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TeleTech Holdings Inc. Q1 2008 Earnings Call Transcript

Question-and-Answer Session

Operator

Our first question is from Ashwin Shirvaikar – Citigroup.

Ashwin Shirvaikar – Citigroup

Ken, John, congratulations on the quarter. First question is the timing for the filing to the extent you can comment on it. Especially, will we get all of them all at once or will they come out over a period of time, if you can comment on that?

John Troka

Relative to the timing, we can't give you a specific timing. Again, we are rapidly approaching what we believe is the end of this process. When we do file, we will be filing all of the periods concurrently, if you will, or sequentially, but they will all come out at the same time.

Kenneth Tuchman

We believe based on the work that is really left for us to do that we are very close. Unfortunately, we can't quote a date because it's really up to our auditors for them to complete their work and it appears that they are also closing in and finishing up their work based on the limited request now that are coming from us compared to what was coming up.

So we feel very confident that this is something that's going to be wrapped up in the very near future.

Ashwin Shirvaikar – Citigroup

Okay. That's good to know. Can you talk about the status of your older, lower margin contracts that you're trying to either renegotiate or exit over a period of time; how does that affect the 12% to 15% guidance for this year and next year?

Kenneth Tuchman

We budget on an annual basis X amount of business that will ultimately be unsuccessful in achieving margin increases and therefore, we then work on a professional transition with the client.

What I would tell you is that we're happy with what we've achieved thus far. We believe that clients are in fact empathetic to the rising costs that are taking place across all businesses because they are experiencing it themselves, as it relates to energy costs and food prices et cetera.

And so, we feel pretty good about the price increases that we've been unable to achieve and are going to continue to stay on that so that the majority of our business is achieving our targeted margins.

I would tell you that, for the most part, we are on track with all the pricing increases that we were expecting to achieve at this point in time of the year.

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