

WHETZEL CHARLES E JR
Form 4
October 11, 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 *
WHETZEL CHARLES E JR

(Last) (First) (Middle)

C/O CARTER'S, INC., THE
PROSCENIUM,, 1170
PEACHTREE STREET NE, SUITE
900

(Street)

ATLANTA, GA 30309

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
CARTERS INC [CRI]

3. Date of Earliest Transaction
(Month/Day/Year)
10/09/2006

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___ 10% Owner
 Officer (give title below) ___ Other (specify below)
Executive VP - Global Sourcing

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
___ 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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | | (A) or (D) | Price | | |
| Common Stock | 10/09/2006 | | S ⁽¹⁾ | 100 D | \$ 29.12 | 493,620 ⁽²⁾ | D |
| Common Stock | 10/09/2006 | | S ⁽¹⁾ | 200 D | \$ 29.11 | 493,420 ⁽²⁾ | D |
| Common Stock | 10/09/2006 | | S ⁽¹⁾ | 1,000 D | \$ 29.1 | 492,420 ⁽²⁾ | D |
| Common Stock | 10/09/2006 | | S ⁽¹⁾ | 1,700 D | \$ 29.09 | 490,720 ⁽²⁾ | D |
| | 10/09/2006 | | S ⁽¹⁾ | 1,400 D | | 489,320 ⁽²⁾ | D |

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| | | | | | | | | |
|--------------|------------|------------------|--------|---|--|----------|------------------------|---|
| Common Stock | | | | | | \$ 29.08 | | |
| Common Stock | 10/09/2006 | S ⁽¹⁾ | 1,100 | D | | \$ 29.07 | 488,220 ⁽²⁾ | D |
| Common Stock | 10/09/2006 | S ⁽¹⁾ | 600 | D | | \$ 29.06 | 487,620 ⁽²⁾ | D |
| Common Stock | 10/09/2006 | S ⁽¹⁾ | 600 | D | | \$ 29.05 | 487,020 ⁽²⁾ | D |
| Common Stock | 10/09/2006 | S ⁽¹⁾ | 7,000 | D | | \$ 29.04 | 480,020 ⁽²⁾ | D |
| Common Stock | 10/09/2006 | S ⁽¹⁾ | 100 | D | | \$ 29.03 | 479,920 ⁽²⁾ | D |
| Common Stock | 10/09/2006 | S ⁽¹⁾ | 300 | D | | \$ 29.02 | 479,620 ⁽²⁾ | D |
| Common Stock | 10/09/2006 | S ⁽¹⁾ | 300 | D | | \$ 29.01 | 479,320 ⁽²⁾ | D |
| Common Stock | 10/09/2006 | S ⁽¹⁾ | 10,600 | D | | \$ 29 | 468,720 ⁽²⁾ | D |

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

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 control number.

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(9-02)

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. F... | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Employee Stock Option (Right to Buy) | \$ 22.01 ⁽³⁾ | | | | | ⁽⁴⁾ | 05/13/2015 | Common Stock | 60,000 |

| | | | | | |
|--|------------------------|------------|------------|-----------------|---------|
| Employee Stock Option (Right to Buy) | \$ 3.08 ⁽³⁾ | <u>(5)</u> | 08/15/2011 | Common Stock | 389,688 |
|--|------------------------|------------|------------|-----------------|---------|

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|--------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| WHETZEL CHARLES E JR C/O CARTER'S, INC., THE PROSCENIUM, 1170 PEACHTREE STREET NE, SUITE 900 ATLANTA, GA 30309 | | | Executive VP - Global Sourcing | |

Signatures

| | |
|--|---------------------|
| /s/ Charles E. Whetzel, Jr. | 10/11/2006 |
| <small>**Signature of Reporting Person</small> | <small>Date</small> |

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).
- (1) The sales reported in this Form 4 were effectuated pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on June 2, 2006.
- (2) The amount of securities beneficially owned following the transactions reported in this Form 4 reflects a two-for-one stock split effected on June 6, 2006 (the "Stock Split").
- (3) The exercise prices of the derivative securities reported in this Form 4 reflect the Stock Split.
- (4) These options are time options exercisable in four equal installments beginning on May 13, 2006.
- (5) These options are all exercisable.
- (6) The amount of derivative securities beneficially owned following the transactions reported in this Form 4 reflects the Stock Split.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.