FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

\Box	Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).
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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL 3235-0287 OMB Number: Estimated average burden hours per response: 0.5

1. Name and Addres					er Name and Ticker <u>FI INC</u> [UFI]		ling S	ymbol			ationship of Reportin k all applicable) Director	10% 0	Dwner	
(Last) 9116 GREAT M	(First) EADOWS DRI	(Middle) VE			3. Date of Earliest Transaction (Month/Day/Year) 07/26/2006						Officer (give title Ott below) be Vice President		er (specify w)	
(Street)		4. If Amendment, Date of Original Filed (Month/Day/Year)							6. Individual or Joint/Group Filing (Check Applicable Line)					
CLEMMONS	NC	27012								X	Form filed by One	e Reporting Pers	son	
(City)	(State)	(Zip)									Form filed by Mo Person	re than One Rep	orting	
		Table I - Nor	n-Derivati	ive Se	ecurities Acqu	uired,	Disp	oosed of, o	or Ben	eficially	Owned			
Date			2. Transacti Date (Month/Day	Execution Date,		3. Transaction Code (Instr. 8)					5. Amount of Securities Beneficially Owned Following Reported	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
						Code	v	Amount	(A) or (D)	Price	Transaction(s) (Instr. 3 and 4)		(1130.4)	

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

(e.g., puis, cans, warrants, options, convertible securities)															
1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	Code (saction e (Instr. 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			6. Date Exerc Expiration Da (Month/Day/Y	ate	7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	v			Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Stock Options (Right to Buy)	\$2.89	07/26/2006		Α		21,666		07/26/2006	07/26/2016	Common Stock	21,666	\$0	21,666	D	
Stock Options (Right to Buy)	\$2.89	07/26/2006		A		21,667		07/26/2007	07/26/2016	Common Stock	21,667	\$0	43,333	D	
Stock Options (Right to Buy)	\$2.89	07/26/2006		А		21,667		07/26/2008	07/26/2016	Common Stock	21,667	\$0	65,000	D	

Explanation of Responses:

/s/Thomas H. Caudle, Jr.

** Signature of Reporting Person

07/28/2006 Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.