

BROWN DAVID ALAN
 Form 4
 July 03, 2008

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 *
BROWN DAVID ALAN

(Last) (First) (Middle)
 1170 PEACHTREE STREET, 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)
 07/01/2008

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 Vice 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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount (D) or Price (A) | | |
| Common Stock | 07/01/2008 | | A | | 10,000 (1) | A | \$ 0 (2) |
| | | | | | 391,584 (3) | D | |

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

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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| 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 Security (Instr. 3 and 4) | Amount of Underlying Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-----------------------------|
| Employee Stock Option (Right to Purchase) | \$ 3.08 ⁽⁴⁾ | | | | | ⁽⁵⁾ 08/15/2011 | Common Stock | 389, ⁽³⁾ |
| Employee Stock Option (Right to Purchase) | \$ 22.01 ⁽⁴⁾ | | | | | ⁽⁶⁾ 05/13/2012 | Common Stock | 60, ⁽³⁾ |
| Employee Stock Option (Right to Purchase) | \$ 14.18 | 07/01/2008 | | A | 40,000 | 07/01/2009 ⁽⁷⁾ 07/01/2018 | Common Stock | 40,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|--------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| BROWN DAVID ALAN 1170 PEACHTREE STREET SUITE 900 ATLANTA, GA 30309 | | | Executive Vice President | |

Signatures

/s/Brendan M. Gibbons, Attorney-in-Fact for David A. Brown
 07/03/2008
 **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 shares are subject to restrictions that lapse in four equal installments beginning on July 1, 2009.
- (2) Granted at no cost to the reporting person.
- (3) The amount of the 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").

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- (4) The exercise price of the derivative securities reported in this Form 4 reflects the Stock Split.
- (5) These options are all exercisable.
- (6) These options are exercisable in four equal, annual installments beginning on May 13, 2006.
- (7) These shares are subject to restrictions that lapse in four equal installments beginning on July 1, 2009.

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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