

The logo for Seeking Alpha, with the text 'Seeking Alpha' in white and a yellow Greek letter alpha symbol to the right, all on a dark red background.

Sigma Designs, Inc., F1Q10 (Qtr End 05/02/09) Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions). The first question comes from the line of John Vinh - Collins Stewart.

John Vinh - Collins Stewart

My first question is on the digital media adapters or the connected media segment. Can you just give us a little bit more color on the growth in that segment; that segment basically doubled on a sequential basis. I assume that had to do with the storage customer and it's the ramp of their digital media adapters that you talked about earlier on the call. Can you talk about that segment; was that primarily all digital media adapters, was there any Blu-Ray revenues in that segment, and how much of the growth in that segment was due to that one storage customer?

Kenneth Lowe

The general trend that we're seeing is that DMAs are picking up; predominantly the type of devices is what some people refer to as a sneaker device contains mass storage with the DMA device and it can be loaded up with your entire cadre of music and videos and then taken over to any device and played like a DVD player. That's becoming more popular in certain areas. We have seen it pick up. It is becoming a very strong targeted device by the storage manufacturers as another way to move drives. That is the larger portion of the connected media players; however, there still are Blu-Ray players and other devices in that category, and we don't have any comment about the magnitude of the largest player in there. We really haven't talked about that.

John Vinh - Collins Stewart

Is it safe to say that the growth that you saw on that segment predominantly is driven by DMAs?

Kenneth Lowe

Yes.

John Vinh - Collins Stewart

Going forward, is this run rate that we're looking at right now, is that a sustainable run rate that you think we could use for modeling off through the end of the year at this point?

Thomas E. Gay

We're hesitant at this point to project further growth. We're not really sure of how to predict that.

John Vinh - Collins Stewart

One last question on this segment; the mix of your 8634 versus previous generation chips; in DMAs, what is generally the mix of your SoC there?

Kenneth Lowe

You mean which parts in the series are moving?

John Vinh - Collins Stewart

Yes, is it generally the 8634s or your 8620 series or?

Copyright © 2009 CBS Interactive, Inc. All Rights Reserved.