

Telecom Disconnect

Of the 12 telecom-services companies in the S&P 500, only one stock was in the black for 2002. But don't worry: All the chief executives managed just fine -- the shareholders were left on the hook. Five of them netted eight-figure compensations, including two whose ROE doesn't measure up. (Companies whose five-year ROE averages above 15% are in bold, as are CEOs with compensation packages in the Top 100.)

Company (Ticker)	5-yr ROE	1-yr ROE	Chief Executive Compensation Rank in 500 Richest CEOs in 2002	Stock Return in 2002
SBC Communications (SBC)	29.1%	17.1%	Edward Whitacre \$21,256,426 Top 100	-28%
Qwest Communications (Q)	25.9	-10.32	Richard Notebaert N/A	-65%
Verizon Communications (VZ)	23.5	12.52	Ivan Seidenberg \$32,560 Not in Top 500	-15%
Alltel (AT)	23.3	15.99	Scott Ford \$14,417,540 Top 100	-15%
BellSouth (BLS)	18.8	7.84	F. Duane Ackerman \$12,326,500 #100-200	-30%
CenturyTel (CTL)	17.6	29.62	Glen Post \$7,634,979 #200-300	-9.8%
Sprint (FON)	11.9	10.33	William Esrey \$8,229,973 #200-300	-25%
AT&T (T)	1.1	-40.89	David Dorman \$12,895,645 #100-200	-28%
AT&T Wireless (AWE)	-4.4	-12.02	John Zeglis \$11,170,664 #100-200	-61%
Citizen Communications (CZN)	-7.8	-43.8	Leonard Tow \$6,918,114 #300-400	-1%
Sprint PCS (PCS)	-78.3	-85.06	Gary Forsee N/A	-82%
Nextel (NXTL)	N/A	N/A	Timothy Donahue \$9,438,831 #200-300	5.4%

Source: TheStreet.com Research, eComp Online, Bloomberg.