

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20599
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 28, 2000

BASSETT FURNITURE INDUSTRIES, INCORPORATED

(Exact name of registrant as specified in its charter)

<p>VIRGINIA ----- (State or other jurisdiction of incorporation or organization)</p>	<p>0-209 ----- (Comission File No.)</p>	<p>54-0135270 ----- (I.R.S. Employer Identification No.)</p>
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<p>3525 FAIRYSTONE PARK HIGHWAY BASSETT, VIRGINIA ----- (Address of principal executive offices)</p>	<p>24055 ----- (Zip Code)</p>
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Registrant's telephone number, including area code 540/629-6000

Item 5. Other Events

On March 28, 2000, Bassett Furniture Industries issued the news release attached hereto as Exhibit (99) to this report (the "News Release") relating to, among other things, the election of Robert H. Spilman, Jr., formerly president and chief operating officer, as chief executive officer. The News Release is incorporated herein by reference.

Item 7. Financial Statements and Exhibits.

(c) Exhibits.

(99) New release issued March 28, 2000

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.

BASSETT FURNITURE INDUSTRIES, INCORPORATED

Date: March 28, 2000

By: /s/ BARRY C. SAFRIT

Barry C. Safrin

Title: Vice President, Chief Accounting Officer

EXHIBIT INDEX

Description

Exhibit No.

News release issued March 28, 2000

[BASSETT LOGO]

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Bassett, VA 24055

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(336) 725-7996 - Investors
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(540) 629-6450 - Media

For Immediate Release

Bassett Furniture News Release

BASSETT HOLDS ANNUAL MEETING, ANNOUNCES SPILMAN CEO AND FIRST QUARTER EARNINGS

(Thomasville, NC) - March 28, 2000 - Bassett Furniture Industries, Inc., a leading manufacturer and marketer of branded home furnishings, in its annual meeting of shareholders today announced that Robert H. Spilman Jr., formerly president and chief operating officer, has been elected chief executive officer. The company also announced earnings results for the first quarter of fiscal 2000, which ended February 26.

Speaking to shareholders, outgoing CEO Paul Fulton, said, "Bassett's board of directors this morning elected Rob Spilman Jr. chief executive officer. He continues as president. I will remain board chairman, but effective immediately, I will be a non-executive chairman. This company is in excellent hands with Rob Spilman as its leader. He knows the company and the industry better than anyone, and he has demonstrated again and again his ability to lead Bassett into its very bright future."

Commenting on the transformation of Bassett during Fulton's three years as chief executive, Spilman described a consolidation of manufacturing capacity from 42 to 14 plants, refinement of distribution channels to focus on major retailers, Bassett Furniture Direct stores (BFD) and At Home with Bassett retailers, a major investment in development of the Bassett brand, a four percentage point improvement in manufacturing gross margin, and a doubling of operating profit. Mr. Spilman outlined long range plans that include a continued aggressive expansion of BFD stores and significant top line growth.

For the first quarter of fiscal 2000, diluted earnings per share were \$.39 before the cumulative effect of an accounting change versus \$.34 in the prior year. Net sales for the quarter were \$95.0 million, down from \$99.8 million; sales declined because of the spin off of two operations, the bedding division and retail operations, from sales since the first quarter of 1999. The bedding division was sold in May 1999; Bassett continues to receive royalties on sales of bedding under the Bassett brand name. The company's retail stores were consolidated in December 1999 with those of the licensed Bassett Furniture Direct (BFD) stores operated by Phillip and Ronnie Ladin, forming a joint venture known as The Ladin Retail Group (LRG). Bassett's interest in profits and losses from this joint venture are reported in other income.

The consolidation of the retail business with the LRG joint venture was a factor in lower levels of both gross profit and selling, general and administrative expenses in 2000 versus 1999. Also, the Company's new table top plant negatively impacted Wood Division gross margins, due to continued startup related costs. Other income was \$3.7 million in 2000, versus \$3.4 million in 1999. Other income was affected by Bassett's share of the loss in the LRG joint venture, which approximated \$1 million; this loss was more than offset by income from other investments.

In the first quarter of fiscal 2000, the Company recognized a cumulative effect of an accounting change of \$535,000 (\$364,000 after tax) or \$.03 per diluted share as result of changing its accounting policy regarding start-up costs. Pursuant to the AICPA issued SOP 98-5, "Reporting on the Costs of Start-up Activities," any previously

capitalized start-up costs were required to be written-off as a cumulative effect of an accounting change. Accordingly, the Company has written-off the unamortized balance of the previously capitalized store opening related start-up costs.

Commenting on earnings for the quarter, Robert H. Spilman Jr., stated, "We are generally pleased with the results, particularly with the strength in sales volume of our wood products. The transition of our retail operations to the LRG joint venture is moving somewhat more slowly than originally expected, but we are beginning to see good progress. Retail sales were strong in both January and February, and we anticipate that our media advertising in March will result in further positive comparisons."

At the meeting of shareholders, Bassett stated that it is continuing its share repurchase program and has increased the number of shares it is authorized to repurchase under the current program. As of February 26, approximately 63% of the current \$40 million share repurchase program had been completed.

Also today, Bassett's Board of Directors declared a regular quarterly dividend of \$.20 per share payable June 1, 2000, to shareholders of record May 16, 2000.

Bassett Furniture Industries, Inc., based in Bassett, Va., is a manufacturer and marketer of branded home furnishings. The company operates 14 plants in five states, and licenses 52 Bassett Furniture Direct stores nationwide. The company's common stock is traded on the NASDAQ market under the symbol BSET. More information about Bassett is available on the company's new Internet site at www.bassettfurniture.com.

CERTAIN OF THE STATEMENTS IN THE IMMEDIATELY PRECEDING PARAGRAPHS, PARTICULARLY THOSE PRECEDED BY, FOLLOWED BY OR INCLUDING THE WORDS "BELIEVES," "EXPECTS," "ANTICIPATES," "INTENDS," "ESTIMATES," OR SIMILAR EXPRESSIONS, OR THOSE RELATING TO OR ANTICIPATING FINANCIAL RESULTS FOR PERIODS BEYOND THE FIRST QUARTER OF FISCAL YEAR 2000, PROFITABLE GROWTH POTENTIAL, INCREASED FUTURE EARNINGS, IMPROVED MARGINS AND THE IMPACT OF MEDIA ADVERTISING ON RETAIL SALES CONSTITUTE "FORWARD LOOKING STATEMENTS" WITHIN THE MEANING OF SECTION 27A OF THE SECURITIES ACT OF 1933, AS AMENDED. FOR THOSE STATEMENTS, BASSETT CLAIMS THE PROTECTION OF THE SAFE HARBOR FOR FORWARD LOOKING STATEMENTS CONTAINED IN THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995. IN MANY CASES, BASSETT CANNOT PREDICT WHAT FACTORS WOULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE INDICATED IN THE FORWARD LOOKING STATEMENTS. EXPECTATIONS INCLUDED IN THE FORWARD-LOOKING STATEMENTS ARE BASED ON PRELIMINARY INFORMATION AS WELL AS CERTAIN ASSUMPTIONS WHICH MANAGEMENT BELIEVES TO BE REASONABLE AT THIS TIME. THE FOLLOWING IMPORTANT FACTORS AFFECT BASSETT AND COULD CAUSE THOSE RESULTS TO DIFFER MATERIALLY FROM THOSE EXPRESSED IN THE FORWARD LOOKING STATEMENTS: ACTUAL PRE-TAX LOSSES FOR THE LRG RETAIL OPERATION, SUCCESSFUL COMPLETION OF THE ACTIONS DESCRIBED IN THIS PRESS RELEASE, AND OTHER ITEMS. IN ADDITION TO THE FACTORS SET FORTH IN THIS PRESS RELEASE, THE ECONOMIC, COMPETITIVE, GOVERNMENTAL, TECHNOLOGICAL AND OTHER FACTORS IDENTIFIED IN BASSETT'S FILINGS WITH THE SECURITIES AND EXCHANGE COMMISSION COULD AFFECT THE FORWARD LOOKING STATEMENTS IN THIS PRESS RELEASE.

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BASSETT FURNITURE INDUSTRIES, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Operations - Unaudited
(Stated in thousands of dollars except for per share data)

	Quarter Ended February 26, 2000		Quarter Ended February 27, 1999		Percent Change
	Amount	Percent of Net Sales	Amount	Percent of Net Sales	
Net sales	\$ 94,981	100.0%	\$ 99,809	100.0%	(4.8)%
Cost of sales	76,408	80.4%	80,233	80.4%	(4.8)%
Selling, general and administrative	15,293	16.1%	16,530	16.6%	(7.5)%
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	91,701	96.5%	96,763	96.9%	(5.2)%
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Income from operations	3,280	3.5%	3,046	3.1%	7.7%
Other income, net	3,658	3.8%	3,352	3.4%	9.1%
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Income before income taxes	6,938	7.3%	6,398	6.4%	8.4%
Income taxes	2,220	2.3%	1,983	2.0%	12.0%
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Income before cumulative effect of accounting change	4,718		\$ 4,415		6.9%
Cumulative effect of accounting change (net of income taxes of \$171)	(364)		-		
	-----		-----		
NET INCOME	\$ 4,354	4.6%	\$ 4,415	4.4%	(1.4)%
	=====		=====		
Basic Earnings per share:					
Income before cumulative effect of accounting change	\$ 0.39		\$ 0.34		
Cumulative effect of accounting change	(0.03)		-		
	-----		-----		
Net income per share	\$ 0.36		\$ 0.34		
	=====		=====		
Diluted Earnings per share:					
Income before cumulative effect of accounting change	0.39		0.34		
Cumulative effect of accounting change	(0.03)		-		
	-----		-----		
Net income per share	0.36		0.34		
	=====		=====		

BASSETT FURNITURE INDUSTRIES, INC. AND SUBSIDIARIES
Consolidated Balance Sheets

	Preliminary and Unaudited February 26, 2000 -----	November 27, 1999 -----
ASSETS		

CURRENT ASSETS		
Cash and cash equivalents	\$2,599	\$5,740
Trade accounts receivable, net	69,556	64,731
Inventories, net of LIFO	49,584	50,206
Prepaid expenses	4,583	5,260
Refundable income taxes	1,006	1,006
Deferred income taxes	9,314	9,314
	-----	-----
	136,642	136,257
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PROPERTY AND EQUIPMENT		
Cost	233,317	227,439
Less accumulated depreciation	135,964	134,284
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	97,353	93,155
	-----	-----
OTHER ASSETS		
Investment securities	21,964	23,057
Investment in affiliated companies	71,803	67,558
Investment in joint venture	4,768	0
Other	21,332	22,802
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	119,867	113,417
	-----	-----
	\$353,862	\$342,829
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LIABILITIES AND STOCKHOLDERS' EQUITY		

CURRENT LIABILITIES		
Accounts payable	\$26,606	\$30,122
Accrued liabilities	20,662	26,806
	-----	-----
	47,268	56,928
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LONG-TERM LIABILITIES		
Employee benefits	10,919	10,998
Deferred income taxes	3,429	1,152
Notes payable	37,000	18,000
	-----	-----
	51,348	30,150
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STOCKHOLDERS' EQUITY		
Common stock	59,446	60,474
Additional paid in capital	0	0
Retained earnings	188,904	187,973
Unrealized holding gains, net of tax	7,174	7,993
Unamortized stock compensation	(278)	(689)
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	255,246	255,751
	-----	-----
	\$353,862	\$342,829
	=====	=====

BASSETT FURNITURE INDUSTRIES, INC. AND SUBSIDIARIES
Consolidated Statements of Cash Flows - Unaudited/Preliminary

	Quarter Ended February 26, 2000	Quarter Ended February 27, 1999
Net income	\$4,354	\$4,415
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	2,677	2,161
Equity in undistributed income of affiliated companies	(4,080)	(2,288)
Deferred income taxes	2,277	1,202
Net (gain) loss from sales of investment securities	-	(391)
Net (gain) loss from sales of property and equipment	-	-
Compensation earned under restricted stock plan	60	60
Changes in long-term liabilities	(79)	(117)
Changes in operating assets and liabilities:		
Trade accounts receivable	(5,054)	(5,006)
Inventories	(5,386)	1,506
Prepaid expenses	481	(400)
Income taxes	-	820
Accounts payable and accrued liabilities	(739)	(2,360)
Net cash provided by (used in) operating activities	(5,489)	(398)
Investing Activities:		
Purchases of property and equipment	(7,979)	(5,411)
Proceeds from sales of property and equipment	0	970
Proceeds from sales of investment securities	0	14,076
Investments in affiliated companies	(4,200)	(5,850)
Other	863	308
Net cash provided by (used in) investing activities	(11,316)	4,093
Financing Activities:		
Borrowings under notes payable	19,000	0
Issuance of common stock	0	15
Repurchases of common stock	(2,943)	(3,778)
Cash dividends	(2,393)	(2,551)
Net cash provided by (used in) financing activities	13,664	(6,314)
Change in Cash and Cash Equivalents	(3,141)	(2,619)
Cash and Cash Equivalents, beginning of year	5,740	5,499
Cash and Cash Equivalents, end of quarter	\$2,599	\$2,880

Note: Changes in operating assets and liabilities include the contribution of retail segment net operating assets and liabilities of \$1.6 million to the LRG joint venture.