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Borders Group, Inc. F1Q09 (Qtr End 05/02/09) Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions) The first question comes from the line of Matt Fassler – Goldman Sachs.

Analyst for Matt Fassler – Goldman Sachs

You mentioned promotional discounting contributed 10 bips to your improving product margin. Any other thoughts on the promotional environment or are things pretty consistent broader speaking with last quarter?

Ron Marshall

I think you are seeing much deeper promotional spending from everybody in the category right now. We have seen some offers from other folks that are really quite impressive. What has been important in our improvement is being smarter about how we allocate those dollars and as we go forward we are looking at a lot of promotional opportunities that don't directly tie to a discount coupon or going straight to the price button. I think as we go out in the middle of the second quarter you are going to see some stuff that is pretty creative from us and really creating an environment that is fun but yet provides a value image for our customers.

Operator

At this time I am showing no questions.

Ron Marshall

That's great. I want to thank everyone for being with us today. Before we sign off we want to remind you that our next scheduled financial news release will be our second quarter results at the end of August. Have a nice summer guys.

Operator

This concludes today's conference. Thank you for participating. You may disconnect at this time.

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