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## Jones Apparel Group, Inc. Q4 2008 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator Instructions) Your first question comes from the line of Robert Drbul – Barclay's Capital

#### Robert Drbul – Barclay's Capital

When you look forward I guess in the first quarter for the revenues that you're discussing down 11 to down 14, can you elaborate a bit more in terms of where the big declines are and your expectations there.

#### Wesley Card

If you recall last spring was a very weak period, and I think probably the primary driver is in wholesale sportswear, we came off a very weak first quarter and orders were planned down when they bought last September. I think that we've got some plans that are performing well in that segment particularly Jones New York Signature and the Collection brand. But other orders were taken down so I think that's probably the primary area.

#### Robert Drbul – Barclay's Capital

On the SG&A plan for the year and sequentially on the quarters, with the \$33 million are there any in terms of trends that we should think about in terms of the dollar impacts throughout the four quarters.

#### John McClain

I think its roughly an even dispersion across the quarters.

#### Robert Drbul – Barclay's Capital

Can you talk about what you have learned with the l.e.i. business thus far with Wal-Mart and how big you think it can be in 2009.

#### Wesley Card

I think its going to continue to grow and we're anniversarying against just the back half business and that's obviously reflected in the guidance that we have indicated. I guess what we learned from it is Wal-Mart really has excellent and intense focus on the way they plan their businesses, very collaborative, lots of discussion, lots of really focused meetings and analysis that goes into the planning and once you lock in on that plan, its just execute all along the way and they know our

business, they know a lot about every component of the cost of the product, and but when you get going into the season, they live up to their commitments.

Its been a great relationship.

**Operator**

Your next question comes from the line of Chi Lee – Morgan Stanley

**Chi Lee – Morgan Stanley**

As you walk into fall 2009 markets can you talk about how you're looking at retail pricing, are you bringing them down even from levels that you thought you could command even just a few months ago.

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