
**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): January 6, 2009

ETHAN ALLEN INTERIORS INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

1-11692
(Commission File Number)

06-1275288
(I.R.S. Employer Identification No.)

Ethan Allen Drive
Danbury, CT
(Address of principal executive offices)

06811
(Zip Code)

Registrant's telephone number, including area code: **(203) 743-8000**

Not Applicable

(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 (see General Instruction A.2. below):

- 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))
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INFORMATION TO BE INCLUDED IN REPORT

SECTION 2 – FINANCIAL INFORMATION

Item 2.05 Costs Associated with Exit or Disposal Activities

On January 6, 2009, Ethan Allen Interiors Inc. (“Ethan Allen” or the “Company”) issued a press release announcing a plan to consolidate the operations of an upholstery plant and several logistics facilities. A copy of the press release is attached hereto as Exhibit 99.1 and hereby incorporated by reference.

Item 2.06 Material Impairments

The information set forth above in Item 2.05 is hereby incorporated into Item 2.06 by reference.

SECTION 7 – REGULATION FD

Item 7.01 Regulation FD Disclosure

The information set forth above in Item 2.05 is hereby incorporated into Item 7.01 by reference

SECTION 9 – FINANCIAL STATEMENTS AND EXHIBITS

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

<u>Exhibit</u>	<u>Description</u>
99.1	Press release dated January 6, 2009

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ETHAN ALLEN INTERIORS INC.

Date: January 6, 2009

By: /s/ David R. Callen

David R. Callen

*Vice President, Finance and
Treasurer*

EXHIBIT INDEX

<u>Exhibit</u>	<u>Description</u>
99.1	Press release dated January 6, 2009

Ethan Allen Continues to Improve Efficiencies
Plans to Consolidate Upholstery Plant and Logistics Facilities

DANBURY, Conn.--(BUSINESS WIRE)--January 6, 2009--Ethan Allen Interiors Inc. (NYSE:ETH) ("Ethan Allen" or the "Company") today announced a plan to consolidate the operations of its Eldred, Pennsylvania upholstery manufacturing plant and several of its retail service centers. Business currently serviced by the Eldred Pennsylvania facility will be transferred to the Company's facilities in North Carolina and California, and the Company plans to expand the production in those facilities. Business currently served by the retail service centers will be transferred to other Company locations serving the same general market areas.

In the second half of our fiscal year ending June 30, 2009, the Company expects to record pre-tax restructuring, impairment, and other related charges of approximately \$8.0 million to \$9.0 million, the majority of which will be non-cash in nature representing an after-tax impact of \$5.1 million to \$5.7 million or \$0.18 to \$0.20 per diluted share. The company expects about 80% of this charge to be recorded in the quarter ending March 31, 2009 and the remainder in the quarter ending June 30, 2009.

The Company owns the real estate associated with the plant in Eldred, Pennsylvania. The retail service centers that are being consolidated will be relocated to larger facilities most of which are owned by the Company. These consolidations impact about 350 employees.

Farooq Kathwari, Chairman and CEO, commented, "We sincerely regret the impact that this decision will have on the affected employees. We believe, however, that this action will improve the efficiency of our logistical capabilities and strengthen our U.S. manufacturing operations. As Ethan Allen has evolved into a business model focused on providing interior design service and solutions, including free in-home design consultations and free local in-home delivery, we have been able to streamline the operational side of our business and realize greater capacities through our existing logistics and manufacturing facilities."

Continuing, Mr. Kathwari stated, "While recognizing that the overall uncertain economic environment is expected to remain weak for the foreseeable future, we have the opportunity to continue to do relatively well due to the many initiatives that we already have in place to position Ethan Allen as a provider of Style, Quality, Value, and Solutions. We look forward to discussing our initiatives in greater detail on January 29, 2009 after our earnings release."

Ethan Allen Interiors Inc. is a leading manufacturer and retailer of quality home furnishings, selling a full range of products through a dedicated network of 292 interior design centers located in the United States, Canada, and overseas, of which 162 are operated by the Company. The Company operates five wholesale distribution centers and 29 retail service centers. The Company owns nine manufacturing facilities including two sawmills located in the United States and one manufacturing facility in Mexico.

This press release should be read in conjunction with the Company's Annual Report on Form 10-K for the year ended June 30, 2008 and other reports filed with the Securities and Exchange Commission. This press release and related discussions contain forward-looking statements made pursuant to the safe harbor provisions of Private Securities Litigation Reform Act of 1995. Such forward-looking statements reflect management's current expectations concerning future events and results of the Company, and are subject to various assumptions, risks and uncertainties. Accordingly, actual future events or results could differ materially from those contemplated by the forward-looking statements. The Company assumes no obligation to update or provide revision to any forward-looking statement at any time for any reason.

CONTACT:

Ethan Allen

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