

CENTURYTEL INC

FORM 8-K

(Unscheduled Material Events)

Filed 8/17/2001 For Period Ending 8/17/2001

Address	P O BOX 4065 100 CENTURYTEL DR MONROE, Louisiana 71203
Telephone	318-388-9000
CIK	0000018926
Industry	Communications Services
Sector	Services
Fiscal Year	12/31

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): August 10, 2001

CENTURYTEL, INC.

(Exact name of registrant as specified in its charter)

LOUISIANA
*(State or other jurisdiction
of incorporation)*

1-7784
*(Commission
File Number)*

72-0651161
*(I.R.S. Employer
Identification No.)*

**100 CenturyTel Drive
Monroe, Louisiana 71203**
(Address of principal executive offices) (Zip Code)

(318) 388-9000
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Item 5. Other Events

- (A) Attached hereto as Exhibit 99.1 is a press release issued by the Registrant on August 17, 2001.

(B) Attached hereto as Exhibit 99.2 is a letter sent by the Chief Executive Officer of the Registrant to Scott T. Ford, President and Chief Operating Officer of ALLTEL Corporation, on August 10, 2001.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CENTURYTEL, INC.

August 17, 2001

/s/ Neil A. Sweasy
Neil A. Sweasy
Vice President and Controller

Exhibit 99.1

PRESS RELEASE

Friday, August 17, 2001

CENTURYTEL OBTAINS FAVORABLE ORDER REGARDING ARKANSAS CALLING PLANS

MONROE, La.--(BUSINESS WIRE)--Aug. 17, 2001--CenturyTel, Inc. (NYSE: CTL - news) today announced that the Arkansas Public Service Commission has approved tariff amendments that limit the number of minutes included for a flat rate in the Company's extended area optional calling plans. The order will take effect September 6, 2001.

CenturyTel anticipates the Company will save approximately \$5.0 million per quarter in terminating access expenses as a result of this order. The benefit of these expense reductions will not be fully reflected in CenturyTel's operating results until January 2002, due to a four-month lag in the settlement process through the Arkansas Common Carrier Line Pool.

CenturyTel, Inc. provides communications services including local exchange, wireless, long distance, Internet access and data services to more than three million customers in 21 states. The company, headquartered in Monroe, Louisiana, is publicly traded on the New York Stock Exchange under the symbol CTL. CenturyTel is the 8th largest local exchange telephone company, based on access lines, and the 8th largest cellular company, based on population equivalents owned, in the United States.

Visit CenturyTel's corporate Web site www.centurytel.com

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or

Investors: Jeff Glover, 318/388-9648
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Exhibit 99.2

[CENTURYTEL LETTERHEAD]

August 10, 2001

PERSONAL AND CONFIDENTIAL

Mr. Scott T. Ford
President and Chief Operating Officer
ALLTEL Corporation
One Allied Drive
Little Rock, AR 72202

Dear Scott,

Confirming our conversation of earlier today, the Board of Directors of CenturyTel, Inc., after due deliberation and having received the counsel of its financial and legal advisors, has unanimously reaffirmed its position that CenturyTel is not for sale and that it is not interested in pursuing the proposal for a business combination transaction described in your July 26, 2001 letter.

Our Board of Directors continues to believe strongly that the long-term interests of CenturyTel's shareholders and other constituencies are best served through the execution of our strategic plan to separate our wireless and wireline businesses, and it is committed to taking such actions as are necessary and appropriate to allow for the realization of that plan.

Our Board has also asked that I reaffirm to you our company's interest in having Alltel participate in our wireless separation process. We believe our wireless properties offer Alltel a unique opportunity to expand its wireless operations. There are some very promising and potentially mutually beneficial transaction structures we could explore together. For example, we could consider the possibility of a tax-efficient transaction that would separate CenturyTel's wireless assets and a portion of Alltel's ILEC assets from our respective other operations. We think this idea and others merit further consideration by both of us, and we would like to discuss them with you.

CenturyTel is seeking to achieve a better defined separation of its wireless and wireline businesses (as other industry leaders have done but as the business combination proposed by Alltel would not do). Our Board has concluded that this path is the optimum business strategy to pursue.

Please be assured that our Board has considered your proposal in a respectful and thoughtful manner and we hope that you will accept this response in the same spirit as a final response to your inquiry.

Very truly yours,
/s/ GLEN F. POST, III
Glen F. Post, III
Vice Chairman, President and CEO

End of Filing

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