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## Teleflex, Inc., Q4 2008 Earnings Call Transcript

### Question-and-Answer Session

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**Operator**

(Operator Instructions) The first question from the line of Jim Lucas with Janney Montgomery Scott, please proceed.

**James Lucas - Janney Montgomery Scott**

Thanks, good morning guys.

**Jeff Black**

Good morning Jim.

**Kevin Gordon**

Good morning Jim.

**James Lucas - Janney Montgomery Scott**

First question on housekeeping; what are your expectations for CapEx in 2009?

**Jeff Black**

2009 Jim I think is in the neighbor of about \$60 million.

**James Lucas - Janney Montgomery Scott**

Okay because reason why because on the year end cash flow statement, you only had about \$40 million of CapEx in '08 so wondering what the increase is going to be for?

**Jeff Black**

Jim earlier in the year you might recall that the actually our estimate for 2008 was higher than the \$40 million rates that you have on there.

**James Lucas - Janney Montgomery Scott**

Right.

**Jeff Black**

We talked about some facility expansion plans particularly in our Aerospace business that we looked at and I think we mentioned this maybe on the second or third quarter call alternative ways of funding those through leasing program. So it was about a \$10 million to \$12 million capital investment around facility expansion that did not occur as CapEx this year. So putting that back into the numbers for this year, you are back up into to \$50 million to \$60 million.

**James Lucas - Janney Montgomery Scott**

Okay thank you for that clarification and within Medical, could you give us an idea of where new products as a percent of sales stand and for the full year, what was your R&D within Medical?

**Kevin Gordon**

Well, R&D let's start there, I think R&D as we said throughout the year ranged in around the 3% range exclusive of some of the RAQA initiatives that also go through that line. That remained consistent throughout the fourth quarter as we continued on those remediation efforts and dedicating resources there. Our planned goal obviously is to shift some of those resources, when we get into '09 or some of that investment into the R&D and sales and marketing areas.

**James Lucas - Janney Montgomery Scott**

Okay.

**Kevin Gordon**

In terms of sales for the new product line, or new products, we have a heavy emphasis there from our OEM business in particular because a lot of the programs that we do there turn out to be new products, new programs and so forth. On the branded product offering from a sales standpoint, I'm trying to give you a number here right now, but for the overall year, my guess is that number is somewhere around 7% to 8% range, Jim.

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