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Arbitron, Inc. Q4 2008 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions) Your first question comes from Alexia Quadrani – JP Morgan.

Alexia Quadrani – JP Morgan

Sean, just following up on your comments just now about the guidance for 2009, when you're looking at the revenue guidance specifically the low end and the high end you obviously talked about the economy having an influence in that which makes a lot of sense but, it's still a pretty big range. In the low end are you assuming maybe further drop off of some smaller market products given radio stations maybe choosing not to buy ratings for those markets anymore or are you looking for maybe Nielsen gaining more business in those smaller markets?

Sean R. Creamer

Well, we're certainly not expecting to lose further business, that is our stated goal. I think the range is sufficiently wide to contemplate the realities and the uncertainties whether it be in bankruptcy risk which we certainly fielded a lot of questions about in the past or simply a more significant decline in our discretionary services sales which we've highlighted as an exposure.

We've put what we think is a reasonable base case but have tried to put sensitivities around that on both the upside and downside. We're not sure how deep the recession will go or how quickly it will recover and I think we've expanded our range simply to try and contemplate the realities of that uncertainty.

Alexia Quadrani – JP Morgan

Not to just keep beating on this but just on the high end of the range, are you assuming some sort of full economic recovery or is it still sort of in the realm that things are going to stay soft but probably stabilize at some point in the year? I'm trying to get a sense of how optimistic the high end is?

Sean R. Creamer

I think the high end would assume just like the bottom end assumes a significant change in course so that the economy recovers more quickly at the high end and declines more rapidly on the low end.

Alexia Quadrani – JP Morgan

Historically, you had mentioned sort of a two year kind of big ramp up or step up in both revenue and kind of earnings growth once you see these PPM markets really come up and running. Should we still assume in 2010 obviously being sensitive to the economic environment that you should see further improvement in profitability and further revenue acceleration given this roll out schedule?

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