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## Chyron Corporation Q2 2008 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator instructions) And your first question comes from the line of Robert Damron from 21st Century. Please proceed.

#### Robert Damron – 21st Century

Good morning guys, and excellent quarter. Jerry, I don't know if I caught this or not, did you break out the revenues between broadcast graphics, digital display and AXIS?

#### Jerry Kieliszak

No, we did not. This goes back to a change we made in the first quarter, Robert. We had a realignment of the organization to a matrix organization and rolled responsibility for all products across the company's offerings into the respective departments, whether the engineering product management, sales, etcetera. And so as a result of that, we no longer report segment information by product line, but I will be glad to mention that revenues have increased on both the AXIS front. I think for the six months, we are up to about \$200,000, and on the digital displays – bear with me – we are up to \$0.5 million.

#### Robert Damron – 21st Century

And that was for the first six months, correct?

#### Jerry Kieliszak

Yes.

#### Robert Damron – 21st Century

Okay. And then did we see any of the revenue from Gannett in this quarter for the AXIS business that you've recently received?

#### Jerry Kieliszak

No, no, none of that was recorded in the –

#### Robert Damron – 21st Century

Okay. But that should start ramping in the current quarter, is that correct?

**Jerry Kieliszak**

We start actual revenues at the end of this quarter. We are in the setup phase at the moment, so we can – which is progressing well.

**Robert Damron – 21st Century**

Okay. And then obviously Gannett has many different businesses beyond just broadcast TV. Are there discussions going on to roll out this product in their other segments of the business?

**Michael Wellesley-Wesley**

This is Michael. As I said in my set of prepared statements, our go-to-market strategy for AXIS is to penetrate the market we know best, which is broadcast first. And then as we develop a major market share in that area to cascade into the obvious adjacent markets such as newspapers online and pure play online. Of course, the world is never that simple, and we are already in detailed discussions with newspapers and radio online about AXIS. But that's not where we are emphasizing our marketing dollars at the moment. But we are nonetheless having those conversations and the Gannett Broadcasting guys have very kindly opened the doors to the newspaper side of the house, and I'm expecting good things to come from that, but probably not in this fiscal year.

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