

The logo for Seeking Alpha, with the text 'Seeking Alpha' in white and a yellow Greek letter alpha symbol to the right, all on a dark red background.

Volt Information Sciences, Inc. Q4 2008 Earnings Call Transcript

Question-and-Answer Session

Operator

Thank you, sir. And the first question is from Josh Vogel. Your line is open.

Josh Vogel – Sidoti & Company

Hi, good morning everyone. Thanks for taking my questions.

Jack Egan

Good morning, Josh.

Steven Shaw

Good morning.

Josh Vogel – Sidoti & Company

My first question is – I know last year in Q4 you took about – I think it was about a \$4 million benefit from the reversal of the workers comp accrual. And I was wondering if a similar type of benefit hit up this past quarter.

Steven Shaw

Josh, the only benefit was principally in the technical piece of the staffing business, where it's probably a number of about \$2 million and not \$4 million this year – last year.

Josh Vogel – Sidoti & Company

And besides the extra week, I was still pretty pleased with what I saw in the technical placement division. I was wondering, at least through the end of October, did that – did the strength in that business exceed your expectations too? I was just curious how the state of that market was hanging in there.

Steven Shaw

I think we're very pleased with how the year ended. We had some new contracts during the year that ramped up and that were basically at full revenue in the fourth quarter.

Josh Vogel – Sidoti & Company

Okay. I mean, obviously, Steve, you just hit up on the economic climate. Obviously it has deteriorated significantly since the quarter closed. Here we are, actually, today I believe your Q1 is closing today. I was just – wanted to maybe get a feel of – if you had any sort of monthly trends in the Staffing business for November through January?

Jack Egan

Yes. We don't forecast or give guidance. But again, our results and our trends aren't going to be materially different than what the rest of the industry is experiencing.

Josh Vogel – Sidoti & Company

Okay. And Steve, you actually just mentioned about eliminating bonuses for executive management in '08. Could you guys maybe quantify how much that will save you?

Steven Shaw

It's a good question. Maybe – the executive at corporate, their bonuses that I've eliminated is probably somewhere between \$400,000 to \$500,000.

Josh Vogel – Sidoti & Company

Okay. And are you guys going to maybe look at other headcount reductions if volumes do start declining significantly in staffing?

Copyright © 2008 CNET Networks, Inc. All Rights Reserved.