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Great Wolf Resorts Q1 2009 Earnings Call Transcript

Question-and-Answer Session

Operator

Thank you, sir. (Operator Instructions). The first question comes from Steve Wieczynski. Please state your company name followed by your question.

Steven Wieczynski - Stifel Nicolaus & Company, Inc

Yes, Stifel Nicolaus. Good morning guys.

James Calder

Good morning.

Kimberley Schaefer

Hi.

Steven Wieczynski - Stifel Nicolaus & Company, Inc

I guess the first question, just any news on the Pocono property in terms of what's going on there?

Kimberley Schaefer

The same sort of question. The property is visited for sales but as a high performing asset we would expect a transaction to reflect that value. So while we are not in any need to sell the resort, we've looked that as a potential liquidity option back in October mainly because it's is an assumable loan and we knew it's a performing asset. But really there is no update at this point on that.

Steven Wieczynski - Stifel Nicolaus & Company, Inc

Okay, got you. Then what's going to be a good run-rate here for SG&A because that did come in a little ahead of what we were looking for; is that due to Concord?

James Calder

Yeah, SG&A ... Steve, this is Jim. SG&A is a little bit higher due to Concord. We had the Grapevine expansion that opened during this period as well. So we've an additional 200 rooms there. I think ... and also with some of our changes in SG&A, I think the good run-rate will be probably should better here in Q2, which I think will be slightly below our Q1 level for a good run-rate going forward.

Steven Wieczynski - Stifel Nicolaus & Company, Inc

Okay, got you. And then I am not sure if you are going to answer this question but any comments on the letter that was published last week from your two board members who resigned?

Kimberley Schaefer

Steve, we filed our 8-K on that. We just don't believe it's in appropriate form to comment on it at this point.

Steven Wieczynski - Stifel Nicolaus & Company, Inc

Okay, got you. Thanks, I appreciate it.

Kimberley Schaefer

Thank you.

James Calder

Thank you.

Operator

Thank you. The next question comes from Mr. Bill Crow. Please state your company name followed by your question.

William Crow - Raymond James

Hey, good morning, Raymond James. Jim, a couple of questions for you. Just in terms of the sale of the JB assets, assuming it goes through, obviously that's \$6 million of additional cash inflows for the year; I assume that's earmarked for ... you said earmarked for the debt repayment at Mason.

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