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Energy Conversion Devices Inc. F3Q09 (Qtr End 31/03/09) Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions) Your first question comes from Sanjay Shrestha - Lazard Capital Markets.

Unidentified Participant

Hi, this is [Terra] in for Sanjay. Did you give megawatts shipped in the quarter ASPs?

Harry Zike

No, we're not disclosing our ASPs due to competitive reasons. I think you could probably come up with an estimate yourself. I will make some comments on the ASPs, generally. In the quarter, we saw our ASPs comedown by low single digits and as we see, this is within the guidance that we've given out previously because the level of polycrystalline and the level of pricing in the marketplace. So far our pricing has been able to hold relatively steady.

Going forward, we anticipate we may see further declines in ASPs. Our value proposition, our differentiation certainly holds, but depending on the level of pricing of polycrystalline our delta or our differential pricing to polycrystalline, we have to maintain that level of differentiation, that level of pricing differentiation, but as that pricing comes down our pricing may further comedown as well.

Unidentified Participant

On the last call you made a comment about being approached by the government, worried about the ability for firms to meet demand. Can you comment further on this and what kind of government-sponsored activity you are seeing?

Mark Morelli

Yes, our contacts in Washington remain quite bullish on renewables and solar. However, what we are recognizing is that these incentives in this stimulus are slow to come to market. We anticipate that this very strong stimulus package may take another couple of months or couple of quarters for it really to come to fruition.

Operator

Your next question comes from Kelly Dougherty - Macquarie.

Kelly Dougherty - Macquarie

I just wanted to follow-up on the pricing. When you talk about a differential to polycrystalline, do you look at it on a cents per watt basis or more of a percentage?

Mark Morelli

Our differential pricing to polycrystalline is really on a case-by-case basis, depending on where we are based on the specific incentives. So, I don't think there is a standard rule and we're not going to be giving any specific guidance due to our pricing, really due to our competitive reasons. However, we definitely have a differentiated product in the marketplace and we sell at a differentiated price to poly as well.

Kelly Dougherty - Macquarie

Maybe then can you talk to us about, what kind of IRRs you are seeing in different countries and if that plays more of an impact that maybe what the pricing is on the crystalline side?

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