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## Hutchinson Technology Incorporated, F2Q09 (Qtr End 03/23/09) Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator Instructions) Your first question comes from Rich Kugele - Needham & Company.

#### Richard Kugele - Needham & Company

A few questions, I guess first when it comes to the Seagate situation you're talking about having a little less than I guess less than 10% of unit volume by the fiscal third quarter, correct? With the percentages that you normally give in terms of TDK and Seagate, that's usually a percentage of revenue, due you think it's comparable?

#### Kathleen Skarvan

Rich, it's Kathleen. First of all I should clarify the fact that 10% of our revenue will be in the fiscal quarter four and I think it's pretty close, close enough that you can say that it will comparable in revenue also.

#### Richard Kugele - Needham & Company

From a competitive standpoint, to the best of your knowledge has there been an improvement by NHK and TDK, their ability to manufacture enterprise or is that the piece that is going to take longer to transition and Seagate is just hoping that they figure it out?

#### Wayne Fortun

This is Wayne speaking; I'll take it a shy on that. We've had good competitors, they are always getting better and I can only judge it by our current share. It's still very high and so yes those programs last a along time for one thing and some of the older ones are not likely to be re-qualified for someone and so that part of the reason is extends with the other is, we'll see how low they do and I don't care to predict this as to how well they do it.

#### Richard Kugele - Needham & Company

Then before I get on to the suspension overall commentary, just to refresh our memories, is there any history of customers leaving and then coming back and if so how long where they gone and any thoughts there, I thought that there was an example of this?

#### Kathleen Skarvan

Well, it's certainly an interesting question Rich and I think Seagate, of course we've been very disappointed with the direction that they are taking. We certainly though have had our ups and downs with Seagate in the past and so we're going to continue to work the relationship.

We are going to continue to dialogue with them and communicate with them. We are going to do everything possible to extend the current programs we have. If there is some history, I'd say that you never count any customer out and there is always the opportunity in the future for that to change I think.

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