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Citizens Communications Co. Q4 2007 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions) We'll take our first question from Frank Louthan with Raymond James.

Frank Louthan - Raymond James

Hi, good morning. A couple of questions, one, can you give us a little idea of what was in the CapEx this quarter a little higher than we are looking for this, what that was going forward. And then if can you give us an idea over time you've looked that your company and others in the group have relatively stable revenue and EBITDA despite access line declines.

Are you still looking for roughly 5.5% line loss in this year that a good estimate going forward and can you give us an idea some of the things that are offsetting some of the loss revenue from those access lines? Clearly broadband has been one over the years and selling more special access for wireless back off probably and other, but can you give us some idea what are the things that we can be thinking about as and model the company going forward to get comfort that these access line losses sort of continue these levels will continue to see the results that you guys have been putting up for last two years? Thanks.

Maggie Wilderotter

Hi, Frank. I thought maybe I'll let Don take the CapEx and then I'll talk a little bit about the line losses. And you can weigh on that too, Don, before you hand it over.

Don Shassian

On CapEx, Frank, and the investments were really -- a lot of strategic investments we made in increasing our availability of high-speed -- increasing the speeds of our high-speed. We're trying to drive all of our customers up to 6 meg. Our wireless data builds were significant. Most of them were finished in the third, fourth quarter and we had some pretty significant IT investments.

We have been making a lot of investments on our IT platform to make our internal workings better and most simple for internal employees and also to make it easier for employees who deal with our customers. So we made very significant investments in IT in '07 We'll be doing it again in '08 as we do some billing system conversions, consolidation, if you would, as well as some other further investments in our customer rep.

So, it was all budgeted for the timing of it sort of came out in later half of the year as much so we tried to push it forward, but it was all for networking critical investments and IT, which is very ,very critical for our business.

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