

The logo for Seeking Alpha, with the text 'Seeking Alpha' in white and a gold Greek letter alpha symbol to the right, all on a dark red background.

LandAmerica Financial Group Q3 2007 Earnings Call Transcript

Question-and-Answer Session

Operator

Thank you. Ladies and gentleman we will now be conducting a question-and-answer session. (Operator instructions). Our first question is from Nath Otis with KBW. Please state your question.

Nath Otis - KBW

Good morning gentlemen.

Ted Chandler

Hi Nath.

Bill Evans

Howdy Nath

Nath Otis - KBW

We obviously are ahead of your headcount reduction efforts, looks like you've done another 600 on top the 1100 you announced in August? And the market has been obviously worse, I think, than it was even in August, and at that point of time you also talked about where you alluded the possibility of doing a comparable 1,100 reduction. Any thought on the possibility for a future announcement of additional FTE reductions and may be why you didn't include something like that this quarter in the press release?

Ted Chandler

Yeah Nath, this is Ted, as I mentioned in my remarks, during the month of October, we have reduced an additional 500 FTEs in residential and lender services group and related functions. When you add that to the 1,900 FTEs from those two channels that we have already announced for the year that brings us to 2,400 FTEs reduced for the year on those segments. That's 26% of the FTEs and those functions from the start of the year. And we are continuing to adjust the cost to reflect the revenues that are available to us. It's more of an ongoing process, so that's why we gave you the additional color in our comments about what we've done this month on the reduction.

Nath Otis - KBW

I guess I would phrase it in a different way then. If it looks like you are getting gains and to continue in a material way, do you think you are going to make another announcement or could you make another announcement like you did in August quarter with just a press release stating the 1,100?

Ted Chandler

Well, our preference is to have our actions stand for themselves and report as we accomplish these milestones. If your question goes more to predicting the future as opposed to us taking the steps and reporting them to our shareholders, we have a preference in not getting into a regimen of making forward-looking statements. The statement I would make to you, and I think would hope that the listeners on this call would agree, is that, we are making very significant cost reductions to reflect the environment, and I might go a little further and say that because we took the step, we took earlier this year to organize ourselves under our customer channel structure, we have greater clarity into the cost and the FTEs per channel, and I am very pleased with the actions that I experienced opportunities in adjusting those cost to the revenue.

Copyright © 2008 CNET Networks, Inc. All Rights Reserved.