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## Pool Q1 2009 Earnings Call Transcript

### Question-and-Answer Session

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Operator: (Operator Instructions). And your first question comes from the line of Kathryn Thompson from Avondale Partners. Your line is now open.

**Kathryn Thompson - Avondale Partners LLC**

Hi, thank you. Could you give us D&A and CapEx guidance fiscal '09?

**Manuel J. Perez de la Mesa**

I'm sorry. Kathryn, can you restate the question?

**Kathryn Thompson - Avondale Partners LLC**

Could you give us CapEx and D&A guidance for fiscal '09?

**Manuel J. Perez de la Mesa**

Sure. D&A will be modestly less than last year as some amortization expense has been... fully amortized some of the intangibles. So D&A will be modestly less than last year. And CapEx for the year will also be modestly less than last year. I'm talking in both cases about \$2 million or so less than last year.

**Kathryn Thompson - Avondale Partners LLC**

Okay. Also on just delving into your SG&A, just to reconfirm. Is labor still about 50% of your overall costs? Also how much do you...

**Manuel J. Perez de la Mesa**

When you add all the cost related to labor including benefits and everything else; in fact, labor is closer to 60% as well as travel and whatever.

**Kathryn Thompson - Avondale Partners LLC**

Okay.

**Manuel J. Perez de la Mesa**

So cost in essence all together are closer to 60% of our total costs.

**Kathryn Thompson - Avondale Partners LLC**

Okay, perfect. How much do you expect in labor cost production since fiscal '09? Either on a percentage or on a dollars basis?

**Manuel J. Perez de la Mesa**

About 8 to 10% versus last year.

**Kathryn Thompson - Avondale Partners LLC**

So still inline with what you were seeing in the first quarter?

**Manuel J. Perez de la Mesa**

Yes.

**Kathryn Thompson - Avondale Partners LLC**

And also just overall for SG&A, I think that you've stated in the past you were hoping to see flat to down on a dollars basis for fiscal '09. So still within your expectations?

**Manuel J. Perez de la Mesa**

Well, given how we have resized our business for the current environment, our overall SG&A in absolute dollars will be down 8 to 10% versus what it was in '08.

**Kathryn Thompson - Avondale Partners LLC**

Okay, perfect. Do you also still expect a 4 to 5 million, year-over-year decline in interest expense?

**Manuel J. Perez de la Mesa**

Yes, Kathryn what I like to do is, yes we expect due to both lower average borrowings...

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