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Volterra Semiconductor Corporation Q4 2008 Earnings Call Transcript

Question-and-Answer Session

Operator

Thank you, sir. (Operator Instructions).

And our first question is from the line of Tore Svanberg with Thomas Weisel Partners. Please go ahead.

Tore Svanberg - Thomas Weisel Partners

Yes. Could you just talk maybe a little bit more quantitatively about what you are expecting from turns this quarter? Are you expecting any turns at all, or, just help us understand a little bit how confident you feel about bookings this quarter?

Mike Burns

Yes, hi Tore, this is Mike. We're pretty confident. We're expecting turns and we're getting turns. So, we set the midpoint to reset about the 25% turns range and we're getting turns this month. We're on track, even if it be at the bottom of that point right now. You know, the swing factor for us is, just be sure we don't have major reschedules like we did last quarter. But I think turns are looking okay.

Tore Svanberg - Thomas Weisel Partners

Very good. And on your total inventories, can you just talk a little bit more about how you plan to manage that as we move that much as this quarter, but throughout the year any goals and targets on inventory base?

Mike Burns

Yeah, it seems we have a lot less than we have right now. What we're doing right now is we doubt things way down mid-quarter and the fourth quarter when it became clear that the orders were not there to support what we are building. So, we doubted way down for the second half of the quarter and really all the way down so far this quarter, but we are just getting to the point now to kind of get going again and I think it's going to be placing some more wafer starts for -- particularly for some of the Thurley orders.

So, we're going to try to manage it down over the course of the year. It's not going to happen right away. But we want to get things back in line, in terms of days, as they were in the middle of 2008.

Tore Svanberg - Thomas Weisel Partners

Great. And then, just, finally on the notebooks side, or maybe, could you talk about the company's opportunities, in netbooks and maybe from its content perspective how that changes your opportunity over all the notebook market? Thank you.

Mike Burns

What we really are continuing our focus on the thin, light, high performance segment. Again, you know, we haven't deviated; the whole netbook market is businesses cost sensitive and much less performance sensitive. So, our planned story is, pretty much, to stick to our original plans, and we have a long ways to penetrate the thin, light, high performance, and so, we're going to continue down that path.

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