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Ready Mix, Inc. Q4 2007 Earnings Call Transcript

Question-and-Answer Session

Operator

Ladies and gentlemen, if you'd like to register for a question, please press 1 followed by 4 on your telephone. You will hear a three-tone prompt acknowledging your request. If your question has been answered and you'd like to withdraw your registration, please press 1 followed by 3. If you're using a speaker phone, please lift your handset before entering your request. One moment please for our first question.

And our first question comes from the line of Walter [inaudible]. Please proceed with your question.

Unidentified Analyst

Close enough. Hi Brad.

Bradley E. Larson

Good morning Walter.

Unidentified Analyst

A couple of questions – first, to what extent has Ready Mix been able to generate some volume from Meadow Valley's relatively strong, as you also reported, business environment from the non-residential area, i.e., synergies of having the two businesses?

Bradley E. Larson

Well, as has been the case in past years, there has not been a great deal of work between the two companies, and currently, we only have one project which is now being concluded here in Phoenix that Ready Mix, Inc., is supplying concrete to – so we anticipate that based on the amount of work that is coming up for bid during 2007 that there are good chances that Ready Mix, Inc., may compete favorably with additional work, but at the current moment, there is very little work going on between the two companies.

Unidentified Analyst

Okay, and secondly, in an effort to control costs on the Ready Mix side, we actually dispose of the equipment, primarily rolling stock or we just idle it?

Bradley E. Larson

That is correct, we just idle it. The only equipment that we have disposed of lately is equipment that may be related to the Detrital Wash Sand and Gravel operation that we are shutting down.

Unidentified Analyst

Okay. From a pricing standpoint, the industry in part due to its consolidation has had some pretty good price leadership historically. Could you just update sort of a sense on the current pricing environment and pricing environment from your ability to sell the product?

Bradley E. Larson

Well, the pricing environment has been extremely competitive and has been that way for about the last 8 months or so.

Unidentified Analyst

Okay.

Bradley E. Larson

And the price as far as leadership goes, even the largest producers are leading the charge downward.

Unidentified Analyst

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