

NEXT INC/TN  
Form 4  
July 10, 2006

**FORM 4**

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**BONANZA CAPITAL LTD**

(Last) (First) (Middle)

300 CRESCENT COURT, SUITE 250

(Street)

DALLAS, TX 75201

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
**NEXT INC/TN [NXTI]**

3. Date of Earliest Transaction (Month/Day/Year)  
**07/06/2006**

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_ Director \_\_\_X\_\_\_ 10% Owner  
\_\_\_ Officer (give title below) \_\_\_ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)

\_\_\_ Form filed by One Reporting Person  
\_X\_ Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Common Stock	07/06/2006		S	25,000 D \$ 0.63	1,972,600	I	Footnote (1)
Common Stock	07/07/2006		S	11,800 D \$ 0.62	1,960,800	I	Footnote (1)
Common Stock	07/10/2006		S	52,500 D \$ 0.51	1,908,300	I	Footnote (1)

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

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SEC 1474 (9-02)

number.

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, 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)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned Following Reporting Transaction (Instr. 5)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BONANZA CAPITAL LTD 300 CRESCENT COURT SUITE 250 DALLAS, TX 75201		X		
BONANZA MASTER FUND LTD C/O J.D. CLARK & CO. ONE PRAESIDEO PLACE, 1590 W. PARK CIRCLE OGDEN, UT 84404		X		

## Signatures

Bonanza Capital, Ltd (+) By: /s/ Bernay Box 07/10/2006  
 \*\*Signature of Reporting Person Date

Bonanza Master Fund, Ltd. (+) By: /s/ Bernay Box 07/10/2006  
 \*\*Signature of Reporting Person Date

## Explanation of Responses:

\* 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).

The securities reported herein are held in the account of Bonanza Master Fund, Ltd. (the "Master Fund"), a private investment fund.

(1) Bonanza Capital, Ltd. ("Bonanza Capital") may be deemed to be a beneficial owner of such securities by virtue of its role as the investment manager of the Master Fund.

**Remarks:**

(+) Each of the Reporting Persons (each, a "Reporting Person" and collectively, the "Reporting Persons") disclaims beneficial ownership of the reported securities except to the extent of its pecuniary interest therein. The Reporting Persons affirmatively disclaim being a "group" for purposes of Section 16 of the Securities Exchange Act of 1934, as amended.

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

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