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## Cincinnati Bell Inc., Q4 2007 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator Instructions)

And our first question comes from Amy with Cedarview Capital. Amy, your line is open. Amy? Okay. We'll go to the next caller. Our next caller is Simon Flannery from Morgan Stanley. Simon, your line is open.

#### Simon Flannery - Morgan Stanley

Okay, thank you. Good morning everybody. Nice to see the buyback would it be possible just to talk about the thought process comparing buybacks versus dividends? And how you are thinking about balancing de-leveraging and buyback is it dependent on where the stock price is, where the economy is and I don't think you really mentioned the economy at all during your commentary, is there any real change in sort of things like bad debts or given the Cisco's comments last night concerns that enterprises are slower in terms of making decisions about new orders? Thanks.

#### Brian Ross

Thanks, Simon, good morning. On the economy first, geez after Randall's offhanded comment caused the market to meltdown. I want to be careful that people aren't going to misquote Cincinnati Bell, the market leader in the economy thought. What we see here and again we are one half or 1% of the population of the United States, but very Midwestern.

What we see here is certainly people are reading the newspaper and thinking about their expenditures and they are looking at their homes and those kinds of things. So, I think being in Midwestern our customers are being frugal in terms of their thoughts on price value relationships and the providers that they are choosing. So, on the other hand I think that pressure is kind of always been with us in the consumer world.

So it's clear that people will continue to say can one product provide the cost benefit relationship associated with another product and can I save money by having this product versus that product and that's a competitive world and the game that we live in. And I think as obviously as younger people come up and they think about the expense of a landline associated with their apartment rent or purchase of their first home, I think that the landline has come under pressure and we've always talked about wireless substitution. The good news is we happened to have a wireless business that more than offsets that along with these customers also very broadband dependent. And we happened to have a broadband business, where we can win in that game as well.

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