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Wyndham Worldwide Corporation Q1 2009 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions). Our first question comes from Joe Greff. Your line is open and please state your company name.

Joe Greff - JPMorgan

This is Joe Greff from JPMorgan. Good morning. Steve, my first question is, I guess, kind of relates to the big topics from the last earnings call, and are you re-thinking potential equity rates here? Obviously we've seen a lot of companies with success in doing that recently. What are your thoughts on that?

Steve Holmes

Well, we obviously, we went through the plan that we announced the intent to do last quarter, and we did that in response to a lot of conversations we had with our shareholders and the feedback that we got, and also the reaction of our stock obviously. We are not sitting here with a plan to issue equity now, that is not our intent and we feel very comfortable with our liquidity position.

Operator

Our next question or comment comes from Steve Kent. Your line is open, and please state your company name.

Steve Kent - Goldman Sachs

Yes, Steve Kent, Goldman Sachs. Just I'm sorry, I got cut off at one point, and I wanted to know just on the restructuring that you mentioned in the press release. How much of it was cash or noncash and then can you also talk about the timeshare business, what's you're seeing? I think Gina, you said that so far in April, not much of a change, but can you talk about upgrades, fees, et cetera, which was a pretty big driver this first quarter. What your expectations are for the balance of the year on those items?

Steve Holmes

Well, for the first quarter, I assume you don't want us to completely re-read the script, Steve. So, we will just cut to the chase on the cash from the restructuring. The first quarter the restructuring cost was about \$20 million cash, the rest of it was non-cash. For the other questions, Gina?

Gina Wilson

We continue to believe that we're going to have good strength in upgrade sales for the remainder of the year. I think part of your question were 43% of the sales were new customers, so we're feeling good about that as well. I think one of the things Steve mentioned is, by virtue of taking some of the marketing programs out, and sort of refinding, which offices we keep open, we have some very talented sales people, and we have very good tour flow quality. So, we're feeling very good about their ability to deliver the remainder of the year.

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