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## COMSYS IT Partners, Inc. Q1 2009 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator instructions) we will take our first question from Mark Marcon from Robert W. Baird.

#### Mark Marcon – Robert W. Baird

Good morning and congratulations on the solid results in consideration of the environment.

#### Larry Enterline

Thanks Mark.

#### Mark Marcon – Robert W. Baird

I was wondering if you could talk a little bit about your organic revenue decline. It looks like you actually

are holding up better than a number of your competitors and I was wondering what you would attribute that to and while there is pricing pressure it also sounds like if we adjust for (inaudible) if we go from Q4 to Q1, it looks like your temp gross margins are actually improving. So I was trying to understand those two components.

#### Larry Enterline

Let me give you just a little broad commentary. I think we have been working hard for actually a few years now on our model and the productivity and efficiency increases and I would like to think that is part of the reason we are beginning to hold up. I also think there is reversion to the mean, I think we got hit probably a little bit harder last year based on some of our customer mix and I think that it is coming back to the mean now is probably helpful to us. I think those are probably the major combinations, again I do not think we are swayed one way or another by our performance just like a year ago I think because we underperformed a little bit for a few quarters I think we stuck with our model and we are going to stick with it now, and I do think it is helpful in this kind of an economy the model we run I think holds up fairly well. Pricing, I think we see the same pressures everyone else does, clearly we are in an environment that customers are going to take the opportunity to try to push bill rates down and again we have a philosophy to move that rate along to our consultants through pay rates we also try to resist that with customers to the extent we can and you are going to have accounts where you accept the bill rate decrease for strategic reasons because it makes good business sense to you in the long term. I think we are going to work with clients but try to provide them the quality of service under that bill rate that we can and then we are going to turn around and

work with our consultants in terms of maybe new market levels for the services that we offer and I think that is going to be a just a mixed bag across the breadth of our business but leads to the kind of results you see. David, Amy any other commentary?

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