

WHETZEL CHARLES E JR
 Form 5
 February 13, 2007

FORM 5

**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).
 Form 3 Holdings Reported Form 4 Transactions Reported

ANNUAL 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

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. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)
 12/30/2006

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 Reporting

(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 at end of Issuer's Fiscal Year (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|--|--|-----------------------------------|
| Common Stock | 12/14/2006 | ^ | G | 400 ⁽¹⁾ D \$ ⁽³⁾ | 437,020 | D | ^ |
| Common Stock | 12/14/2006 | ^ | G | 400 ⁽¹⁾ D \$ ⁽³⁾ | 437,020 | D | ^ |
| Common Stock | 12/14/2006 | ^ | G | 400 ⁽¹⁾ D \$ ⁽³⁾ | 437,020 | D | ^ |
| | 12/14/2006 | ^ | G | 400 ⁽¹⁾ D \$ ⁽³⁾ | 437,020 | D | ^ |

| | | | | | | | | | |
|--------------|------------|---|---|----------------------------------|---|---------------|---------|---|---|
| Common Stock | | | | | | | | | |
| Common Stock | 12/14/2006 | Â | G | 400 ⁽¹⁾ <u>(2)</u> | D | \$ <u>(3)</u> | 437,020 | D | Â |
| Common Stock | 12/14/2006 | Â | G | 400 ⁽¹⁾ <u>(2)</u> | D | \$ <u>(3)</u> | 437,020 | D | Â |
| Common Stock | 12/14/2006 | Â | G | 400 ⁽¹⁾ <u>(2)</u> | D | \$ <u>(3)</u> | 437,020 | D | Â |
| Common Stock | 12/14/2006 | Â | G | 400 ⁽¹⁾ <u>(2)</u> | D | \$ <u>(3)</u> | 437,020 | D | Â |

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. Price of Derivative Security (Instr. 5) | 9. Price of Underlying Security (Instr. 5) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
| | | | | | (A) (D) | Date Exercisable Expiration Date | Title | Amount or Number of Shares | |

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 | Â | Â | Â Executive VP - Global Sourcing | Â |

Signatures

/s/ Charlie E. Whetzel, Jr. 02/13/2007

**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) Gift to child not sharing the same household. Mr. Whetzel disclaims beneficial ownership of these securities, and this report shall not be deemed an admission that Mr. Whetzel is the beneficial owner of the securities for purposes of Section 16 or for any other purpose.
Mr. Whetzel gifted 1,600 shares to his wife who subsequently gifted the shares to Mr. and Mrs. Whetzel's children in equal increments of
- (2) 400 shares. Mr. Whetzel disclaims beneficial ownership of these securities, and this report shall not be deemed an admission that Mr. Whetzel is the beneficial owner of the securities for purposes of Section 16 or for any other purpose.
- (3) Mr. Whetzel received no consideration for the transfer of the securities, which were given as a gift.

Note: File three copies of this Form, one of which must be manually signed. If space provided 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.