

CROWN CRAFTS INC
Form PRER14A
July 09, 2010

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A
(Rule 14a-101)
INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION
Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No. 2)**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Under § 240.14a-12

Crown Crafts, Inc.

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

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Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount previously paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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PRELIMINARY PROXY STATEMENT SUBJECT TO COMPLETION

**CROWN CRAFTS, INC.
916 South Burnside Avenue
Gonzales, Louisiana 70737
(225) 647-9100**

July [], 2010

Dear Crown Crafts Stockholder:

We cordially invite you to attend our 2010 annual meeting of stockholders to be held on Tuesday, August 10, 2010, at 10:00 a.m., Central Daylight Time, at the Company's executive offices, located at 916 South Burnside Avenue, Third Floor, Gonzales, Louisiana. At the meeting, we will present a report on our operations, vote on the election of three Class I directors and one Class II director and the appointment of the Company's independent auditor, as described in the accompanying notice of annual meeting and proxy statement, and discuss any other matters properly brought before the meeting.

Wynnefield Partners Small Cap Value, L.P., a stockholder of the Company, has advised the Company of its intention to nominate and solicit proxies for an opposition slate of two director nominees for election to our board of directors at the annual meeting. See "Voting Information - Wynnefield Proxy Contest" in the accompanying proxy statement.

THE BOARD URGES STOCKHOLDERS TO VOTE FOR THE ELECTION OF THE BOARD'S NOMINEES NAMED IN THIS PROXY STATEMENT BY USING THE ENCLOSED WHITE PROXY CARD. INSTRUCTIONS FOR VOTING YOUR SHARES ARE PROVIDED IN THIS PROXY STATEMENT.

THE BOARD RECOMMENDS THAT STOCKHOLDERS NOT SUPPORT WYNNEFIELD'S NOMINEES FOR ELECTION TO THE BOARD.

Whether or not you attend in person, **it is important** that your shares be represented and voted at the meeting. I urge you to sign, date and return the enclosed **WHITE** proxy card, or vote via telephone or the Internet as directed on the proxy card, at your earliest convenience.

Sincerely,

E. Randall Chestnut
Chairman of the Board,
President and Chief Executive Officer

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PRELIMINARY PROXY STATEMENT SUBJECT TO COMPLETION

**CROWN CRAFTS, INC.
916 South Burnside Avenue
Gonzales, Louisiana 70737
(225) 647-9100**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON AUGUST 10, 2010**

To the Stockholders of Crown Crafts, Inc.:

NOTICE IS HEREBY GIVEN that the annual meeting of stockholders of Crown Crafts, Inc. will be held at our executive offices, located at 916 South Burnside Avenue, Third Floor, Gonzales, Louisiana, on August 10, 2010, at 10:00 a.m., Central Daylight Time, for the following purposes:

- (i) to elect three members to the board of directors to hold office for a three-year term and one member to the board of directors to hold office for a two-year term;
- (ii) to ratify the appointment of KPMG LLP as our independent auditor for the fiscal year ending April 3, 2011; and
- (iii) to transact such other business as may properly come before the annual meeting or any adjournment or postponement thereof.

These items of business are described in the attached proxy statement. The board of directors has fixed June 11, 2010 as the record date to determine the stockholders entitled to notice of and to vote at the annual meeting. Only those stockholders of record of Crown Crafts Series A common stock as of the close of business on that date will be entitled to vote at the annual meeting or at any adjournment or postponement thereof.

IT IS IMPORTANT THAT YOUR SHARES BE REPRESENTED AND VOTED. WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING, WE URGE YOU TO VOTE AND SUBMIT THE **WHITE** PROXY CARD PROVIDED WITH THIS PROXY STATEMENT BY INTERNET, TELEPHONE OR MAIL TO ENSURE THE PRESENCE OF A QUORUM. IF YOU LATER DESIRE TO REVOKE OR CHANGE YOUR PROXY FOR ANY REASON, YOU MAY DO SO AT ANY TIME BEFORE THE VOTING BY DELIVERING TO US A WRITTEN NOTICE OF REVOCATION OR A DULY EXECUTED **WHITE** PROXY CARD BEARING A LATER DATE OR BY ATTENDING THE ANNUAL MEETING AND VOTING IN PERSON. IF YOU HOLD YOUR SHARES THROUGH AN ACCOUNT WITH A BROKERAGE FIRM, BANK OR OTHER NOMINEE, PLEASE FOLLOW THE INSTRUCTIONS YOU RECEIVE FROM THEM TO VOTE YOUR SHARES.

WE ALSO URGE YOU NOT TO VOTE OR SUBMIT ANY PROXY CARD SENT TO YOU BY WYNNEFIELD PARTNERS SMALL CAP VALUE, L.P. OR ITS AFFILIATES. YOU CAN REVOKE ANY WYNNEFIELD PROXY CARD YOU MAY HAVE PREVIOUSLY SUBMITTED BY VOTING AND SUBMITTING THE

ENCLOSED **WHITE PROXY CARD**.

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR
THE ANNUAL MEETING TO BE HELD ON AUGUST 10, 2010**

This notice, the attached proxy statement, a form of proxy card and our Annual Report for the fiscal year ended March 28, 2010 are available free of charge at <https://materials.proxyvote.com/228309>.

TO OBTAIN DIRECTIONS TO ATTEND THE ANNUAL MEETING AND VOTE IN PERSON, PLEASE CONTACT OUR CORPORATE SECRETARY AT (225) 647-9100.

By Order of the Board of Directors,

Amy Vidrine Samson
Vice President, Chief Accounting Officer and
Secretary

Gonzales, Louisiana
July [], 2010

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PRELIMINARY PROXY STATEMENT SUBJECT TO COMPLETION

**CROWN CRAFTS, INC.
916 South Burnside Avenue
Gonzales, Louisiana 70737**

**PROXY STATEMENT
FOR
ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON AUGUST 10, 2010**

PROXY SOLICITATION

This proxy statement and the accompanying form of proxy (which were first sent or given to stockholders on or about July [], 2010) are furnished to stockholders of Crown Crafts, Inc. (Crown Crafts or the Company) in connection with the solicitation by and on behalf of the board of directors of the Company of proxies for use at the annual meeting of the Company s stockholders to be held at the Company s executive offices, located at 916 South Burnside Avenue, Third Floor, Gonzales, Louisiana, on August 10, 2010, at 10:00 a.m., Central Daylight Time, and any adjournment or postponement thereof.

The annual meeting is being held for the following purposes:

- (i) to elect three members to the board of directors to hold office for a three-year term and one member to the board of directors to hold office for a two-year term;
- (ii) to ratify the appointment of KPMG LLP as the independent auditor of the Company for the fiscal year ending April 3, 2011; and
- (iii) to transact any other business as may properly come before the annual meeting or any adjournment or postponement thereof.

Wynnefield Partners Small Cap Value, L.P., a stockholder of the Company, has advised Crown Crafts of its intention to nominate and solicit proxies for an opposition slate of two director nominees for election to our board of directors at the annual meeting. See Voting Information Wynnefield Proxy Contest below.

THE BOARD OF DIRECTORS URGES STOCKHOLDERS TO VOTE FOR THE ELECTION OF THE BOARD S NOMINEES NAMED IN THIS PROXY STATEMENT.

THE BOARD OF DIRECTORS RECOMMENDS THAT STOCKHOLDERS NOT SUPPORT WYNNEFIELD S NOMINEES FOR ELECTION TO THE BOARD.

VOTING INFORMATION

Record Date

Only holders of record of Crown Crafts Series A common stock at the close of business on the record date, June 11, 2010, are entitled to notice of and to vote at the annual meeting. As of the record date, there were 9,254,986 shares of Crown Crafts Series A common stock outstanding and entitled to vote at the annual meeting, held by approximately 310 holders of record. A list of the Company's stockholders will be available for review at the Company's executive offices during regular business hours for a period of ten days before the annual meeting. Each holder of Crown Crafts Series A common stock is entitled to one vote for each share of Crown Crafts Series A common stock he or she owned as of the record date.

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Quorum and Vote Required

A quorum of stockholders is necessary to transact business at the annual meeting. The presence, in person or by proxy, of shares of Crown Crafts Series A common stock representing a majority of shares of Crown Crafts Series A common stock outstanding and entitled to vote on the record date is necessary to constitute a quorum at the annual meeting. Abstentions and broker non-votes, discussed below, count as present for establishing a quorum.

Directors are elected by a plurality of the votes cast, meaning that the three Class I nominees receiving the most properly cast votes will be elected as Class I directors and the Class II nominee receiving the most properly cast votes will be elected as a Class II director. The affirmative vote of the holders of a majority of the shares of the Company's Series A common stock present or represented by proxy at the annual meeting is required to ratify the appointment of KPMG LLP. Cumulative voting is not permitted. If a quorum is not present at the annual meeting, then it is expected that the annual meeting will be adjourned or postponed to solicit additional proxies.

As of the record date, the Company's directors and executive officers as a group beneficially owned and were entitled to vote approximately 905,287 shares of Crown Crafts Series A common stock, or approximately 9.8% of the outstanding shares of Crown Crafts Series A common stock on that date. This amount excludes approximately 27,497 shares of the Crown Crafts Series A common stock held by members of the immediate families of certain officers and directors of Crown Crafts with respect to which such officers and directors disclaim beneficial ownership.

Voting Your Shares

You may vote by proxy or in person at the annual meeting.

Voting in Person. If you plan to attend the annual meeting and wish to vote in person, you will be given a ballot at the annual meeting. Please note, however, that if your shares are held in street name, which means your shares are held of record by a broker, bank or other nominee, and you wish to vote at the annual meeting, you must bring to the annual meeting a proxy from the record holder of the shares authorizing you to vote at the annual meeting.

Voting by Proxy. You should vote your proxy on the enclosed **WHITE** proxy card even if you plan to attend the annual meeting. You can always change your vote at the annual meeting. Your latest dated vote before the annual meeting will be the vote counted. Voting instructions are included on your **WHITE** proxy card. If you properly grant your proxy and submit it to the Company in time to vote, one of the individuals named as your proxy will vote your shares as you have directed. If no instructions are indicated on a properly executed **WHITE** proxy card or voting instruction, the shares will be voted for the election of all of the director nominees and for the ratification of the appointment of the Company's independent auditor. If other matters properly come before the annual meeting, the shares represented by proxies will be voted, or not voted, by the individuals named in the proxies in their discretion.

You may submit your proxy through the mail by completing your proxy card and signing, dating and returning it in the enclosed, pre-addressed, postage-paid envelope. To be valid, a returned proxy card must be signed and dated. You may also deliver your voting instructions by telephone or over the Internet. Instructions for voting by telephone or over the Internet may be found on your **WHITE** proxy card.

If you are not the record holder of your shares, you must provide the record holder of your shares with instructions on how to vote your shares. If your shares are held by a bank, broker or other nominee, that bank, broker or nominee may allow you to deliver your voting instructions by telephone. If your shares are held by a broker, you may also be allowed to deliver your voting instructions over the Internet. Stockholders whose shares are held by a bank, broker or

other nominee should refer to the voting instruction card forwarded to them by that bank, broker or other nominee holding their shares.

Wynnefield Proxy Contest

A Crown Crafts stockholder, Wynnefield Partners Small Cap Value, L.P. (together with its affiliates, Wynnefield Partners Small Cap Value Offshore Fund, Ltd., Wynnefield Partners Small Cap Value, L.P. I, Wynnefield Capital

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Management, LLC, Wynnefield Capital, Inc., Channel Partnership II, L.P., Wynnefield Capital, Inc. Profit Sharing & Money Purchase Plan, Nelson Obus and Joshua Landes, Wynnefield), has advised the Company of its intention to nominate and solicit proxies in support of an opposition slate of two nominees for election to the board of directors at the annual meeting. As reported in a Schedule 13D report of beneficial ownership filed with the Securities and Exchange Commission (the SEC) by Wynnefield on June 28, 2010, Wynnefield intends to nominate Melvin L. Keating and Jon C. Biro for election to the Company s board of directors at the annual meeting.

Pursuant to a Governance and Standstill Agreement dated July 1, 2008 entered into by the Company and Wynnefield (the 2008 Wynnefield Agreement), Wynnefield agreed to cease efforts related to the proxy solicitation it was pursuing at that time, which was described in Wynnefield s Schedule 13D filed with the SEC on June 30, 2008. In connection therewith, Crown Crafts appointed Joseph Kling as a director and agreed that Mr. Kling would be nominated for re-election as a director at the Company s 2008 annual meeting of stockholders. Among other things, the Company also agreed to use its reasonable best efforts, upon the request of Wynnefield delivered to the Company on or before May 1, 2010, to obtain the resignation from the board of one director chosen by the Company other than Mr. Kling or a Class I director of the Company. Wynnefield delivered this request to the Company on April 30, 2010, and Sidney Kirschner, formerly a Class II director of the Company, resigned effective May 27, 2010 in accordance with Wynnefield s request.

The 2008 Wynnefield Agreement also provides that, prior to or at the Company s annual meeting of stockholders for 2010, the Company shall not, and shall cause its directors, officers and other representatives not to, (i) increase the size of the board to more than seven directors, unless such increase is pursuant to other applicable provisions of the 2008 Wynnefield Agreement; (ii) create any new class of directors of the board; (iii) create any new class of voting securities; (iv) except as otherwise mandated or necessitated by applicable law, change any process by which the Company s stockholders may nominate or vote for an individual with respect to the election of directors; or (v) otherwise amend the Company s bylaws or certificate of incorporation for the purpose of accomplishing any of the foregoing.

Prior to entering into the 2008 Wynnefield Agreement, the Company and Wynnefield were parties to an agreement dated November 4, 2005 pursuant to which Frederick G. Wasserman was given the right, on behalf of Wynnefield, to attend and participate in meetings of the Company s board of directors in a non-voting observer capacity and to receive all information discussed with or provided to the Company s directors in connection with such meetings. The Company terminated that agreement on June 28, 2007 in connection with the proxy solicitation conducted by Wynnefield in connection with the Company s 2007 annual meeting of stockholders.

THE BOARD RECOMMENDS THAT STOCKHOLDERS NOT SUPPORT WYNNEFIELD S NOMINEES FOR ELECTION TO THE BOARD. IF YOU HAVE ALREADY VOTED A PROXY CARD FROM WYNNEFIELD, YOU MAY REVOKE IT AND PROVIDE YOUR SUPPORT TO THE COMPANY S NOMINEES BY VOTING THE ENCLOSED **WHITE PROXY CARD IN THE MANNER DISCUSSED ABOVE. ONLY YOUR LATEST DATED PROXY WILL COUNT.**

Revoking a Proxy

You may revoke your proxy at any time before it is voted at the annual meeting by (i) delivering to the secretary of Crown Crafts a signed notice of revocation, bearing a date later than the date of the proxy, stating that the proxy is revoked, (ii) granting a new proxy, relating to the same shares and bearing a later date, or (iii) attending the annual meeting and voting in person. Likewise, if you have already voted a proxy furnished by Wynnefield, you may REVOKE it and support the Company s nominees through these same procedures.

Written notices of revocation and other communications with respect to the revocation of proxies should be addressed to Crown Crafts, Inc., P.O. Box 1028, Gonzales, Louisiana 70707, Attn.: Corporate Secretary.

If your shares are held in the name of a broker, bank or other nominee, you may change your vote by submitting new voting instructions to your broker, bank or other nominee. You must contact your broker, bank or other nominee to find out how to do so.

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Abstentions and Broker Non-Votes

Shares of Crown Crafts Series A common stock held by persons attending the annual meeting but not voting, and shares of Crown Crafts Series A common stock for which the Company has received proxies but with respect to which holders of those shares have abstained from voting, will be counted as present at the annual meeting for purposes of determining the presence or absence of a quorum for the transaction of business at the annual meeting. Because directors are elected by a plurality of votes cast, abstentions will not be counted in determining which nominees received the largest number of votes cast.

Under certain circumstances, brokers are prohibited from exercising discretionary authority for beneficial owners who have not returned proxies to the brokers (so-called broker non-votes). In these cases, and in cases where the stockholder abstains from voting on a matter, those shares will be counted for the purpose of determining if a quorum is present but will not be included in the vote totals with respect to those matters and, therefore, will have no effect on the vote. In addition, if a broker indicates on the proxy card that it does not have discretionary authority on other matters considered at the annual meeting, those shares will not be counted in determining the number of votes cast with respect to those matters.

Solicitation of Proxies

Crown Crafts will bear the costs of printing and mailing this proxy statement, as well as all other costs incurred on behalf of the Company's board of directors in connection with its solicitation of proxies from the holders of Crown Crafts Series A common stock. The Company has retained Georgeson Inc. to assist the Company and its board of directors in the solicitation of proxies and in the distribution of proxies and accompanying materials to brokerage houses and institutions for a fee of up to \$50,000, plus service fees and expenses. The Company has agreed to indemnify Georgeson against certain liabilities arising out of or in connection with Georgeson's engagement.

In addition, directors, officers and employees of Crown Crafts and its subsidiaries may solicit proxies by mail, personal interview, telephone, e-mail or facsimile transmission without additional compensation. The Company may also solicit proxies through press releases and postings on its website at www.crowncrafts.com. Arrangements will be made with brokerage houses, voting trustees, banks, associations and other custodians, nominees and fiduciaries, who are record holders of the Company's Series A common stock not beneficially owned by them, for forwarding these proxy materials to, and obtaining proxies from, the beneficial owners of such stock entitled to vote at the annual meeting. Crown Crafts will reimburse these persons for their reasonable expenses incurred in doing so.

As a result of Wynnefield's solicitation of proxies in support of an opposition slate of director nominees, the Company's expenses related to the solicitation of proxies from stockholders, in excess of those normally spent for an annual meeting, are expected to aggregate approximately \$400,000, of which an immaterial amount has been spent to date.

Other Business

The Company does not expect that any matter other than the proposals presented in this proxy statement will be brought before the annual meeting. However, if other matters are properly presented at the annual meeting or any adjournment or postponement of the annual meeting, the persons named as proxies will vote in accordance with their best judgment with respect to those matters.

Assistance

If you need assistance in completing your proxy card or have questions regarding the annual meeting, please contact Amy Vidrine Samson at (225) 647-9122 or write to Ms. Samson at the following address: P.O. Box 1028, Gonzales, Louisiana 70707.

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CORPORATE GOVERNANCE

Our board of directors is committed to maintaining sound and effective corporate governance principles and believes that strong corporate governance is critical to achieving our performance goals and to maintaining the trust and confidence of stockholders, employees, suppliers, customers and regulatory agencies. The board regularly reviews the Company's corporate governance practices in light of proposed and adopted laws and regulations, the practices of other leading companies, the recommendations of various corporate governance authorities and the expectations of our stockholders.

Board of Directors

The board of directors is responsible for establishing broad corporate policies of the Company, monitoring the Company's overall performance and ensuring that the Company's activities are conducted in a responsible and ethical manner. However, in accordance with well-established corporate legal principles, the board of directors is not involved in the Company's day-to-day operating matters. Members of the board are kept informed about the Company's business by participating in board and committee meetings, by reviewing analyses and reports provided to them by the Company and through discussions with the chairman of the board and officers of the Company.

Director Independence

Each non-employee member of the board is independent, as defined for purposes of the rules of the SEC and the listing standards of The Nasdaq Stock Market LLC (Nasdaq). For a director to be considered independent, the board must determine that the director does not have a relationship with the Company that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In making this determination, the board will consider all relevant facts and circumstances, including any transactions or relationships between the director and the Company or its subsidiaries.

Code of Business Conduct and Ethics; Code of Conduct for Directors

The Company has adopted a Code of Business Conduct and Ethics that is applicable to all directors and employees, including the Company's chief executive officer and chief financial officer. The Code of Business Conduct and Ethics covers such topics as conflicts of interest, insider trading, competition and fair dealing, discrimination and harassment, health and safety, confidentiality, payments to governmental personnel and compliance procedures. The Code of Business Conduct and Ethics is posted on the Company's website at www.crowncrafts.com. In addition, the Company has also adopted a Code of Conduct for Directors, which is also posted on the Company's website at www.crowncrafts.com.

Board Committees and Meetings

During fiscal year 2010, the Company's board of directors had the following standing committees: audit committee; compensation committee; nominating and corporate governance committee; and capital committee. Committee membership and the responsibilities assigned by the board of directors to each of these committees are briefly described below.

The board of directors met seven times during fiscal year 2010. Each director attended 100% of the total number of meetings of the board and committees of which he was a member during fiscal year 2010. Seven directors attended the Company's annual meeting held in 2009, and all members of the board have been requested to attend the 2010

annual meeting. Although the Company has no formal policy with respect to board members' attendance at the Company's annual meeting of stockholders, it is customary for all board members to attend.

Audit Committee

The audit committee has been established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended (the Exchange Act), and is currently comprised of three members, none of whom is a current or former employee of the Company or any of its subsidiaries and all of whom are, in the opinion of the board, free from any relationship that would interfere with the exercise of their independent judgment in the

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discharge of the audit committee's duties. See Audit Committee Disclosure Report of the Audit Committee. The current members of the audit committee are Donald Ratajczak (Chairman), William T. Deyo, Jr. and Joseph Kling. The committee has adopted a formal, written charter, which has been approved by the full board and which specifies the scope of the committee's responsibilities and how it should carry them out. The complete text of the audit committee charter is available on the Company's website at www.crowncrafts.com.

The audit committee represents the board in discharging its responsibility relating to the accounting, reporting and financial practices of the Company and its subsidiaries. Its primary functions include monitoring the integrity of the Company's financial statements and system of internal controls and the Company's compliance with regulatory and legal requirements; monitoring the independence, qualifications and performance of the Company's independent auditor; and providing an avenue of communication among the independent auditor, management and the board. The audit committee met six times during fiscal year 2010, including five meetings at which executive sessions were held with the Company's independent auditor. In addition, the chairman of the audit committee met separately with the Company's independent auditor once during that same period.

Compensation Committee

The compensation committee is currently comprised of three directors, Zenon S. Nie (Chairman), Joseph Kling and Frederick G. Wasserman, none of whom is a current or former employee of the Company or any of its subsidiaries and all of whom are, in the opinion of the board, free from any relationship that would interfere with the exercise of their independent judgment in the discharge of the compensation committee's duties. Prior to his resignation from the board in May 2010, Sidney Kirschner served as a member of the compensation committee, and following Mr. Kirschner's resignation, Mr. Kling was appointed to the committee. The committee has adopted a formal, written charter, which has been approved by the full board and which specifies the scope of the committee's responsibilities and how it should carry them out. The complete text of the compensation committee charter is available on the Company's website at www.crowncrafts.com. The duties of the compensation committee are generally to establish the compensation for the Company's executive officers and to act on such other matters relating to compensation as it deems appropriate, including an annual evaluation of the Company's chief executive officer and the design and oversight of all compensation and benefit programs in which the Company's employees and officers are eligible to participate. The compensation committee met twice during fiscal year 2010.

Nominating and Corporate Governance Committee

The nominating and corporate governance committee is currently comprised of three directors, Zenon S. Nie (Chairman), William T. Deyo, Jr. and Donald Ratajczak, none of whom is a current or former employee of the Company or any of its subsidiaries and all of whom are, in the opinion of the board, free from any relationship that would interfere with the exercise of their independent judgment in the discharge of the nominating and corporate governance committee's duties. The committee has adopted a formal, written charter, which has been approved by the full board and which specifies the scope of the committee's responsibilities and how it should carry them out. The complete text of the nominating and corporate governance committee charter is available on the Company's website at www.crowncrafts.com. The nominating and corporate governance committee met five times during fiscal year 2010.

The nominating and corporate governance committee has the general responsibility for overseeing the Company's corporate governance practices and for identifying, reviewing and recommending to the board individuals to be nominated for election to the board. The committee will also consider any director candidate proposed in good faith by a stockholder of the Company. To do so, a stockholder should send the director candidate's name, credentials, contact information and his or her consent to be considered as a candidate to the corporate secretary of the Company. The proposing stockholder should also include his or her contact information and a statement of his or her share ownership (how many shares of the Company owned and for how long), as well as any other information required by

the Company's bylaws.

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Capital Committee

The capital committee is currently comprised of three directors, William T. Deyo, Jr. (Chairman), Zenon S. Nie and Frederick G. Wasserman, none of whom is a current or former employee of the Company or any of its subsidiaries and all of whom are, in the opinion of the board, free from any relationship that would interfere with the exercise of their independent judgment in the discharge of the capital committee's duties. The capital committee is responsible for overseeing and making recommendations with respect to certain capital market transactions, including stock repurchases and dividend payments. The capital committee met twice during fiscal year 2010.

Identifying and Evaluating Nominees

With respect to the nomination process, the nominating and corporate governance committee reviews the composition and size of the board to insure that it has the proper expertise and independence; determines the criteria for the selection of board members and board committee members; establishes criteria for qualifications as independent directors, consistent with applicable laws and listing standards; maintains a file of suitable candidates for consideration as nominees to the board; reviews board candidates recommended by stockholders in compliance with all director nomination procedures for stockholders; and recommends to the board the slate of nominees of directors to be elected by the stockholders and any directors to be elected by the board to fill vacancies.

The nominating and corporate governance committee will evaluate candidates for election to the board based on their financial literacy, business acumen and experience, independence, and willingness, ability and availability for service. This may include consideration of factors such as the following:

whether the potential nominee has leadership, strategic or policy-setting experience in a complex organization, including not only a corporate organization but also any governmental, educational or other non-profit organization;

whether the potential nominee has experience and expertise that is relevant to the Company's business, including any specialized business experience, technical expertise or industry expertise, and whether the potential nominee has knowledge regarding issues affecting the Company;

whether the potential nominee is highly accomplished in his or her respective field;

whether the potential nominee has high ethical character and a reputation for honesty, integrity and sound business judgment;

whether the potential nominee is free of any conflict of interest or the appearance of any conflict of interest and whether he or she is willing and able to represent the interests of all stockholders;

any factor affecting the ability or willingness of the potential nominee to devote sufficient time to the board's activities and to enhance his or her understanding of the Company's business; and

how the potential nominee would contribute to diversity, with a view toward the needs of the board of directors as a whole.

Additionally, with respect to an incumbent director whom the nominating and corporate governance committee is considering as a potential nominee for re-election, the committee will review and consider the incumbent director's service during his or her term, including the number of meetings attended, level of participation and overall contribution to the Company. The manner in which the committee evaluates a potential nominee will not differ based

on whether the potential nominee is recommended by a stockholder.

The nominating and corporate governance committee has not adopted a formal policy with regard to the consideration of diversity in identifying director nominees, although the committee and the board are committed to a diversified membership. When identifying and recommending director nominees, the members of the committee generally view diversity expansively to include, without limitation, concepts such as race, gender, national origin, differences of viewpoint and perspective, professional experience, education, skill and other qualities or attributes that together contribute to the functioning of the board.

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Board Leadership Structure

The board of directors believes that having a single leader serving as chairman and chief executive officer, together with an experienced and engaged lead director, is the most appropriate leadership structure for the board at this time.

Combining the roles of chairman and chief executive officer makes clear that the person serving in these roles has primary responsibility for managing the Company's business, subject to the oversight and review of the board. Under this structure, the chairman and chief executive officer chairs board meetings, where the board discusses strategic and business issues. The board believes that this approach is preferable because the chief executive officer is the individual with primary responsibility for implementing the Company's strategy, directing the work of other officers and leading implementation of the Company's strategic plans as approved by the board. This structure creates a single leader who is directly accountable to the board and, through the board, to stockholders, and enables the chief executive officer to act as the key link between the board and other members of management. In addition, Mr. Chestnut personally brings to the combined role of chairman and chief executive officer a long history with Crown Crafts.

Because the board also believes that strong, independent board leadership is a critical aspect of effective corporate governance, the board has established the position of lead director. The lead director, who must be independent, is elected by the independent directors. The lead director presides over executive sessions of the independent directors, consults with the chairman of the board, oversees the flow of information to the board and acts as liaison between the non-employee directors and management. As the primary interface between the chief executive officer and the board, the lead director provides a valuable counterweight to the combined chairman and chief executive officer role. The lead director also serves as a focal point for the independent directors, thereby enhancing and clarifying the board's independence from management. Zenon S. Nie currently serves as the lead director.

Role in Risk Oversight

As noted above, the Company's business and affairs are managed under the direction of its board of directors. This includes the board's overseeing the types and amounts of risks undertaken by the Company. In discharging its oversight responsibilities, the board relies on a combination of the business experience of members of the board and the expertise and business experience of the Company's officers and employees, as well as, from time to time, advice of various consultants and experts. An appropriate balancing of risks and potential rewards with the long-term goals of the Company is, and historically has been, implicit in the decisions and policies of the board. Because risk oversight is so thoroughly interwoven into the direction of the board, no special provision has been made for that oversight in the board's leadership structure, except in connection with the role of the audit committee, which has responsibility for overseeing the Company's risk management programs and policies.

The audit committee focuses on financial reporting risk, oversees the entire audit function and evaluates the effectiveness of internal and external audit efforts. It receives reports from management regularly regarding the Company's assessment of risks and the adequacy and effectiveness of internal control systems. The audit committee reports regularly to the full board and is required by its charter to discuss at least annually with management and the Company's independent auditor the adequacy of the Company's risk management programs and policies, including any recommendations the committee may have for improvements in those areas.

Certain Relationships and Related Transactions

The Company recognizes that transactions between the Company and any of its directors or executive officers can present potential or actual conflicts of interest. Accordingly, as a general matter and in accordance with the Company's

Code of Business Conduct and Ethics, it is the Company's preference to avoid such transactions. Nevertheless, the Company recognizes that there are circumstances where such transactions may be in, or not inconsistent with, the best interests of the Company. The Company and the audit committee review all relationships and transactions in which the Company and such related persons are participants on a case-by-case basis. In performing such review, consideration is given to (i) the nature of the related person's interest in the transaction,

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(ii) the material terms of the transaction, (iii) the significance of the transaction to the related person or the Company, and (iv) other matters deemed appropriate.

Crown Crafts Infant Products, Inc., a wholly-owned subsidiary of the Company (CCIP), employs Gary Freeman, who is the spouse of Nanci Freeman, the President and Chief Executive Officer of CCIP. Mr. Freeman serves as Vice President Warehousing and Distribution of CCIP. Mr. Freeman's base salary as of the end of fiscal year 2010 was \$143,964, and he earned a bonus for fiscal year 2010 in the amount of \$8,423. The compensation paid to Mr. Freeman is commensurate with that of his peers.

Communication with the Board and its Committees

Any stockholder may communicate with the board by directing correspondence to the board, any of its committees or one or more individual members, in care of the corporate secretary, at Crown Crafts, Inc., P.O. Box 1028, Gonzales, Louisiana 70707.

PROPOSAL 1: ELECTION OF DIRECTORS

Election of Directors

The Company has a classified board currently consisting of three Class I directors (E. Randall Chestnut, William T. Deyo, Jr. and Frederick G. Wasserman), one Class II director (Zenon S. Nie) and two Class III directors (Donald Ratajczak and Joseph Kling). At each annual meeting of stockholders, directors are duly elected for a full term of three years to succeed those whose terms are expiring. The Class I directors currently serve until the 2010 annual meeting, and the Class III and Class II directors currently serve until the annual meetings of stockholders to be held in 2011 and 2012, respectively.

Pursuant to the Company's bylaws, the board of directors has fixed its membership at seven directors. Currently, there is one vacancy on the Company's board of directors, which resulted from the resignation on May 27, 2010 of Sidney Kirschner, formerly a Class II director. Mr. Kirschner's resignation was in response to a request from Wynnefield delivered pursuant to the 2008 Wynnefield Agreement that a sitting director who would not otherwise be up for re-election at the Company's 2010 annual meeting of stockholders resign in advance of such meeting. As required by the 2008 Wynnefield Agreement, the vacancy resulting from Mr. Kirschner's resignation may only be filled by election of the Company's stockholders at the Company's annual meeting of stockholders for 2010. See Voting Information Wynnefield Proxy Contest .

At the 2010 annual meeting, three Class I directors will be elected to hold office until the 2013 annual meeting of stockholders and one Class II director will be elected to hold office until the 2012 annual meeting of stockholders. The board of directors has nominated E. Randall Chestnut, William T. Deyo, Jr. and Richard L. Solar as Class I nominees for election to the board of directors and Sidney Kirschner as the sole Class II nominee for election to the board of directors. Each of the board's nominees has consented to serve and be named in this proxy statement and will serve as a director if elected, for his respective term and until his successor shall be elected and shall qualify, except as otherwise provided in the Company's bylaws. As discussed above, Messrs. Chestnut and Deyo presently serve on the Company's board, and Mr. Kirschner formerly served on the Company's board.

The proxy holder intends to vote for the election of the named nominees unless you have specifically indicated by proper proxy on the **WHITE** proxy card that your shares should be withheld from voting for any or all of these nominees. If at the time of the annual meeting any nominee is unavailable or unwilling to serve as a director, the proxies will be voted for the remaining nominees and for any other person designated by the board of directors as a nominee. Proxies cannot be voted at the annual meeting for a greater number of persons than the number of nominees

named.

Recommendation of the Board of Directors

The board of directors recommends a vote **FOR** each of the Class I and Class II nominees discussed below. Proxies will be voted **FOR** the election of these nominees unless otherwise specified.

Table of Contents**Class I Nominees**

The following persons are the nominees for Class I directorships with terms ending in 2013.

Name	Age	Director Service
E. Randall Chestnut	62	1995 present
William T. Deyo, Jr.	65	2001 present
Richard L. Solar	70	

E. Randall Chestnut joined the Company in January 1995 as Vice President, Corporate Development. Since then, he has been an executive of the Company, and in July 2001 he was elected President, Chief Executive Officer and Chairman of the Board.

William T. Deyo, Jr. has been a principal of Goddard Investment Group, LLC, a real estate investment firm, since 1999. He was Executive Vice President of NAI/Brannen Goddard Company, a real estate brokerage firm, from 1999 to 2000. From 1966 to 1999, he held various positions with Wachovia Bank in Atlanta, Georgia, serving last as Executive Vice President. Mr. Deyo also is the former Chairman of the Board of the Fulton County (Georgia) Hospital Authority and a past member of the Board of Directors of the Center for Visually Impaired Foundation.

Richard L. Solar served as a director of Marvel Entertainment, Inc. from December 2002 to December 2009 when the company was sold to Walt Disney Co. During that time, he also served as Chairman of that board's Audit Committee. Since February 2003, Mr. Solar has been a management consultant and investor. From June 2002 to February 2003, Mr. Solar acted as a consultant for Gerber Childrenswear, Inc., a marketer of popular-priced licensed apparel sold under the Gerber name, as well as under licenses from Baby Looney Tunes, Wilson, Converse and Coca-Cola. From 1996 to June 2002 (when Gerber Childrenswear was acquired by the Kellwood Company), Mr. Solar was Senior Vice President, Director and Chief Financial Officer of Gerber Childrenswear. Mr. Solar is also Vice President, Treasurer and a director (and Chairman of the Executive Committee) of Barrington Stage Company, Inc., which produces plays, develops experimental musicals and provides a program for at-risk high school students in the Berkshires.

Class II Nominee

The following person is the sole nominee for a Class II directorship with a term ending in 2012.

Name	Age	Director Service
Sidney Kirschner	75	2001 2010

Sidney Kirschner is currently a consultant and serves as Head of School at the Alfred & Adele Davis Academy. He previously served as a director of the Company from July 2001 to May 2010, when he resigned from the board (See Voting Information Wynnefield Proxy Contest). Mr. Kirschner previously served as Chairman of the Board, President and Chief Executive Officer of Northside Hospital, Atlanta, Georgia, from 1992 to 2004. From 1987 to 1992, he served as Chairman of the Board, Chief Executive Officer and President of National Service Industries, Inc., formerly a Fortune 500 company listed on the New York Stock Exchange. Mr. Kirschner has served on the board of directors of numerous community organizations. He is a member of the Board of Directors of Superior Uniform

Group, Inc., Cleveland Group, Inc, Zyvox Corporation and Beaulieu Group, LLC.

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Continuing Directors

The following persons are the Class II and Class III directors of the Company, with terms expiring as set forth below.

General

The Plan, as amended and restated, was adopted by the Board of Directors of Angelica Corporation (the Company) and is a defined contribution profit sharing plan that includes a 401(k) provision. The Company is the Plan Administrator and the assets of the Plan are held in trust by Fidelity Management Trust Company (the Custodian and Trustee).

Effective January 1, 2007, the Plan was amended to allow the merger of the Royal Institutional Services, Inc. 401(k) Plan into the Plan (Note 7).

Eligible Participants

All employees who have either (i) completed six months of service with the Company and are age 21 or older or (ii) completed two years of service, are eligible to participate in the Plan, except for certain classifications of employees who are excluded from Plan eligibility (as defined by the Plan).

Contributions

Eligible employees may contribute up to 20% of their annual compensation to the Plan through payroll deferrals, subject to Internal Revenue Code limitations. The Company provides a matching contribution in an amount equal to 30% of the compensation deferred up to, but not exceeding 6% of annual compensation. The Company provides a profit sharing contribution in an amount equal to 0.5% of annual compensation of eligible participants.

Employee contributions for 2007 are net of payments of \$77,383 made in March 2008 to certain active participants to return excess deferral contributions. These payments are required to satisfy the relevant nondiscrimination provisions of the Plan, and they are included in the Plan's statement of net assets available for benefits as excess contributions payable at December 31, 2007.

THE ANGELICA CORPORATION RETIREMENT SAVINGS PLAN

Notes To Financial Statements (Continued)

Participant Accounts

Each participant's account is credited with the participant's contributions and an allocation of the Company's contributions and Plan earnings. Earnings allocations are based on the performance of the investment choices of each participant. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Employees participating in the Plan prior to January 1, 2005 are immediately 100% vested in their deferrals and Company contributions plus actual earnings thereon. Effective January 1, 2005, new Plan participants become vested in Company contributions over a five-year vesting period. A participant is 25% vested after two years, increasing 25% each year to 100% vested after five years.

Payment Of Benefits

Participants are entitled to receive the vested balance of their accounts upon death, retirement or termination of employment, or upon request after reaching age 59-1/2. Participants who have suffered a hardship (as defined by the Plan) may also withdraw a portion of their account balances.

Participant Loans

The Plan allows participants to borrow from their account, subject to certain limitations. Loans bear interest at the prime rate plus 0.5% at the time the loan is made. All loans are secured by the participant's account. Principal and interest are paid ratably through payroll deductions. The outstanding participant loans at December 31, 2007 bear interest at rates ranging from 4.5% to 8.75% and are due at various dates through May 2015.

Forfeitures

At December 31, 2007 and 2006, forfeited nonvested accounts totaled approximately \$71,000 and \$11,000, respectively. These accounts will be used to reduce future employer contributions. During the years ended December 31, 2007 and 2006, employer contributions were reduced by approximately \$30,000 and \$35,000, respectively, from forfeited nonvested accounts.

THE ANGELICA CORPORATION RETIREMENT SAVINGS PLAN

Notes To Financial Statements (Continued)

2. Summary Of Significant Accounting Policies

Estimates And Assumptions

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of additions to and deductions from net assets during the reporting period. Actual results could differ from those estimates.

Basis Of Accounting

The financial statements of the Plan are prepared under the accrual method of accounting.

Investment Valuation And Income Recognition

Investments in mutual funds and common stock are valued at reported net asset value at December 31 as determined by the fund manager.

Investment income is recorded as earned on the accrual basis.

As described in Financial Accounting Standards Board Staff Position, FSP AAG INV-1 and SOP 94-4-1, Reporting of Fully Benefit-Responsive Investment Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution Health and Welfare and Pension Plans (the FSP), investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. As required by the FSP, the Statement of Net Assets Available for Benefits presents the fair value of the Fidelity Managed Income Portfolio fund, which is a fully benefit-responsive investment fund. Since the fair value of this contract approximates its contract value, the Statement of Changes in Net Assets Available for Benefits does not require a separate adjustment for reporting the Plan net assets on a contract value basis. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis.

Payment Of Benefits

Benefits are recorded when paid.

THE ANGELICA CORPORATION RETIREMENT SAVINGS PLAN

Notes To Financial Statements (Continued)

3. Investments

The Custodian of the Plan holds the Plan's investments and executes related investment transactions.

The fair value of individual assets that represent 5% or more of the Plan's net assets are as follows:

	December 31,	
	2007	2006
ABF Large Cap Value Pa	\$ 5,778,016	\$ —
Fidelity Balanced Fund	2,521,782	—
Fidelity Income Freedom Fund	13,045,786	—
Fidelity International Discovery	1,730,459	—
American Balanced Fund	—	2,455,837
Washington Mutual Investors Fund	—	6,257,572
M&I Stable Principal Fund	—	13,611,486

The net appreciation (depreciation) in fair value of investments is:

	For The Years Ended December 31,	
	2007	2006
Mutual funds	\$ 1,796,159	\$ 2,410,233
Common stock	(312,285)	524,771
	\$ 1,483,874	\$ 2,935,004

During 2007, the Plan is invested in a benefit-responsive Managed Income Portfolio with Fidelity Investments Institutional Operations Company (Fidelity). The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The Managed Income Portfolio is reflected in the financial statements at fair market value, which approximates contract value.

THE ANGELICA CORPORATION RETIREMENT SAVINGS PLAN

Notes To Financial Statements (Continued)

As described in Note 2, because the Managed Income Portfolio is fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the managed income portfolio. Contract value, as reported to the Plan by Fidelity, represents contributions, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value under all circumstances including the termination of the Plan. The fund could be limited in its ability to transact with issuers at contract value if the fund raises its risk profile or is subject to an extended period of significant cash outflow.

There are no reserves against contract value for credit risk of the contract issuer or otherwise. The crediting interest rate is based on a formula agreed upon with the issuer. Such interest rates are reviewed on a daily basis for resetting.

The investments included in this fund have an average yield of 4.82% for the year ended December 21, 2007. The average crediting interest rate was 4.40% for the year ended December 31, 2007.

During 2006, the Plan was invested in a benefit-responsive Stable Principal Fund (the Fund) with Marshall & Ilsley Trust Company (M&I). The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The Fund is reflected in the financial statements at fair market value which is equal to contract value.

As described in Note 2, because the Fund is fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the Fund. Contract value, as reported to the Plan by M&I, represents contributions, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value under all circumstances including the termination of the Plan. The Fund could be limited in its ability to transact with issuers at contract value if the Fund raises its risk profile or is subjected to an extended period of significant cash outflow.

There are no reserves against contract value for credit risk of the contract issuer or otherwise. The crediting interest rate is based on a formula agreed upon with the issuer. Such interest rates are reviewed on a daily basis for resetting.

THE ANGELICA CORPORATION RETIREMENT SAVINGS PLAN

Notes To Financial Statements (Continued)

The investments included in this fund have an average yield of 4.47% for the year ended December 31, 2006. The average crediting interest rate was 4.63% for the year ended December 31, 2006.

4. Income Tax Status

The Plan obtained its latest determination letter on October 9, 2003 in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. The Plan has been amended since receiving the determination letter.

5. Plan Termination

Although it has not expressed intent to do so, the Company has the right to terminate the Plan, subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

6. Related Party Transactions

Due to its affiliation with the Plan, transactions involving Angelica Corporation common stock qualify as party-in-interest transactions. Fidelity Management Trust Company (Fidelity) is the Custodian of the Plan and, as such, is a party-in-interest. Therefore, the purchase by the Plan of certain proprietary funds sponsored by Fidelity constitute party-in-interest transactions, which are allowable transactions under the ERISA regulations.

The Plan received delinquent participant contributions in the amount of \$76,790, which resulted from the blackout period during the change in third party administrators from M&I to Fidelity effective January 1, 2007.

THE ANGELICA CORPORATION RETIREMENT SAVINGS PLAN

Notes To Financial Statements (Continued)

7. Plan Merger

The Plan was amended to allow for the merger of the Royal Institutional Services, Inc. 401(k) Plan into the Angelica Corporation Retirement Savings Plan as of January 1, 2007. During 2007, \$1,103,165 was transferred from the Royal Institutional Services, Inc. 401(k) Plan to the Plan.

Prior to the merger, the Royal Institutional Services, Inc. 401(k) Plan's assets had been held by John Hancock Investment Management Services.

The Angelica Corporation Retirement Savings Plan continues as the surviving Plan.

Report Of Independent Registered Public
Accounting Firm On Supplementary Information

Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules of assets held at end of year and delinquent participant contributions and loan repayments are presented for purposes of additional analysis and are not a required part of the basic financial statements, but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. These supplemental schedules are the responsibility of the Plan's management. The supplemental schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ RubinBrown LLP

July 9, 2008

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THE ANGELICA CORPORATION RETIREMENT SAVINGS PLAN

EIN: 43-0905260 PLAN NO: 003
 SCHEDULE OF ASSETS HELD AT END OF YEAR
 December 31, 2007

(a)	(b) Identity Of Issue, Borrower, Lessor, Or Similar Party	(c) Description Of Investment Including Maturity Date, Rate Of Interest, Collateral, Par, Or Maturity Value	(e) Current Value
Common Stock			
*	Angelica Corporation	Common stock	\$ 939,813
Mutual Funds			
	AllianceBerstein	ABF Large Cap Value Pa	5,778,016
	Rainier Funds	Rainier Sm/Mid Cap	1,243,479
	Artisan Funds	Artisan Mid Cap Value	141,105
	Royce Funds	Royce Opportunity	8,781
*	Fidelity Funds	Fidelity Balanced	2,521,782
*	Fidelity Funds	Fidelity Intl Discovery	1,730,459
*	Fidelity Funds	Fidelity Cap Appreciation	257,600
*	Fidelity Funds	Fidelity Sm Cap Independ	845,137
*	Fidelity Funds	Fidelity Strategic Income	665,211
*	Fidelity Funds	Fidelity Freedom Income	13,045,786
*	Fidelity Funds	Fidelity Freedom 2000	189
*	Fidelity Funds	Fidelity Freedom 2010	276,770
*	Fidelity Funds	Fidelity Freedom 2020	51,663
*	Fidelity Funds	Fidelity Freedom 2030	77,007
*	Fidelity Funds	Spartan US Eq Index	1,356,182
*	Fidelity Funds	Fidelity Freedom 2040	127,259
*	Fidelity Funds	Fidelity Freedom 2005	3,563
*	Fidelity Funds	Fidelity Freedom 2015	179,527
*	Fidelity Funds	Fidelity Freedom 2025	70,362
*	Fidelity Funds	Fidelity Freedom 2035	62,561
*	Fidelity Funds	Fidelity Freedom 2045	47,007
*	Fidelity Funds	Fidelity Freedom 2050	53,625
	Total Mutual Funds		28,543,071
Common Collective Trust Fund			
*	Fidelity Funds	Fidelity Managed Income Portfolio	788,472
	Participant Loans	Interest rates ranging from 4.5% - 8.75%, due at various dates through May 2015	1,056,102

* Represents a party-in-interest.

The above information is a required disclosure for IRS Form 5500, Schedule H, Part IV, line 4i.

THE ANGELICA CORPORATION RETIREMENT SAVINGS PLAN

EIN: 43-0905260 PLAN NO: 003
SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS
AND LOAN REPAYMENTS
December 31, 2007

Participant Contributions Transferred Late To Plan	Loan Repayments Transferred Late To Plan	Total That Constitutes Nonexempt Prohibited Transactions
\$ 66,410	\$ 10,380	\$ 76,790

SIGNATURE

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this report on Form 11-K to be signed on its behalf by the undersigned, thereunto duly authorized.

THE ANGELICA CORPORATION
RETIREMENT SAVINGS PLAN

By: /s/ James W. Shaffer
James W. Shaffer, Member, Retirement
Savings Plan Administrator Committee; and
Vice President, Chief Financial Officer of
Angelica Corporation

July 11, 2008

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EXHIBIT INDEX

Exhibit No.	Description
23.1	Consent of RubinBrown LLP, Independent Registered Public Accounting Firm