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## Tim Hortons Inc. Q4 2008 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator instructions). Our first question comes from the line of Irene Nattel with RBC Capital Markets. Please go ahead ma'am.

#### Irene Nattel – RBC Capital Markets

Good morning. Sorry to be so predictable. I will ask my one question, Scott. The outlook that you provided for same-store sales in Canada of up 3 to 5%, certainly seems fairly robust, and could you just work us through what your thinking is behind that, how much price you've already taken, whether you're likely to take further price traffic, menu all that nifty sort of stuff?

#### Cynthia Devine

Sure. Thanks for the question Irene. With respect to growth outlook for next year, it is a game going to be a combination has it has been in the past of new products, of speeder service initiatives that our operation team has in place. There is a little bit of pricing that has carried over from last year but at this point in time we can talk about any future pricing as those meetings continue to take place with us storeowners in the coming months. But it really is from our standpoint, it is going to be again a combination of new products, promotional activities, speed of service and operations initiatives, that help us deliver the same store sales growth.

#### Irene Nattel – RBC Capital Markets

And is there anything that you can tell us about new products?

#### Don Schroeder

No. We have new products that are planned for this year to address the particular circumstance of this current environment where our customers are faced with fewer discretionary dollars. So we will be looking at products that specifically address that concern.

#### Irene Nattel – RBC Capital Markets

Could you give us an idea of what your thinking – are you thinking about more combinations or actually new products?

#### Don Schroeder

Well, again, with the – 40% of our customers traditionally come to us more than four times a week, wherein difficult times, you see those customers unable to come four times, maybe they only come three times. So giving – trying to drive traffic, particularly in the sacking day parts, that is one of the focuses that we have this year to get traffic back, and also at a price point that will address again the limited number of discretionary dollars that our customers have available to them.

**Irene Nattel – RBC Capital Markets**

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