

CARTERS INC  
Form 4  
November 15, 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 \*  
**PACIFICO JOSEPH**

(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)  
11/13/2006

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)  
President

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		
				Code	V	Amount	
Common Stock	11/13/2006		S	90,834	D	\$ 27	358,354 D
Common Stock	11/13/2006		S	4,100	D	\$ 27.01	354,254 D
Common Stock	11/13/2006		S	7,498	D	\$ 27.02	346,756 D
Common Stock	11/13/2006		S	2,400	D	\$ 27.03	344,356 D
Common Stock	11/13/2006		S	1,400	D	\$ 27.04	342,956 D

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Common Stock	11/13/2006	S	1,568	D	\$ 27.05	341,388	D
Common Stock	11/13/2006	S	5,500	D	\$ 27.06	335,888	D
Common Stock	11/13/2006	S	1,100	D	\$ 27.07	334,788	D
Common Stock	11/13/2006	S	3,800	D	\$ 27.08	330,988	D
Common Stock	11/13/2006	S	2,200	D	\$ 27.09	328,788	D
Common Stock	11/13/2006	S	600	D	\$ 27.1	328,188	D
Common Stock	11/13/2006	S	1,100	D	\$ 27.11	327,088	D
Common Stock	11/13/2006	S	700	D	\$ 27.12	326,388	D
Common Stock	11/13/2006	S	200	D	\$ 27.15	326,188	D
Common Stock	11/13/2006	S	300	D	\$ 27.16	325,888	D

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

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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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (Right to	\$ 14.81					(1)	03/22/2014	Common Stock	200,000

Buy)					
Performance					
Employee					
Stock Option	\$ 31.18	(2)	11/10/2015	Common Stock	200,000
(Right to					
Buy)					
Employee					
Stock Option	\$ 3.08	(3)	08/15/2011	Common Stock	389,688
(Right to					
Buy)					

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
PACIFICO JOSEPH C/O CARTER'S, INC., THE PROSCENIUM 1170 PEACHTREE STREET NE, SUITE 900 ATLANTA, GA 30309			President	

## Signatures

/s/ Joseph  
Pacifico 11/15/2006

\*\*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).
- (1) These options are time options exercisable in five equal annual installments beginning on March 22, 2005.
- (2) These options are performance options that vest at the end of fiscal year 2009 upon achievement of defined performance criteria.
- (3) These options are all exercisable.

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.