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FEI Company Q1 2009 Earnings Call Transcript

Question-and-Answer Session

Operator

Thank you, sir. We will now begin the question and answer session. (Operator instructions) Our first question comes from the line of Satya Kumar from Credit Suisse. Please, go ahead.

Satya Kumar – Credit Suisse

Yes. Hi, guys. Thanks. I was wondering if you can give me some color on the mix for bookings as you see it, but with electronic sea search and bio in the second quarter. It seems like it's guiding up 3% for bookings versus, I think the last several years have been down about 9% or so? I just wanted to get some color on what's driving that.

Ray Link

Yes, I think that what we would point to is, as we highlighted is strengthen the research and the life sciences area. It's hard to call of what the electronic business is going to do in detail. I think that's still a pretty sensitive environment, so I would say, taking a step back it's expected those areas that have been strong to remain strong. And we had a good, in this environment electronics business contribute not necessarily any Q1 – not necessarily a predictor of well happening in Q2.

Satya Kumar – Credit Suisse

In terms of the significant increase you were saying in the quota activity, I was wondering if it's possible for you to possibly take a stab at quantifying that. Are we looking at an order pipeline that perhaps (inaudible) the peak orders you had last year? How shall we think about that?

Ray Link

I would think that at the base level, we are expecting to see the second half orders to certainly exceed the first half of this year. And if we would roughly wrap a number around that, at least 10% of the increase is a minimum of what we're targeting at this point. The timing makes it difficult to make the call at this point, to be more specific. But we are really excited about the pipeline growth that we're seeing and it's now all about timing when the orders come because we believe we're absolutely favourably positioned to garner a good percentage of that opportunity.

Satya Kumar – Credit Suisse

All right. And lastly, I think early on you've mentioned that second half you expect to see seasonal – normal seasonal performance? I was wondering if you could add some color on whether you're referring to booking there or booking the revenues.

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