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Shenandoah Telecommunications Company Q4 2008 Earnings Call Transcript

Question-and-Answer Session

Operator

Certainly. (Operator Instructions) Your first question comes from Richard Prentiss - Raymond James.

Richard Prentiss - Raymond James

A couple of questions. First, well I think you mentioned you guys were really pleased that there really hadn't seen any pickup so far on churn or bad debt with the economy. I was wondering what that had to do with fourth quarter and you can also echo maybe what you're seeing so far in January and February.

Christopher E. French

The trend continues through the first part of 2009.

Richard Prentiss - Raymond James

The other day when IPCS reported their results, they'd received a pretty significant settlement from disputed items from Sprint, some of which that were booked into the fourth quarter, some of which that are being booked into the first quarter. I think some of that had to do with bad debt collections, credits that you kind of talked to on your call as well. Do you have a similar process going on with Sprint right now as far as some disputes that are going on? And where do you stand as far as if there are already settlements coming?

Adele M. Skolits

We don't have any settlements to announce at this point, but we certainly are reviewing those items.

Richard Prentiss - Raymond James

And have you already officially disputed them with Sprint?

Adele M. Skolits

Not in a formal way.

Richard Prentiss - Raymond James

Probably asking the unknowable here, but you guys are closer to Washington than I am. The stimulus package – any thoughts about what are the gating factors? What's the timeline? What agencies have

to be involved? How should we think about watching this whole rural broadband and other stimulus items that might benefit you guys? What should we be watching for?

Christopher E. French

Rick that may be unknowable at this point. I guess there's a couple of different programs, NTIA I think is one entity that's going to be distributing some funds and RUS, the Rural Utility Service, at least that's what we currently know of or have heard. But I guess the real question is what timeframe and what conditions and how those funds will be distributed. We're kind of guessing RUS maybe can move faster, just because of some of the programs that they've had in place in the past. And certainly we historically were an RUS borrower, have paid off any outstanding loans we've had with them last year or so. So that's one area that we'll continue to monitor, but a lot of unknowns right now.

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