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## Broadcom Corporation Q4 2008 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

Thank you. (Operator Instructions). Our first question comes from James Schneider of Goldman Sachs. Please go ahead.

#### James Schneider - Goldman Sachs

Good afternoon. Maybe first for Eric, could you talk a little bit about what you expect for the OpEx profile as we move throughout the year? Do you expect the step up to happen in Q1 and then come back down as we move throughout the year, excluding the legal cost, or how should we think about the profile of that? And do you anticipate any other minor trimming to OpEx beyond the one that you just announced?

#### Eric Brandt

Jim, we are actually seeing positive reactions to a number of the steps we've taken and seeing good signals that we saw in Q3 and Q4. I think the employees are responding well to the things that are variable costs and we should see some benefits going forward. Excluding the legal costs, excluding sort of this fringe benefit issue, as I mentioned in my text, I think you will see the salary and benefits line and some of the other costs begin to drift down over the course of Q1 and into Q2. Beyond that, we don't have much more guidance in terms of the OpEx. I think tape outs will be what tape outs will be, and as I mentioned, I believe, we'll be able to offset them with some additional cost savings that we are expecting in the quarter.

#### James Schneider - Goldman Sachs

Okay. One for Scott, could you talk a little bit about, clearly it's likely that we're going to have a down revenue year across the industry and for you guys too. Can you talk about where you think you can get incremental positive revenue in what product areas is it going to come from share gains and what products?

#### Scott McGregor

Well, we certainly see the opportunity for share gains. The combo products are really on fire. We're getting those designed into a very broad swath of many areas, and so we continue to see those to ramp up significantly. We think people are going to be pretty excited about this next product we're announcing, too. We think that will help us drive share gain there.

Bluetooth headsets remain an opportunity for share gain. We had a relatively low market share through 2008. We are now designed into pretty much all of the major players there and they are beginning to ramp and that will continue over the next few quarters. Share gain coming from a low base should help us in that space.

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