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Advanced Analogic Technologies, Inc. Q1 2008 Earnings Call Transcript

Question-and-Answer Session

Operator

Thank you, sir. (Operator Instructions). Our first question comes from Tore Svanberg from Thomas Weisel Partners. Please go ahead.

Tore Svanberg - Thomas Weisel Partners

Yes. Thank you. A couple of questions. First of all could you just talk a little bit more about the visibility for Q2; you mentioned March you've seen pretty nice pickup -- you're guiding more for flattish growth. So, could you just talk a little bit about your visibility and how things have been so far this quarter?

Brian McDonald

Okay. It was pretty much a mixed bag Tore; there are some models that are starting to ramp and other models that we're still anticipating ramping in the last month of the quarter. So, we're being a little conservative here because we're not fully aware of what the timing of some of these new ramps are going to be and we are still burning off that excess inventory in China.

So, we are seeing, we are monitoring point of sale, but at the same time we've got to burn it down to a certain level before we start to see new orders coming out of China. So trying to gauge that, there are a lot of moving parts and that's why we are concentrating on our growth in the second half and as you know all the design wins that are driving Q2 occurred several quarters ago. So, we are not really in control of the timing of these hands offs, but generally I'd say that we are seeing an overall pickup in the market, but as I said, we are still burning off that inventory in China.

Richard K. Williams

And Tore, I think on a positive note we are now seeing a positive book-to-bill in the month of April. In addition to that, we have seen a pickup, in some of the POS sales in China. From a coverage standpoint from BIBA billings and backlog, as of today, we are at about 50% to 55% for BIBA including the [Hutch] shipments about 75%. That 75% is consistent with about a year-and-a-half ago; it's a little behind last quarter maybe 5% to 10%, but the numbers do show we are picking up.

Brian McDonald

But some of the new models that are expected to ramp late in Q2; we have higher content, and higher ASPs and higher margin product in those models, because those are higher value phones. So, on a

good note basically we are starting to begin to see the models or the product transitions that we've been pushing for to get into higher ASP and higher margin products.

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