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## TETRA Technologies, Inc Q1 2008 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator Instructions) Our first question is coming from Stephen Gengaro with Jefferies & Company.

#### Stephen Gengaro - Jefferies & Company

I guess a couple of things. The first is kind of from a big picture perspective; how should we think about Maritech because additionally my sense has always been it's a great sort of service to your customers to back all of the well abandonment work and to help you from a logistical perspective and a backlog prospective, but it seems like there is an increasing set of focus on the production profitability side of it as a driver of earnings, so how do we sort of think about that as Tetra evolves over the next few years.

#### Geoffrey Hertel

Well two points here; first of all if you look back at our -- probably our last year of public appearances, we have indicated to you that there is really a dual role for Maritech today, whereas we had a singular role when we initiated in 1999. Originally it was exclusively to base low business for our well abandonment business and clearly that is still a driver for this business, but as we evolved especially in 2002 and 2003 and into 2004, it became very evident that the model we had for Maritech was a very profitable model and we indicated all of you to take advantage of that. So, it is a dual purpose entity; if you want to think of it that way, they have a base low to well abandonment and its there to optimize profitability as an exploitation company. However, having said that we are very cognizant that the need to keep it very well balanced within the operations we do not want to overwhelm Tetra as an exploitation and production company and clearly we have the ability to do that given the opportunities we have out there for Maritech but we have chosen not to aggressively increase the size of it above where we are so that we have a balanced portfolio for you within the well abandonment position much less within the total Tetra entity. Does that help you?

#### Stephen Gengaro - Jefferies & Company

Yes. No, that does help me and you're comfortable sort of with the risk award there I am assuming?

#### Geoffrey Hertel

We think the opportunities clearly are there and that we should be putting some of our money towards that exploitation.

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