of the Securities Act of 1933, the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995. 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 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 suggested by the forward-looking statements. These risks include, among others, general economic conditions, including changes in interest rates, in the overall level of consumer spending and in the price of oil, cotton and other raw materials used in the Company's products, changing competition, changes in the retail environment, the level and pricing of future orders from the Company's customers, the extent to which the Company's business is concentrated in a small number of customers, the Company's dependence upon third-party suppliers, including some located in foreign countries, customer acceptance of both new designs and newly-introduced product lines, actions of competitors that may impact the Company's business, disruptions to transportation systems or shipping lanes used by the Company or its suppliers, and the Company's dependence upon licenses from third parties. Reference is also made to the Company's periodic filings with the Securities and Exchange Commission for additional factors that may impact the Company's results of operations and financial condition. The Company does not undertake to update the forward-looking statements contained herein to conform to actual results or changes in our expectations, whether as a result of new information, future events or otherwise.*

#### **Contact:**

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Vice President and Chief Financial Officer  
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or

Halliburton Investor Relations  
(972) 458-8000

CROWN CRAFTS, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF INCOME  
SELECTED FINANCIAL DATA  
In thousands, except percentages and per share data

|   | Three-Month Periods Ended |                    | Six-Month Periods Ended |                    |
|---|---------------------------|--------------------|-------------------------|--------------------|
|   | October 2, 2011           | September 26, 2010 | October 2, 2011         | September 26, 2010 |
| Net sales   | \$ 21,319                 | \$ 23,711          | \$ 38,818               | \$ 40,878          |
| Gross profit  | 4,741                     | 5,655              | 8,524                   | 9,946              |
| Gross profit percentage                                 | 22.2%                     | 23.8%              | 22.0%                   | 24.3%              |
| Income from operations                                  | 1,793                     | 2,136              | 2,726                   | 3,412              |
| Income before income tax expense                        | 1,725                     | 2,013              | 2,588                   | 3,199              |
| Income tax expense                                      | 655                       | 796                | 985                     | 1,251              |
| Income from continuing operations                       | 1,070                     | 1,217              | 1,603                   | 1,948              |
| Loss from discontinued operations – net of income taxes | (3)                       | (3)                | (6)                     | (8)                |
| Net income  | 1,067                     | 1,214              | 1,597                   | 1,940              |
| Basic earnings per share                                | \$ 0.11                   | \$ 0.13            | \$ 0.17                 | \$ 0.21            |
| Diluted earnings per share                              | \$ 0.11                   | \$ 0.12            | \$ 0.16                 | \$ 0.20            |
| Weighted Average Shares Outstanding:                    |                           |                    |                         |                    |
| Basic   | 9,644                     | 9,587              | 9,632                   | 9,417              |
| Diluted   | 9,778                     | 9,748              | 9,784                   | 9,555              |

CONSOLIDATED BALANCE SHEETS  
SELECTED FINANCIAL DATA  
In thousands

|  | October 2, 2011 | April 3, 2011 |
|--|-----------------|---------------|
| Cash and cash equivalents                  | \$ 117          | \$ 205        |
| Accounts receivable, net of allowances     | 14,442          | 18,653        |
| Inventories                                | 16,526          | 13,560        |
| Total current assets                       | 33,150          | 35,283        |
| Finite-lived intangible assets, net        | 6,202           | 6,795         |
| Total assets                               | \$ 42,894       | \$ 45,702     |
| Current maturities of long-term debt       | \$ -            | \$ 1,952      |
| Total current liabilities                  | 9,138           | 9,971         |
| Long-term debt                             | 1,175           | 4,336         |
| Shareholders' equity                       | 32,581          | 31,395        |
| Total liabilities and shareholders' equity | \$ 42,894       | \$ 45,702     |