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Minerals Technologies, Inc. Q1 2008 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions). Your first question comes from the line of Bob Koort with Goldman Sachs.

Bob Koort

Thanks. Good morning.

Joseph Muscari

Good morning Bob.

Bob Koort

Joe, could you tell us who the counterparty was to the Chester sale and maybe what business they are in if there is hope if they could also buy the Texas facility?

Joseph Muscari

Yes the counterparty was Mississippi line and I think they have looked at it but I am not sure that they will be party buying it. Doug, you have any thing to add around that.

Doug Dietrich

No. The Mississippi line was the counterparty as with Chester early, but we have others also involved in the Chester, interest in the Chester and Cleveland facility right now.

Bob Koort

And did you say, I didn't quite catch you, John is it nominal procedures that meaningful?

John Sorel

I would call it meaningful for lower equity and about \$4 million net in discontinued -- next quarter.

Bob Koort

Got it. And then what's the scope in terms of proceed range order magnitude from Mt. Vernon and Wellsville?

John Sorel

I think it's too early to get into that we are not that close to closing yet, so we will just keep you updated as the data comes in.

Bob Koort

Okay. And then Joe, obviously you made terrific progress here I am curious on the 9% return on capital I think in one year of original blueprints that was the 2010 target may be that looks little to early with your balance sheet being substantially under utilized, does it make sense to ramp up leverage and reduce your equity base in order to reduce your cost to capital?

Joseph Muscari

Well, we are going to put a checklist on the shareholder checklist for the ROC, I am pleased with where we are, but keep in mind moving a return on a billion dollar capital basis is not an easy thing to do when we set the target we also had in vision that there would be capital expenditures in terms of some growth requirements coming. So, keep that in perspective as well as you think about the target but I am sufficed to say, I am pleased with the progress that we made in the first quarter, we now need to repeat it and stay on that track and then further lift it and that's why I used the term ?as quickly as possible? and that's what we are really trying to do is to move about that, that's very, very quickly.

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