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Invacare Corp. Q2 2008 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions). Your first question comes from the line of Eric Gommel with Stifel Nicolaus.

Eric Gommel - Stifel Nicolaus

Good morning.

Mal Mixon

Good morning, Eric.

Eric Gommel - Stifel Nicolaus

Yeah. I was curious; I believe some of those price increases that you've passed on to customers, I believe were effective July 1st, I'm curious have you been able to gauge the reaction at this point relative to your customers and also maybe how your competitors are responding to that?

Rob Gudbranson

Eric, it's Rob. I'd say a couple of things. One, it's early still. We have heard from a number of competitors or through our providers, who heard that a number of competitors are either filing or have said they will file; some have said, they're going to increase on August 1; others have already done freight increases; some have had selective price increases too. So, we haven't heard anything dramatic. But again, we'll have to let that time past and see what we get further on than just July 24th.

Eric Gommel - Stifel Nicolaus

And then, I'm curious relative to your customers, how much do you think the, I guess, goodwill that you've generated in your strong opposition of some of the reimbursement stuff and you participated in lobbying efforts might help you from a competitive standpoint if at all relative to your customers stand loyal to you as a manufacture, do you think that has an impact?

Mal Mixon

I think our customers look to Invacare to represent them at Washington. Most of our customers are small independent providers and they don't have the money to hire their own lobbyist. The larger companies like Apria, Lincare have representation. And all of this work together really for the

good of the industry. We have a trade association, the American Association of Homecare that has strengthened in the last couple of years. And really, we work together as a team.

I think my customers very much appreciate what Invacare does in Washington. It's hard to quantify, but I've got many, many e-mails and notes and thank you for what's happened in the past and what's happened recently, and we continue to fight for the industry and will continue to do so in the future.

Eric Gommel - Stifel Nicolaus

And then my last question, and I'll jump out back into the queue. Relative to your -- you've annual guidance and I think the last two quarters there has been a wide variance in the quarterly estimates from Street. I'm curious at what point you might consider giving quarterly guidance and can you give us any color on your expectations maybe for the third quarter?

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