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## ARRIS Group Inc Q3 2009 Earnings Call Transcript

### Question-and-Answer Session

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**Operator**

(Operator Instructions) Your first question comes from James Kissner - Jefferies & Co.

**James Kissner - Jefferies & Co.**

The mix of business in Q4, should we assume that there's more BCS and less ATS in EMTAs, is that a safe assumption?

**Bob Stanzione**

Compared to what?

**James Kissner - Jefferies & Co.**

Due to this quarter?

**Bob Stanzione**

Yes, it should be roughly the same. Maybe a little more CMTS oriented fourth quarter.

**James Kissner - Jefferies & Co.**

Can you guys, show how many CMTS chassis were shipped in Q3?

**Dave Potts**

317, I think James was the final number.

**James Kissner - Jefferies & Co.**

On the DOCSIS 3.0 EMTAs it's an impressive statistic 10% DOCSIS 3.0. Can you sort of share or use with the CPE, is there a split of EMTAs versus just regular modems within that you can share?

**Bob Stanzione**

We generally report the overall numbers. So I think the 1.26 million of total CPE has broken down into mostly EMTAs I think 1.19 million EMTAs on the rest, kind of 66,000 are so were data modems. The majority of the 3.0 shipments were EMTAs, but I don't have the complete break down.

**James Kissner - Jefferies & Co.**

As I'm curious, is that adoption of DOCS 3.0 EMTAs is that fair to say that's skewing more towards enterprise or is that more consumer or is it sort of split evenly? How do we declare that?

**Bruce McClelland**

Yes I don't know if I have completely accurate break down, what I think look a large percentages is focused on residential.

**Dave Potts**

Okay, that's great. We want to move on to the next question, because you got lot of folks in queue here.

**Operator**

Your next question comes from Johanna - RBC Capital Markets.

**Johanna - RBC Capital Markets**

It's encouraging to see the ATS segment improved. I guess if you could expand on that and let us know where this Strength came from? Was there any particular region? Also is that upwards and onwards from here, should we expect revenues from the ATS segment to increase sequentially as well as margin?

**Bruce McClelland**

I don't expect a sharp snapback in demand for ATS because of the economies are so, flat right now, apparently. So, I do expect gradual improvement overtime, but not a sharp growth in the next quarter or two. I do believe that, we should be able to improve our cost basis in the business and with to answer you question about the customers.

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