

RYANS FAMILY STEAKHOUSES INC

Form DEF 14A

March 31, 2003

**SCHEDULE 14A
(Rule 14a-101)**

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under Rule 14a-12
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Ryan s Family Steak Houses, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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- Fee paid previously with preliminary materials.
- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

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(4) Date Filed:

RYAN S FAMILY STEAK HOUSES, INC.

**405 Lancaster Avenue (29650)
Post Office Box 100 (29652)
Greer, South Carolina**

March 31, 2003

To Our Shareholders:

We cordially invite you to attend the Annual Meeting of Shareholders of Ryan s Family Steak Houses, Inc. on Wednesday, April 30, 2003. The meeting will begin at 11:00 a.m. at the Greenville/Spartanburg Airport Marriott in Greenville, South Carolina.

The official Notice of Annual Meeting, Proxy Statement and Proxy Card are enclosed with this letter. The Notice of the Annual Meeting and Proxy Statement describe the formal business to be transacted at the Annual Meeting.

The vote of every shareholder is important. To ensure proper representation of your shares at the meeting, please complete, sign and date the enclosed Proxy Card and return it as soon as possible, even if you currently plan to attend the Annual Meeting. This will not prevent you from voting in person but will ensure that your vote will be counted if you are unable to attend.

Sincerely,

Janet J. Gleitz
Secretary

RYAN S FAMILY STEAK HOUSES, INC.

**405 Lancaster Avenue (29650)
Post Office Box 100 (29652)
Greer, South Carolina**

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD APRIL 30, 2003**

To Our Shareholders:

Ryan s Family Steak Houses, Inc. will hold its Annual Meeting of Shareholders at the Greenville/ Spartanburg Airport Marriott, Greenville, South Carolina, on Wednesday, April 30, 2003, at 11:00 a.m. for the following purposes:

- (1) To elect seven (7) directors to hold office until the next annual meeting of shareholders or until their successors have been duly elected and qualified;
 - (2) To consider and vote on a proposal to ratify the appointment of KPMG LLP as independent auditors for Ryan s for the current fiscal year; and
 - (3) To transact any other business properly presented at the meeting or any adjournment.
- If you were a shareholder of record at the close of business on March 5, 2003, you may vote at the Annual Meeting.

By Order of the Board of Directors,

Janet J. Gleitz
Secretary

March 31, 2003
Greer, South Carolina

A Proxy Card is enclosed. To ensure that your shares will be voted at the Annual Meeting, please complete, sign and date the enclosed Proxy Card and return it as soon as possible in the enclosed, postage-paid, addressed envelope. No additional postage is required if mailed in the United States. If you return your signed Proxy Card, you retain your right to vote if you attend the meeting.

RYAN S FAMILY STEAK HOUSES, INC.

**405 Lancaster Avenue (29650)
Post Office Box 100 (29652)
Greer, South Carolina
(864) 879-1000**

PROXY STATEMENT

ANNUAL MEETING OF SHAREHOLDERS

The Board of Directors of Ryan s Family Steak Houses, Inc. is furnishing this Proxy Statement in connection with the solicitation of proxies to be voted at the Annual Meeting of Shareholders to be held at 11:00 a.m. on Wednesday, April 30, 2003, at the Greenville/Spartanburg Airport Marriott, Greenville, South Carolina. The approximate mailing date of this Proxy Statement is March 31, 2003.

Shareholders of record at the close of business on March 5, 2003, are entitled to notice of and to vote at the Annual Meeting. On that date, 42,284,000 shares of Ryan s Common Stock, \$1.00 par value per share, were outstanding. Holders of Common Stock are entitled to one vote for each share held of record on March 5, 2003, on all matters properly presented at the Annual Meeting or any adjournment.

If you give a proxy, you may revoke it at any time before it is exercised by:

submitting a written notice of revocation (dated later than the proxy card) to the Secretary at or before the Annual Meeting;

submitting another proxy that is properly signed and later dated; or

voting in person at the meeting (although attendance at the Annual Meeting will not in and of itself revoke a proxy).

Unless you decide to vote your shares in person, you may revoke your prior proxy by delivering a notice to the Secretary of Ryan s at the Annual Meeting or prior to the Annual Meeting to one of the above addresses, Attention: Janet J. Gleitz.

Unless you revoke your proxy by following the above instructions, your proxy will be voted as you specify. If you do not specify how to vote your shares, all shares represented by a proxy that is received by the Company s transfer agent will be voted FOR the proposal to elect as directors of Ryan s the nominees named in this Proxy Statement, FOR the proposal to ratify the appointment of KPMG LLP as independent auditors for Ryan s for the current fiscal year, and in the best judgment of the proxy holders on any other matter that may properly come before the Annual Meeting and any and all adjournments and on matters incident to the conduct of the meeting.

An automated system administered by Ryan s transfer agent tabulates the votes. The Company s bylaws require the presence, either in person or by proxy, of the holders of a majority of the outstanding shares of Common Stock at March 5, 2003, to constitute a quorum at the Annual Meeting. Abstentions and broker non-votes are each included in determining the number of shares present and able to vote. Each is tabulated separately. In connection with the election of directors and the proposal to ratify the appointment of KPMG LLP as independent auditors, abstentions and broker non-votes are not counted.

Directors will be elected by a plurality of votes cast at the Annual Meeting. Shareholders do not have a right to cumulate their votes for directors. Ratification of the appointment of KPMG LLP as independent auditors will require the affirmative vote of holders of a majority of the shares voting on the issue at the Annual Meeting.

ELECTION OF DIRECTORS**(Item #1 on the Proxy)**

The following seven persons are nominees for election at the Annual Meeting as directors to serve until the next annual meeting or until their successors are duly elected and qualified: Charles D. Way, G. Edwin McCranie, Barry L. Edwards, James M. Shoemaker, Jr., Harold K. Roberts, Jr., James D. Cockman, and Brian S. MacKenzie. Unless you indicate otherwise, the persons named in the enclosed proxy card intend to nominate and vote for these nominees.

Management believes that all of the nominees will be available and able to serve as directors, but if any nominee is not available or able to serve, the Common Stock represented by the proxies will be voted for the substitute that the Board of Directors designates.

The following table lists for each nominee for director the name, age, principal occupation, years of service as a director, and Common Stock beneficially owned as of March 5, 2003.

Name	Age	Principal Occupation	Director Since	Aggregate Number of Shares Beneficially Owned as of March 5, 2003⁽⁸⁾	Percent of Outstanding Shares Represented by Aggregate Number of Shares Beneficially Owned⁽⁹⁾
Charles D. Way ⁽¹⁾	50	Chairman of the Board, President and Chief Executive Officer of Ryan's	1981	537,251(10)	1.3%
G. Edwin McCranie ⁽²⁾	54	Executive Vice President of Ryan's	1991	309,169	0.7%
Barry L. Edwards ⁽⁵⁾⁽⁶⁾	55	Executive Vice President and Chief Financial Officer, SOURCECORP, INC.	1982	111,096	0.3%
James M. Shoemaker, Jr. ⁽³⁾⁽⁴⁾⁽⁷⁾	70	Member, Wyche, Burgess, Freeman & Parham, P.A.	1982	88,004(11)	0.2%
Harold K. Roberts, Jr. ⁽⁴⁾⁽⁵⁾⁽⁶⁾	52	President and Chief Executive Officer, Statewide Title, Inc.	1988	72,500	0.2%
James D. Cockman ⁽³⁾⁽⁴⁾	70	Investor	1993	75,500	0.2%
Brian S. MacKenzie ⁽³⁾⁽⁵⁾⁽⁶⁾	51	Chief Operating Officer, Samling Strategic Corporation SDN BHD	1993	74,000(12)	0.2%

- (1) Mr. Way was a member of the Nominating Committee until May 2002, when he resigned from that committee, and was a member of the Long-Range Planning Committee until October 2002, when he resigned from that committee.
- (2) Mr. McCranie was a member of the Long-Range Planning Committee until October 2002, when he resigned from that committee.
- (3) Member of the Long-Range Planning Committee, which was renamed the Executive Committee in October 2002. The committee met twice during fiscal 2002 to provide long-term direction for Ryan's.
- (4) Member of the Nominating Committee. The Nominating Committee met once during fiscal 2002 to recommend members of the Board. Ryan's Nominating Committee will consider nominees to the Board recommended by shareholders of Ryan's for the 2004 Annual Meeting of Shareholders. See Proposals of Shareholders.
- (5) Member of the Compensation Committee. The committee met twice during fiscal 2002 to review and submit to the Board recommendations respecting the salary, bonus and option grants under Ryan's 1998 and 2002 Stock Option Plans to the Company's executive officers and key employees.
- (6) Member of the Audit Committee. The Audit Committee met with representatives of Ryan's independent auditors twice during fiscal 2002 to review the scope and results of their audit.
- (7) Mr. Shoemaker was a member of the Audit Committee until October 2002, when he resigned from that committee.

- (8) Includes 385,000 shares for Mr. Way, 284,500 shares for Mr. McCranie, 72,500 shares for Mr. Edwards, 65,000 shares for Mr. Shoemaker, 65,000 shares for Mr. Roberts, 65,000 shares for Mr. Cockman and 65,000 shares for Mr. MacKenzie that may be acquired within 60 days of March 5, 2003, through the exercise of stock options.
- (9) Under Rule 13d-3 of the Securities Exchange Act of 1934, as amended, the percentages of total outstanding shares were computed assuming that shares that can be acquired within 60 days of March 5, 2003, upon the exercise of options by a given person are outstanding, but shares others may similarly acquire are not outstanding.
- (10) Mr. Way's wife owns 30,570 of these shares. Mr. Way may be deemed to share voting and investment power regarding these shares.
- (11) Mr. Shoemaker's wife owns 3,000 of these shares. Mr. Shoemaker may be deemed to share voting and investment power regarding these shares.
- (12) A trust for the benefit of Mr. MacKenzie's minor child holds 750 of these shares.

The Board met four times during fiscal 2002. All directors attended personally or by telephone all meetings of the Board and committees on which they served.

Business Experience of Nominees for Director

Charles D. Way became the Chairman of the Board of Ryan's in October 1992. Mr. Way became President and Chief Executive Officer of Ryan's in October 1989. From June 1988 to October 1989, he served as President. From May 1986 to June 1988, he served as Executive Vice President, Treasurer and Secretary. From January 1981 through April 1986, he served as Vice President-Finance, Treasurer and Secretary. Mr. Way joined Ryan's in June 1979 as Controller. Mr. Way is also a director of World Acceptance Corporation.

G. Edwin McCranie was promoted to Executive Vice President of Ryan's in January 1995. From November 1991 to December 1994, he served as Executive Vice President-Purchasing. From January 1989 to October 1991, he served as Vice President-Purchasing. Mr. McCranie joined Ryan's in 1986 and served as Director of Purchasing through 1988.

Barry L. Edwards has served as Executive Vice President and Chief Financial Officer of *SOURCECORP, INC.*, a provider of document and information outsourcing services, since August 2000. He served as Executive Vice President and Chief Financial Officer of *AMRESKO, Inc.*, an asset management company, from November 1994 to March 2000. He served as Vice President and Treasurer of *The Liberty Corporation*, engaged primarily in the life insurance business, from 1979 to November 1994.

James M. Shoemaker, Jr. has been an attorney with Wyche, Burgess, Freeman & Parham, P.A., the law firm that is general counsel to Ryan's, since 1965. Mr. Shoemaker also is a director of *Palmetto Bancshares, Inc.* and *Span-America Medical Systems, Inc.*

Harold K. Roberts, Jr. has served as President and Chief Executive Officer of *Statewide Title, Inc.*, a real estate title insurance agency, since 1989. Mr. Roberts was a partner in the firm of *Roberts and Morgan*, certified public accountants, from October 1989 until December 1996.

James D. Cockman is a private investor. From 1989 until 1992, he served as Chairman of the *Sara Lee Food Service Division* of *Sara Lee Corp.*, which engages in the business of processing and distributing food products. In addition, Mr. Cockman was Chief Executive Officer of several *Sara Lee* operating companies for 17 years prior to 1989.

Brian S. MacKenzie has served as Chief Operating Officer of *Samling Strategic Corporation SDN BHD*, a forest products manufacturing company, since October 1999. He served as Chief Executive Officer of *Paper Space, Inc.*, a distribution company, from June 2000 to December 2002. He served as Chief Operating Officer of *New Hope Communications, Inc.*, a publishing company, from December 1998 to October 1999. He served as President and Chief Executive Officer of *Builder Marts of America, Inc.* (*Builder Marts*) from October 1993 to August 1998. From May 1991 to October 1993, he served as

Builder Marts President and Chief Operating Officer after serving as President of its Building Materials Retail Division from July 1990 to May 1991. Builder Marts is a wholesale distributor of building materials and supplies.

Compensation of Directors

During 2002, Ryan's paid to directors who were not officers of the Company a quarterly retainer of \$5,000 (\$20,000 per year), plus \$1,500 for each Board meeting attended, \$500 for each committee meeting attended in person, and \$250 for each committee meeting attended by teleconference. Under this arrangement, directors were paid as follows during fiscal 2002: Mr. Cockman, \$27,500; Mr. Edwards, \$27,750; Mr. MacKenzie, \$28,500; Mr. Roberts, \$28,250; and Mr. Shoemaker, \$28,000. Directors who are also officers received no payments for attending Board or committee meetings.

Prior to the approval by Ryan's shareholders of the 2002 Stock Option Plan in July 2002, Ryan's granted options for 5,000 shares of Common Stock in January of each year in accordance with the 1998 Stock Option Plan to each director who was not an officer of the Company. Accordingly, on January 31, 2002, Ryan's granted options for 5,000 shares of Common Stock to each of Messrs. Edwards, Shoemaker, Roberts, Cockman and MacKenzie. The options granted on January 31, 2002 had an exercise price of \$14.42 per share (the per share market value on the date of grant as adjusted to reflect a 3-for-2 stock split effected on May 29, 2002), were immediately exercisable and expire on January 31, 2012.

In accordance with the 2002 Stock Option Plan, on October 31, 2002, Ryan's granted options for 5,000 shares of Common Stock to each of Messrs. Edwards, Shoemaker, Roberts, Cockman, and MacKenzie. The options had an exercise price of \$10.26 per share (the per share market value on the date of grant), were exercisable within six months of the grant date and expire on October 31, 2012.

Vote Required To Elect Directors

Directors will be elected by a plurality of votes cast at the Annual Meeting. Shareholders do not have a right to cumulate their votes for directors. Abstentions and broker non-votes are not counted in determining the votes cast for directors.

The Board of Directors unanimously recommends a vote FOR the election of each nominee listed in this Proxy Statement.

CERTAIN BENEFICIAL OWNERS OF COMMON STOCK

To the extent known to Ryan's, the only persons or groups that beneficially owned 5% or more of the outstanding shares of the Common Stock of Ryan's as of March 5, 2003 are shown in the following table:

Name and Address of Beneficial Owner	Amount of Beneficial Ownership	Percent of Class
Private Capital Management, Inc. ⁽¹⁾ 8889 Pelican Bay Boulevard, Suite 500 Naples, FL 34108	6,494,876(1)	15.4%
FMR Corp. ⁽²⁾ Edward C. Johnson 3d ⁽²⁾ Abigail P. Johnson ⁽²⁾ 82 Devonshire Street Boston, MA 02109	2,615,192(2)	6.2%
Barclays Global Investors, NA ⁽³⁾ Barclays Global Fund Advisors ⁽³⁾ 45 Fremont Street San Francisco, CA 94105	2,507,302(3)	5.9%
Dimensional Fund Advisors Inc. ⁽⁴⁾ 1299 Ocean Avenue, 11th Floor Santa Monica, CA 90401	2,334,150(4)	5.5%

- (1) Private Capital Management, Inc. (PCMI) reported on February 14, 2003 that it has shared voting and dispositive power as to 6,494,876 shares of Common Stock. Bruce S. Sherman, Chief Executive Officer of PCMI, and Gregg J. Powers, President of PCMI, each has shared voting and dispositive power as to these shares of Ryan's Common Stock owned by PCMI's clients and managed by PCMI, but disclaims beneficial ownership of these shares.
- (2) FMR Corp. (FMR), together with Edward C. Johnson 3d, Chairman of FMR, and Abigail P. Johnson, a director of FMR, reported on February 14, 2003 that FMR has sole voting power as to 142 shares of Common Stock, and FMR, Mr. Johnson, and Ms. Johnson have shared voting and dispositive power as to 2,615,192 shares of Common Stock. Fidelity Management and Research Company (Fidelity), a wholly-owned subsidiary of FMR, serves as an investment advisor to various investment companies and as such is the beneficial owner of 2,515,050 shares of Ryan's Common Stock. Fidelity Low Priced Stock Fund owns 2,332,300 shares or 5.5% of Ryan's Common Stock. Mr. Johnson owns 12% and Ms. Johnson owns 24.5% of the aggregate outstanding voting stock of FMR, and members of the Johnson family may be deemed to form a control group with respect to FMR. Geode Capital Management, LLC (Geode), an investment advisor, is the beneficial owner of 142 shares of Ryan's Common Stock. The managers of Geode and certain indirect owners of Geode are also shareholders and employees of FMR.
- (3) Barclays Global Investors, NA (Barclays Investors), a bank, and Barclays Global Fund Advisors (Barclays Advisors), also a bank, reported on February 13, 2003 that Barclays Investors has sole voting and dispositive power as to 1,887,098 shares of Common Stock, and Barclays Advisors has sole voting and dispositive power as to 666,066 shares of Common Stock.
- (4) Dimensional Fund Advisors Inc. (Dimensional) reported on February 10, 2003 that it serves as investment adviser or manager to certain investment companies, trusts and accounts (the Funds) and as such has sole voting and sole dispositive power for all of the shares of Common Stock shown in the table. All shares of Common Stock shown in the table above are owned by the Funds, no one of which to the knowledge of Dimensional owns more than 5% of Ryan's Common Stock. Dimensional disclaims beneficial ownership of all these shares.

EXECUTIVE OFFICERS

The following table provides the name, age, position with Ryan's, years of service as an officer of Ryan's and Common Stock beneficially owned as of March 5, 2003, by each executive officer of Ryan's and all executive officers and directors as a group. The executive officers are appointed by and serve at the pleasure of the Board of Directors. Unless otherwise indicated in the footnotes to the table, each executive officer has sole voting and investment power with respect to the shares indicated.

Name	Age	Company Offices Currently Held	Company Officer Since	Aggregate Number of Shares Beneficially Owned as of March 5, 2003⁽¹⁾	Percent of Outstanding Represented by Aggregate Number of Shares Beneficially Owned⁽²⁾
Charles D. Way	50	Chairman of the Board, President and Chief Executive Officer	1981	537,251(3)	1.3%
G. Edwin McCranie	54	Executive Vice President and Director	1989	309,169	0.7%
Fred T. Grant, Jr.	47	Senior Vice President Finance, Treasurer and Assistant Secretary	1990	183,297	0.4%
Alan E. Shaw	44	Senior Vice President Operations	1990	147,750	0.3%
Janet J. Gleitz	60	Secretary	1988	50,900(4)	0.1%
Morgan A. Graham	66	Vice President Construction	1991	209,377	0.5%
James R. Hart	55	Vice President Human Resources	1988	159,901	0.4%
Ilene T. Turbow	52	Vice President Marketing	1995	83,243	0.3%
All executive officers and directors as a group (13 persons)				2,101,988	4.8%

(1) Includes 385,000 shares for Mr. Way, 284,500 shares for Mr. McCranie, 171,800 shares for Mr. Grant, 132,750 shares for Mr. Shaw, 45,500 shares for Ms. Gleitz, 187,500 shares for Mr. Graham, 146,886 shares for Mr. Hart, 76,235 shares for Ms. Turbow, and 1,762,671 shares for all executive officers and directors as a group that may be acquired within 60 days of March 5, 2003 through the exercise of stock options.

(2) Under Rule 13d-3 of the Exchange Act, percentages of total outstanding shares are computed assuming that shares that can be acquired within 60 days of March 5, 2003 upon the exercise of options by a given person or group are outstanding, but shares others may similarly acquire are not outstanding.

(3) Mr. Way's wife owns 30,570 of these shares. Mr. Way may be deemed to share voting and investment power regarding these shares.

(4) The pension plan of Acro International Inc., a company owned by Ms. Gleitz's husband, holds 3,750 of these shares.

In 1996, Ryan's implemented a policy to encourage executive officers to own more of the Company's Common Stock, which would more closely align the personal financial interests of executive officers with shareholders' interests. The policy provides that, over 13 years, the value of an executive officer's Common Stock ownership should increase so that by the end of 2008 the value of an individual's stock holdings of Ryan's Common Stock equals 100% of his or her base salary. If an executive officer does not meet the

target ownership value in a year, up to one-half of any bonus payable to that officer for that year will be paid in Ryan's Common Stock.

Background of Executive Officers

Below is a summary of the backgrounds of Ryan's executive officers who are not also directors of Ryan's.

Fred T. Grant, Jr., a certified public accountant, joined Ryan's in January 1990 as Director of Finance. He served in that position until April 1990, when he became Vice President - Finance. Mr. Grant served as Vice President - Finance, Treasurer and Assistant Secretary from January 1994 to November 2000, when he was named Senior Vice President - Finance, Treasurer and Assistant Secretary.

Alan E. Shaw joined Ryan's in 1979 and served as a store manager until being promoted to Supervisor in 1982, in which position he served until 1984. From 1984 through 1989, he served as Assistant Director of Operations and Regional Director of Operations prior to his promotion to Regional Vice President - Operations in January 1990. Mr. Shaw served as Vice President - Operations from November 1991 to November 2000, when he became Senior Vice President - Operations.

Janet J. Gleitz joined Ryan's in 1981 and served as Corporate Relations Administrator until June 1988, when she became Secretary.

Morgan A. Graham has been Vice President - Construction since November 1991. After joining Ryan's in July 1987 as a Construction Superintendent, he served in several construction-related positions, including Project Manager, Architectural Coordinator, Procurement Manager and Director of Construction, until assuming his present position.

James R. Hart joined Ryan's in 1979 and served as a store manager until September 1983. From that time, he served as Director of Human Resources until April 1988, when he became Vice President - Human Resources.

Ilene T. Turbow joined Ryan's in April 1993 as Director of Marketing. She served in that position until August 1995, when she became Vice President - Marketing. Prior to joining Ryan's, Ms. Turbow was General Manager with Kaminsky's from 1992 to 1993, where she was responsible for store operations of a prototype restaurant concept. From 1985 to 1992, she was Vice President with Dawson Foodservice, Inc., a foodservice marketing firm.

EXECUTIVE COMPENSATION AND OTHER INFORMATION

Summary of Cash and Certain Other Compensation

The following table shows for the fiscal years 2002, 2001 and 2000 the cash compensation paid by Ryan's and its subsidiaries, as well as certain other compensation paid or accrued for those years, to the chief executive officer and the four other executive officers with the highest total salaries and bonuses in 2002 (collectively the Named Executive Officers):

Summary Compensation Table

Name and Principal Position	Fiscal Year	Annual Compensation			Long-Term Compensation	All Other Compensation \$(4)
		Salary (\$)	Bonus \$(1)	Other Annual Compensation \$(2)	Awards	
					Securities Underlying Options #(3)	
Charles D. Way	2002	402,703	199,640	4,799	40,000	87,706 ⁽⁵⁾
Chairman of the Board, President and Chief Executive Officer	2001	374,818	426,000	4,206	60,000	61,302
	2000	364,914	73,000	2,017	60,000	69,536
G. Edwin McCranie	2002	235,203	101,990	4,994	25,000	43,477 ⁽⁶⁾
Executive Vice President	2001	220,626	219,674	4,638	37,500	38,345
	2000	205,972	48,307	2,289	37,500	39,469
Fred T. Grant, Jr.	2002	209,203	90,706	1,306	20,000	39,777 ⁽⁷⁾
Senior Vice President Finance, Treasurer and Assistant Secretary	2001	194,741	193,830	1,129	30,000	32,196
	2000	182,991	42,914	714	30,000	34,271
Alan E. Shaw	2002	232,203	103,801	2,645	22,500	63,304 ⁽⁸⁾
Senior Vice President Operations	2001	219,626	194,600	2,396	33,750	58,330
	2000	204,972	74,950	1,196	33,750	44,953
James R. Hart	2002	165,203	61,380	3,090	15,000	43,291 ⁽⁹⁾
Vice President Human Resources	2001	155,857	132,912	1,255	22,500	40,513
	2000	147,010	29,547	876	22,500	42,951

- (1) All bonus amounts, except for those earned by Mr. Shaw, were earned during the indicated fiscal year and paid during the subsequent year. Mr. Shaw's bonuses are paid quarterly.
- (2) Amounts in this column were paid for the reimbursement of taxes.
- (3) Share amounts for 2001 and 2000 have been restated to reflect the 3-for-2 stock split effected in May 2002.
- (4) The components of All Other Compensation described below may include the following: (a) premiums Ryan's pays under its split-dollar life insurance coverage on the life of a participating executive officer for a period of ten years. Under the insurance plan, Ryan's must be repaid the aggregate amount of the premiums, without interest, at the earlier of the executive's death or termination of his employment; (b) Company matches made under the deferred compensation plan, a nonqualified plan that commenced in 1999 and provides benefits payable to officers and certain key executives or their designated beneficiaries at specified future dates or upon the termination of employment or death. Participants in the plan have the opportunity to (i) defer up to 100% of their compensation in excess of the Social Security wage base and (ii) receive a matching contribution comparable to Ryan's 401(k) Plan without the restrictions and limitations in the Internal Revenue Code of 1986, as amended. Participant deferrals and Ryan's match are credited to the participants' deferred compensation accounts. Participants can select from a variety of investment options, and investment earnings are credited to their accounts. Participants' contributions vest immediately, and Ryan's matching contributions vest after six years of employment, including prior service; and (c) the costs of equivalent term insurance related to a life insurance plan for officers and other key executives that provides for a death benefit equal to \$6,291,000 for Mr. Way, \$5,585,000 for Mr. McCranie, \$1,574,000 for Mr. Grant, \$5,429,000 for Mr. Shaw and \$3,704,000 for Mr. Hart.

- (5) All Other Compensation for Mr. Way includes Ryan's contributions of \$5,000 to the 401(k) Plan to match a portion of the 2002 pre-tax elective deferral contributions (included under Salary and Bonus) Mr. Way made to the Plan; estimated premium amounts (based on current insurance billings and imputed rates for Ryan's standard health plan) of \$9,420 for health insurance providing a level of coverage not otherwise available under Ryan's standard health plan; premium payments of \$210 for an additional \$100,000 in life insurance above the coverage available to salaried employees generally; a premium payment of \$2,428 for disability insurance; Ryan's estimate of the imputed benefit of \$21,007 of split-dollar life insurance coverage (including the value of the term insurance portion) purchased by Ryan's on Mr. Way's life in the policy amount of \$1,901,000; Company contributions to Ryan's deferred compensation plan, amounting to \$44,710; and \$4,931 for the cost of equivalent term insurance related to the insurance plan described in Footnote 4(c) above.
- (6) All Other Compensation for Mr. McCranie includes Ryan's contributions of \$2,000 to the 401(k) Plan to match a portion of the 2002 pre-tax elective deferral contributions (included under Salary and Bonus) Mr. McCranie made to the Plan; estimated premium amounts (based on current insurance billings and imputed rates for Ryan's standard health plan) of \$9,420 for health insurance providing a level of coverage not otherwise available under Ryan's standard health plan; premium payments of \$210 for an additional \$100,000 in life insurance above the coverage available to salaried employees generally; Ryan's estimate of the imputed benefit of \$19,310 of split-dollar life insurance coverage (including the value of the term insurance portion) purchased by Ryan's on Mr. McCranie's life in the policy amount of \$1,697,000; Company contributions to Ryan's deferred compensation plan, amounting to \$6,634; and \$5,903 for the cost of equivalent term insurance related to the insurance plan described in Footnote 4(c) above.
- (7) All Other Compensation for Mr. Grant includes Ryan's contributions of \$2,240 to the 401(k) Plan to match a portion of the 2002 pre-tax elective deferral contributions (included under Salary and Bonus) Mr. Grant made to the Plan; estimated premium amounts (based on current insurance billings and imputed rates for Ryan's standard health plan) of \$9,420 for health insurance providing a level of coverage not otherwise available under Ryan's standard health plan; premium payments of \$210 for an additional \$100,000 in life insurance above the coverage available to salaried employees generally; Ryan's estimate of the imputed benefit of \$19,354 of split-dollar life insurance coverage (including the value of the term insurance portion) purchased by Ryan's on Mr. Grant's life in the policy amount of \$1,675,000; Company contributions to Ryan's deferred compensation plan, amounting to \$7,428; and \$1,125 for the cost of equivalent term insurance related to the insurance plan described in Footnote 4(c) above.
- (8) All Other Compensation for Mr. Shaw includes estimated premium amounts (based on current insurance billings and imputed rates for Ryan's standard health plan) of \$9,420 for health insurance providing a level of coverage not otherwise available under Ryan's standard health plan; premium payments of \$210 for an additional \$100,000 in life insurance above the coverage available to salaried employees generally; Ryan's estimate of the imputed benefit of \$27,262 of split-dollar life insurance coverage (including the value of the term insurance portion) purchased by Ryan's on Mr. Shaw's life in the policy amount of \$1,864,000; Company contributions to Ryan's deferred compensation plan, amounting to \$23,283; and \$3,129 for the cost of equivalent term insurance related to the insurance plan described in Footnote 4(c) above.
- (9) All Other Compensation for Mr. Hart includes Ryan's contributions of \$6,650 to the 401(k) Plan to match a portion of the 2002 pre-tax elective deferral contributions (included under Salary and Bonus) Mr. Hart made to the Plan; estimated premium amounts (based on current insurance billings and imputed rates for Ryan's standard health plan) of \$3,400 for health insurance providing a level of coverage not otherwise available under Ryan's standard health plan; premium payments of \$210 for an additional \$100,000 in life insurance above the coverage available to salaried employees generally; Ryan's estimate of the imputed benefit of \$21,013 of split-dollar life insurance coverage (including the value of the term insurance portion) purchased by Ryan's on Mr. Hart's life in the policy amount of \$1,623,000; Company contributions to Ryan's deferred compensation plan, amounting to \$7,893; and \$4,125 for the cost of equivalent term insurance related to the insurance plan described in Footnote 4(c) above.

Summary of Option Grants, Option Exercises and Holdings

The following table illustrates the value of the stock options granted to the Named Executive Officers during fiscal 2002:

Option Grants in Last Fiscal Year**Individual Grants**

Name	Number of Securities Underlying Options Granted(#)⁽¹⁾	Percent of Total Options Granted to Employees in 2002 Fiscal Year	Exercise Price (\$/Sh)	Expiration Date	Grant Date Present Value(\$)⁽²⁾	Market Price Required to Realize Grant Date Present Value(\$/Sh)⁽³⁾
Charles D. Way	40,000	5.2%	10.46	10/18/2012	181,600	15.00
G. Edwin McCranie	25,000	3.2%	10.46	10/18/2012	113,500	15.00
Fred T. Grant, Jr.	20,000	2.6%	10.46	10/18/2012	90,800	15.00
Alan E. Shaw	22,500	2.9%	10.46	10/18/2012	102,150	15.00
James R. Hart						