RadiSys Corporation Q2 2008 Earnings Call Transcript

Question-and-Answer Session

Operator

Thank you, sir. (Operator Instructions) Your first question comes from the line of Matt Petkun from Davidson & Company. Your line is open.

Matt Petkun - Davidson & Company

Hi. Good afternoon.

Scott Grout

Hi, Matt

Matt Petkun - Davidson & Company

First of all nice quarter. Second of all, the guidance Scott that you gave the $90 million for the next-generation comms business, I think you had previously spoken about your expectations are roughly $20 million in the Com E business and the related standard space platforms in the commercial market. Is that estimate still valid for the year?

Scott Grout

What we have said before it was $80 million for next generation comms which is ATCA and media server and then if you include that and add all new products including Com E, all other new products, that estimate was $100 million. And we're doing really well against that.

Matt Petkun - Davidson & Company

So, it would be safe to say $110 million for the total?

Brian Bronson

Well the $80 million turns into north of $90. So, it's up $10 million overall as well.

Matt Petkun - Davidson & Company

Okay.

Scott Grout

And the remaining new product we haven't done the math. But we are well within well above that number.

Matt Petkun - Davidson & Company

Okay. And then when you look at the specific revenue that's coming, you breakout sort of by end market. The comms related business that's not in the IP network and messaging or in the wireless segment, clearly a lot of that's coming from the MCPD business. Can you be a little bit more specific about what types of end applications are being captured in that number, because that's the number that's grown the most in absolute dollar terms?

Brian Bronson

Yeah Matt I'll take a crack at it and then I have Scott follow-up and if you know I have talked about this too. We need to overtime work these submarkets and change them. So, to be clear wireless is mostly our largest customer today and I think that's clear and the IP networking and messaging space probably close to $14 million that we did in the second quarter about and around half of that is our media server business. And so, the rest of it is the old IP networking and messaging, Comverse lives on for us as a strategic customer etc cetera that's the ticking and time there. And the other comm is MCPD and really all of our ATCA business.