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## Marvel Entertainment Q1 2008 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator Instructions) Your first question is from Drew Crum from Stifel Nicolaus. Please go ahead.

#### Drew Crum - Stifel Nicolaus

Thanks. Good morning, everyone. I wonder if you could start by talking about your guidance for 2008. Looking at the midpoint of that, the implied guidance of \$0.87, that's down year to year. You are obviously up against a tough comp but to the extent you can, can you talk about how the core business is tracking, are you seeing any weakness from the economy?

#### F. Peter Cuneo

I think I can take that. We continue to be very guarded in our guidance with regard to the economy, but as we mentioned in the last conference call and I can repeat, we really have seen no material impact on the negative economy on any of our businesses.

#### Drew Crum - Stifel Nicolaus

Okay, very good. And David, maybe you can talk about -- I think you addressed this, sort of, but can you talk about the decision not to pursue an '09 release and just your overall confidence in getting the 2010 films out?

#### David Maisel

Absolutely. We are extremely pleased, obviously, with the results in Iron Man. It is something that is somewhat historic in the industry and could not imagine a better way to start our new studio. I think the reverberations of this weekend and the success of Iron Man will be significant in the industry and obviously for Marvel.

All that being said, as you all probably know, we are very focused and very analytical on what's best for our shareholders and what's best for our company. And we very much want to approach this business and continue to have the discipline that we've had in making the best decisions for our films and for the company and not get tempted into doing things that perhaps would be good for the short-term but not for the long-term.

When we introduce a new property a la Thor, it's our determination after thinking and analyzing the situation that it is best for that property to be launched in a time period where it has the maximum

potential for the movie and for consumer products. And the May/June/early-July time period is one that we find is best for both the film and for consumer products.

There's a second advantage too, which is having it come after Iron Man 2, it allows us to use Iron Man 2 as helpful to launch the second film that year, both by having the trailer in front of Iron Man 2 and the other promotion around Iron Man 2, where we can use it to also introduce the Thor character, in the same way that we have Tony Stark showing up in The Incredible Hulk and what we did with the Hulk with Iron Man this year.

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