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## Ready Mix Incorporated Q3 2008 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator Instructions) Your first question comes from Walter Schenker - Titan Capital.

#### Walter Schenker - Titan Capital

A couple of balance sheet questions; I noticed accounts receivable and inventories were up fairly sharply for this period. When you look at the balance sheet, I realize it's first of December, so there might be some seasonal pattern, but is there an issue on receivables? I slowly took a slide increase in reserves, but it seem that receivables given the \$16 million of revenue was somewhat high?

#### Clint Tryon

This is Clint Tryon, Walter. I would say that we don't have any specific issues in our receivables. I believe that our receivables are following the cycle of the economy as far as the slowdown in the credit facilities and the slowdown the others are paying; the generals, which is flowing down through the subcontractor's and eventually slowing down to pay from our subcontractors to us the suppliers.

#### Walter Schenker - Titan Capital

However, we have not had at least so far any substantial problem with collections; it just seems somewhat on the slow side? I mean people aren't going bankrupted that we know off things like that?

#### Clint Tryon

Nothing have been a significant point. We have seen a few smaller contractors that we've done business with going into the bankruptcy mode, but nothing of any significance and our positions are relatively secure.

#### Walter Schenker - Titan Capital

And inventories are part of function of the fourth batch plant or it's also somewhat seasonal.

#### Clint Tryon

The inventory is somewhat of a seasonal type item. As far as add mixtures and other material products that we inventory, do seasonally change an increase or decrease with the season.

#### Walter Schenker - Titan Capital

In respect to revenue related parties I realize for [inaudible] and Brad to some extent it would seem as if and I realize in part it's a function of location, but it would seem as if given the strength of Meadow Valley's business that there should be some opportunities given our excess capacity to do more with Meadow Valley even. I realize you have to be competitive and at an enormous length, but it would seem as if there ought to be some opportunity in times when business is really tough to sell more to Meadow Valley. Are we not capable of producing the products they need?

**Bob De Ruiter**

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