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Ingersoll-Rand Co. Ltd. Q3 2008 Earnings Conference Call Transcript

Question-and-Answer Session

[Operator Instructions]. And our first question comes from Andrew Obin of Merrill Lynch.

Andrew Obin - Merrill Lynch

Yes, good morning.

Unidentified Company Representative

Good morning, Andrew.

Andrew Obin - Merrill Lynch

Its most of your comment I know over the past couple quarters you had a slide with a lot of macro data and well I appreciate the uncertainty that you guys face, so a super useful slide as an analyst. Just to understand your frame work it's just a comment. Looking at slide 5 as I look at organic growth in Asia-Pacific and USA am I correct to assume that Asia-Pacific slowed from 19% organic growth last quarter to negative 1 and USA went positive 14 to 2, is that the right read?

Steven R. Shawley - Senior Vice President and Chief Financial Officer

It is and taking a look at that the, its kind of a lumpy thing, most of it driven by the fact that the our marine container shipments were off in the quarter simply because of timing of orders and we count as there is China sales, so that's effecting it to some degree.

And also we have structural issue because of change in supply point for some of security equipment coming out of the JV in Fu Sheng, so I wouldn't say it's anything to be panic over relative to our market progression, it's just kind of lumpy order issue with primarily marine container.

Andrew Obin - Merrill Lynch

And so how much of this if you could quantify of that plus 19 to minus 1 how much of it with marine container?

Steven R. Shawley - Senior Vice President and Chief Financial Officer

The marine container was down... the marine container alone Andy was down 23% in the quarter.

Andrew Obin - Merrill Lynch

Okay.

Steven R. Shawley - Senior Vice President and Chief Financial Officer

So I would say that's probably on weighted basis about 60% of the delta in China.

Andrew Obin - Merrill Lynch

Okay. And this China expects most of the decline in Asia-Pacific?

Steven R. Shawley - Senior Vice President and Chief Financial Officer

yes

Andrew Obin - Merrill Lynch

Okay. The second question is how I should be thinking about inflation productivity and pricing going forward because there are the some of the things at least that you have some control, so looking at productivity. It seems that productivity has declined a little bit versus previous quarter. Are we calculating it differently or what should be I thinking in calculating for fourth quarter and going in to '09?

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