

The logo for Seeking Alpha, with the text 'Seeking Alpha' in white and a gold Greek letter alpha symbol to the right, all on a dark red background.

Hospira Q1 2009 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions). Your first question comes from the line of Rick Wise with Leerink Swan.

Rick Wise - Leerink Swan

All right. Good morning everybody.

Christopher Begley

Good morning Rick.

Karen King

Good morning.

Rick Wise - Leerink Swan

Couple of questions. First, just can you quantify the impact of Zosyn coming out of your numbers. We had assumed -- it might be in our numbers, but we had already removed it that might be 4 to \$0.05. Just trying to gauge the impact of how much you've raised the numbers?

Thomas Werner

Hi Rick, it's Tom. Good morning, what we are dialing in for the removal of Zosyn is about 3 to \$0.04 reduction in EPS.

Rick Wise - Leerink Swan

Okay. And couple of others. Gross margin were especially strong and you went pretty quickly through it. May be I don't know, Terry or Tom both, if you go through again, especially on the manufacturing improvement side, is this Project Fuel related improvements or is this other before you even get to the restructuring benefits and may be little more color on some of the mix issues as well?

Thomas Werner

Yes, so Rick in terms of manufacturing performance, it's really not Project Fuel at this point. This is really the continued impact of manufacturing optimization, programs that we announced in previous years plus just a high focus on cost reductions. So, Project Fuel really has yet to kick in the manufacturing area. Most of the reductions that we taken up till now have been in the G&A area. So, not much impact in manufacturing.

And then with respect to product mix, better Precedex, better Symbiq and Terry were there a few other things that we gave some uplift there or...

Terrence Kearney

Yes, most probably.

Rick Wise - Leerink Swan

Okay. And last. Maybe the most impact full, you highlighted a bunch of product launches in a variety of countries and geographies. Maybe as we look towards the rest of the year, one of the most significant, most impact full launches that we should look for, either or product roll outs. Thanks.

Christopher Begley

Well, Rick. I think we are not seeing large product launches happening in the remainder of the year. The biggest one that we initially anticipated was Zosyn and obviously we have taken it out now. So rest of them are relatively small and spread across the various geographies that you have mentioned.

Copyright © 2009 CBS Interactive, Inc. All Rights Reserved.