

# Shareholder SUPERSTARS

*These 17 stars topped the FORTUNE 1,000 in shareholder return. They raised sales faster than margins, a sign they prospered by growing—not cutting costs.*

COMPANY	TOTAL RETURN TO INVESTORS 1986–96 annual rate	REVENUE GROWTH 1986–96 annual rate	OPERATING MARGIN GROWTH 1986–96 annual rate	STRATEGY
AMGEN	67.8%	108.1%	29.0%	While many of its competitors in the biotech industry let the disease lead them to the science, Amgen stays ahead by taking the opposite approach. It develops hit drugs by identifying areas of promising research that may lead to breakthrough products.
ORACLE	53.5%	59.7%	17.9%	Oracle took the sleepy data-management software business by storm, crushed its competitors, and developed new applications that allow corporations to exploit their data as never before.
WORLDCOM	53.0%	50.7%	23.0%	WorldCom saw there was more than one way to be a telephone company. By offering customers not only long distance but also local and Internet services, it broke out of the pack and became a powerhouse in the U.S. telecommunications industry.
MICROSOFT	51.0%	46.8%	34.2%	Now that Microsoft has established itself as king of the PC software world, it's off to the next target. The software giant hopes to dominate business computing with its NT operating system and rule the Internet with its new browser and its online service, MSN.
CONSECO	47.3%	55.6%	28.1%	Not all these winners broke the rules. Consec, an insurance company, has made shareholders rich the old-fashioned way, by making a string of smart acquisitions that beefed up its distribution channels and product offerings.
NIKE	46.9%	21.3%	14.5%	Nike's highflying stock has stalled recently. But that's happened to the shoemaker before, and each time CEO Phil Knight has devised innovative strategies to get his company back on track. His next act: producing sporting events like golf tournaments.
CHAMPION ENTERPRISES	46.7%	49.6%	4.6%	In the late 1980s, Champion Enterprises, which had been selling its prefab houses to people who lived in trailer parks, figured out that upscale buyers too might like homes you could deliver directly to a lot. Since then the company's stock has soared.
INTEL	43.8%	33.1%	22.1%	The conventional wisdom has it that it pays to extend a product's shelf life. But Intel's Andy Grove kept making his own chips obsolete with better designs. He also created the "Intel Inside" campaign, proving you can brand a part of a product.
HARLEY-DAVIDSON	43.3%	22.0%	9.1%	Harley-Davidson CEO Richard Teerlink revitalized a lackluster brand by showing the world that motorcycles are more than transportation. He sold customers on Harley's "Made in America" lore, and diversified heavily into clothing and accessories.
MICRON TECHNOLOGY	41.8%	65.1%	13.0%	Sometimes a company thrives more because of execution than because of strategy. Micron Technology, a hot memory-chip maker, focuses on global expansion and cost reduction. Even a recent shakeup in the corporate suite hasn't stopped its progress.
PACIFICARE HEALTH SYSTEMS	41.3%	40.3%	2.1%	Hard to make a buck in managed care? Just change the rules. Pacificare Health Systems, a West Coast HMO, cherry-picks seniors who are more healthy than average—thereby squeezing extra dollars from Medicare.
APPLIED MATERIALS	40.6%	42.4%	13.5%	Applied Materials rules the semiconductor equipment world by spending big on R&D—and then rolling out hot products like gear for laptop screen manufacturers and new kinds of machines for manufacturing chips.
HOME DEPOT	40.2%	36.4%	7.1%	Seeing a big opportunity in a market made up of mom and pop hardware stores, Home Depot launched a national chain of megastores. Economies of scale let the giant retailer offer better prices, selection, and service to the home-improvement crowd.
COMPAQ COMPUTER	36.9%	43.0%	12.8%	In the fast-moving PC business, Compaq has already reinvented itself a number of times. Its latest strategy (and challenge): to find a way to better compete with Dell, Gateway 2000, and other PC direct-marketers that are coming on strong.
IOMEGA	36.6%	42.4%	2.0%	One of the most hyped tech stocks of the decade, Iomega has cooled recently, in part because of quality problems with its Jaz drives. Originally the company thrived by creating a new market—drives that let PC users easily back up their hard drives.
UNITED HEALTHCARE	36.0%	52.1%	7.4%	In an industry not particularly known for its innovative new strategies, United HealthCare is breaking the mold by trying to offer its HMO customers lots of choice. For example, UHC allows members to visit any doctor signed up in its network.
SUNAMERICA	35.0%	60.9%	26.7%	The health insurance industry likes conservative investment portfolios, but SunAmerica has turned that notion on its head, earning higher yields by putting its dollars in riskier limited partnerships and senior secured bank loans.