

Seeking Alpha α

Wyndham Worldwide, Corp. Q3 2007 Earnings Call Transcript

Question-and-Answer Session

Operator

At this time we'll take questions. [Operator Instructions]. Our first question comes from Mr. William Truelove of UBS.

William Truelove - UBS Research

Hi guys, good quarter. I have a... I want some clarification on just a couple of things. First on the deferral of revenues; every year you have... given the way timeshare accounting works, do you have some deferral revenues? Is this an unusual amount of deferral revenues, so the \$0.04... how much, given that you going to have deferred revenues again next year, how much that \$0.04 that happens in the fourth quarter this year really needs to be added to the 2008, given that this continues? And second one, can you give a little more details about the all-in additional costs to --

Stephen P. Holmes - Chairman and Chief Executive Officer

I am sorry the additional cost to what? Will?

Virginia M. Wilson - Executive Vice President and Chief Financial Officer

I think we've lost you.

Stephen P. Holmes - Chairman and Chief Executive Officer

I think we lost Will. But to his first question on the deferred revenue in general, adding here as well as, if I miss anything, we always do have deferred revenue. That's the nature of a product that's so that is in the development pipeline. So you've got percentage of completion accounting. At the end of 2006, we had about \$25 million of deferred revenue. At the end of 2007, we'll have about \$50 million, we think of deferred revenue, which means that we build about \$25 million of deferred revenue this year and we think most of that... we now see, most of that will be in the fourth quarter. That is a very small number compared to \$2 billion of overall sales. We do expect to have some VOI deferred revenue in 2008. We're working through all of our modeling right now, of what we think that will look like in our Investor Day. We will spend some time walking through our development program, what's coming on when so that you will have a better visibility of it for each quarter of 2008 and where we think the year will end up.

William Truelove - UBS Research

Great thanks. Can you hear me now?

Stephen P. Holmes - Chairman and Chief Executive Officer

Was there a second part for that question Will?

William Truelove - UBS Research

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