THOMSON REUTERS

EDITED TRANSCRIPT

Q3 2019 Comscore Inc Earnings Call

EVENT DATE/TIME: NOVEMBER 05, 2019 / 10:00PM GMT

CORPORATE PARTICIPANTS

Gregory A. Fink *comScore, Inc. - CFO & Treasurer*
Robert Winters
William Livek

CONFERENCE CALL PARTICIPANTS

Alan Steven Gould *Loop Capital Markets LLC, Research Division - MD*
Laura Anne Martin *Needham & Company, LLC, Research Division - Senior Analyst*
Matthew Corey Thornton *SunTrust Robinson Humphrey, Inc., Research Division - VP*
Surinder Singh Thind *Jefferies LLC, Research Division - Equity Analyst*
Victor B. Anthony *Aegis Capital Corporation, Research Division - MD of Internet & TMT and Analyst*

PRESENTATION

Operator

Ladies and gentlemen, thank you for standing by, and welcome to the comScore Third Quarter 2019 Financial Results Conference Call. (Operator Instructions) Please be advised that today's conference is being recorded. (Operator Instructions)

I would now like to hand the conference over to your speaker today, Mr. Robert Winters. Thank you. Please go ahead, sir.

Robert Winters

Thank you, operator. Before we begin our prepared remarks, I'd like to remind all of you that the following discussion contains forward-looking statements. These forward-looking statements include comments about our plans, expectations and prospects and are based on our view as of today, November 5, 2019. We disclaim any duty or obligation to update our forward-looking statements to reflect new information after today's call. We will be discussing non-GAAP measures during this call. For which we have provided reconciliation in today's press release and on our website.

Our actual results in future periods may differ materially from those currently expected because of a number of risks and uncertainties. These risks and uncertainties include those outlined in our 10-K, 10-Q and other filings with the SEC, which you can find on our website or at www.sec.gov.

I'll now turn the call over to comScore's Director and Chief Executive Officer, Bill Livek. Bill?

William Livek

Thank you, Robert, and welcome, everyone. Thank you for joining our third quarter financial results call. I'm joined by Greg Fink, our Chief Financial Officer.

Before I begin, let me start off by saying I'm very excited to start in the new role as comScore's permanent CEO. I trust that some of you may know me as the former CEO of Rentrak. Today, our TV, our on-demand, and our movie business that we merged into comScore. But that's only a bit of my 40 years of experience in measuring consumer media usage and measuring the products that people purchase and use in our cross-platform world.

I'd like to thank our Board for trusting me with this responsibility. I would also like to thank Dale Fuller and our management team for taking the necessary actions to streamline our cost structure over the past 7 months. I believe in our strategy that has been set and described in the past, our people at comScore and our customers that have been so loyal to us. Now it's our task to execute on that strategy.

Before we discuss the quarter, the development of our innovative products would not be possible without the hard work of our talented employees. I'd like to take a moment to thank our team for their dedication to comScore as we continue to focus on the future.

Now I'd like to turn the call over to Greg, who will review important actions that were taken during the third quarter, and as well as to provide an overview of our third quarter financial performance. Greg, please?

Gregory A. Fink ***comScore, Inc. - CFO & Treasurer***

Thanks, Bill. Last quarter, Dale outlined the primary objectives of our business, including the steps we have taken to streamline our product portfolio and to focus our teams and investments on the key product areas that we believe will drive growth in the future. ComScore future growth plans are concentrated in 4 key product areas, premium video and cross platform, addressable and under addressable TV, activation and movies. We are shifting the allocation of resources, both people and capital to align with these 4 key product areas in which we see the highest return potential and the quickest path to success.

Following the initial steps taken in the second quarter and our continued internal review, the company made the difficult but necessary decision to reduce our workforce by an additional 8% in August. By further rightsizing our organization and realigning resources for the future, we are confident that comScore is in a stronger position to meet our customers' needs going forward. In addition to these actions, we have also made efforts to reduce spending in all areas of our business. This will allow us to unlock a significant amount of go-forward capital to redeploy into growth areas of our business that previously lacked the level of investments we would like to make. Given the opportunities they represent.

I want to briefly review a couple of the initiatives we have taken this quarter that we believe represent important organizational changes and steps taken to reposition the company for growth going forward.

First, we promoted internal leaders and hired externally for our key product areas, helping to drive new product development and establish greater accountability across the organization. Second, we integrated engineering and product development teams across the product areas, which expand opportunities for innovation and accelerates the time to market for our new products. And finally, we continue to simplify and reduce our number of products through SKU rationalization.

Revenue in the quarter was lower than Q2 and the prior year quarter. Looking forward, our expectation for the fourth quarter is that our top line results will be slightly higher on a sequential basis as the business is repositioned, capital is reallocated and the resources are concentrated in our key business areas. The additional cost-cutting actions we took this quarter will also begin to flow through to the bottom line on a full run rate basis, resulting in positive adjusted EBITDA expected again in the fourth quarter.

Before I review our financial performance for the quarter, I want to touch on some recent commercial developments during the quarter. We are already seeing results from the recent reorganization of our national sell-side team, including having won back several prominent publisher accounts. Our national network team expanded digital measurement services with a prominent network to include the entertainment, sports, news and local divisions. The team also closed deals with The Weather Channel, Publishers Clearing House and NewsmaxTV, to name a few.

At the local level, we signed a number of key deals, including with local broadcast pioneer Sarkes Tarzian to a long-term agreement to receive measurement services for the television stations in Chattanooga, Tennessee; and Reno, Nevada.

As reported last week, we're collaborating with Nexstar to develop new technology for both linear and digital audiences. We believe this reflects the industry's increasing shift away from traditional TV ratings in favor of impressions, and we will continue to prioritize innovation of our cross-platform capabilities to meet this evolving preference. Our agency relationships remain strong. We retained and renewed all large syndicated partnerships across holding company clients. Highlights include renewing a large Data as a Service engagement with a key holding company partner and expanding a cross-platform survey engagements with a global CPG leader across 6 new campaigns. We also won new cross-platform survey engagements for the pair of global automotive and retail brands.

We bolstered our branded content measurement offering through our partnership with ListenFirst, a comprehensive social media analytics solution. This partnership enhances our science-based approach to measuring brands, content and is a natural extension of our cross-platform focus. We have built a strong foundation in comScore, on which we will roll out new products and services in the coming quarters. As we approach the period when many of our contracts are signed and renewed, we are confident that we will continue the momentum as our product offerings pick up traction. With the right people and resources in place, we are in a position to unlock potential in each of our areas of focus. While staying prudent with our cost containment initiatives, we expect the business to grow responsibly as our investments in our development teams are gradually realized across the product road map.

Turning to our financial performance for the quarter. Today, we reported Q3 revenue of $94.3 million, which compares to revenue of $102.9 million reported in the third quarter of last year. The decrease primarily relates to our syndicated digital and digital custom solution products. Revenue from ratings and Planning in the third quarter was $65.3 million, a decrease of $5.2 million from the prior year quarter. TV and cross-platform products were flat as compared to the same period last year. With higher local TV revenue from expanded relationships and increased delivery of cross-platform products, offset by lower national TV revenue as compared to last year.

Last year's third quarter revenue benefited from our political analytics customers ahead of the midterm elections. Syndicated digital revenue continued to decline and represented 51% of Ratings and Planning for the third quarter of 2019 as compared to 53% in the same period a year ago. Syndicated digital revenue continues to reflect a reduction in the number of small customers as well as a reduction in our international business, which is primarily comprised of these products. As we expect to sign more than 1/3 of our syndicated digital contracts for 2020 in the fourth quarter, our visibility around our efforts to slow the revenue decline should improve.

Revenue from Analytics and Optimization in the third quarter was $18.3 million, down 18% from the third quarter of last year. The decrease was related to lower digital marketing solutions sales and deliveries in the third quarter of 2019 as compared to the prior year. The decrease was offset in part by increased Activation revenue.

Movies Reporting and Analytics revenue increased 6% in the third quarter relative to the same period a year ago due to both new products and new customers.

I'll now turn to operating costs, which I'll discuss on a non-GAAP basis, excluding stock-based compensation. We continue to see significant reductions in compensation expense from the impact of the actions we took in May and August to reorganize our operations. This year, we've reduced staffing levels by more than 20%, which in turn reduces compensation expense by about $40 million on an annualized basis. Additionally, as I mentioned earlier, we continue to reduce other expenses, including travel costs, professional service costs and facility costs. The latter of exiting, consolidating and subleasing more than 10 facility leases around the globe this year.

Cost of revenues decreased in the third quarter of 2019 compared to the year ago quarter from ongoing operating efficiency in our data centers. G&A expense for the third quarter was lower compared to the prior year quarter, primarily due to the completion of a 3-year transition services agreement. In September, we settled the previously disclosed SEC investigation and received a $2.1 million claw back from a former executive. As a result, our settlement of litigation expense was reduced from $5 million to $2.9 million. Ongoing expense associated with any further activity is expected to be reduced.

For the third quarter, we reported a net loss of $10.6 million compared to a net loss of $24.6 million in the same period last year. We reported adjusted EBITDA of $6.4 million for the third quarter. This compares to adjusted EBITDA of $5.2 million reported for the same period last year and an adjusted EBITDA loss of $3.2 million in the second quarter of 2019. Our non-GAAP net loss for the third quarter was $6.2 million, which compares to a non-GAAP net loss of $4 million reported in the year ago quarter.

We ended the third quarter with cash, cash equivalents and restricted cash of $58.5 million, an increase of $8.3 million from year-end and $4.7 million from the second quarter of 2019. This amount includes the $2.1 million claw back we received in September. We paid the same amount to the SEC in October.

As for our financial expectations as we approach the end of 2019, while custom project revenue can vary quarter-to-quarter, we expect fourth quarter revenue to be slightly higher than the third quarter. Certain selling and marketing costs tend to be higher in the fourth quarter and are likely to exceed the additional savings achieved with our actions taken in the third quarter. As such, while we expect to generate positive adjusted EBITDA for the fourth quarter, we expect it will be lower than the third quarter. As we continue to transition in 2020, we expect revenue to be slightly higher than 2019 and generating higher levels of adjusted EBITDA. We expect both to improve throughout next year.

Lastly, in connection with the Q2 earnings release and call, the company announced that it was pursuing all strategic options. In light of the inbound interest for various options that we received post that announcement, we engage with our Board value to explore obtaining additional financial flexibility under the terms of the Starboard notes and clarity and certainty around the company's ability to redeem the Starboard notes and a sale transaction in order to execute a process to maximize shareholder value. Those conversations with Starboard are ongoing. The Board remains open to any financial or operating strategies that would maximize shareholder value, including the sale of the company.

However, a resolution with Starboard on the ability to redeem their notes in conjunction with the sale of the company will be important to resolve prior to any formal sale process. In the interim, we have been progressing on our strategic plan and have achieved a number of positive milestones, as we have highlighted. We continue to believe comScore's best days are ahead.

Now let me turn it back to the operator to open the line for your questions. Operator?

QUESTIONS AND ANSWERS

Operator

(Operator Instructions) Our first question comes from Laura Martin with Needham.

Laura Anne Martin ***Needham & Company, LLC, Research Division - Senior Analyst***

Congratulations, Bill. Welcome back. Can you guys talk about what's growing and that gives you confidence that fourth quarter will grow, given that it sounds like we're still experiencing declines in syndicated digital and customized? And Bill, specifically, when you look -- can you remind us what the upside is in the Rentrak businesses from political, as forgetting getting from long ago, what the political upside is for 2020?

William Livek

Thank you, Laura, and thank you for your support. Political has always been a big part of our television business. Those of you who may not have followed our television business in the past, we laid ground when Obama was first elected with taking political segments and helping the candidates maximize their television inventory. Since that time, both parties regardless whether it's presidential, gubernatorial, senatorial or the house races have generally used our services. I don't believe we've broken out political as a separate category ever. But we believe we'll continue to be the standard there.

In terms of the other question, Greg, I'd like to pass it over to you.

Gregory A. Fink ***comScore, Inc. - CFO & Treasurer***

Yes. Thanks, Laura. I think as we think about the fourth quarter, what we look at is the areas that are growing that we talked about earlier, we expect those to continue. And some of the areas that have been in decline, we expect to be slightly lower as we move forward. I think we've discussed before and as I mentioned on the call, fourth quarter is critical from a contract standpoint. And we feel confident that stemming some of those declines will be less than the impact from the growing revenues that will ultimately result in higher revenues in the fourth quarter.

Operator

And our next question comes from Matthew Thornton with SunTrust.

Matthew Corey Thornton ***SunTrust Robinson Humphrey, Inc., Research Division - VP***

Maybe just a couple, if I could. Can you maybe just kind of walk through the portfolio and just give us maybe the puts and takes, again, kind of where you see the growth? Obviously, local Activation, again, kind of where the focus is? You talked about this a little bit last quarter, but just remind us kind of where the strategic focus is and the growth drivers are as opposed to where, again, maybe you're kind of managing declines. And then just secondly, and relatedly, can you kind of just walk us through, Bill, now that you're kind of back at the helm here. Curious to hear your thoughts on the movie measurement business in particular. And again, whether they're all synergies with that business with the rest of the TV and the digital measurement business? Or is that something that perhaps could be looked at as a strategic alternative? Any color on that front would be great.

William Livek

Thank you, Matt. Let me address your first question, where we see the areas of growth? That's been consistent. And as I said in my opening remarks, I believe the company has a darn good strategy. Now it's about executing on it. Where we see growth is in the measurement of premium video and cross-platform. And within there, there's a lot going on. Right underneath it, when we talk to our cable partners and customers where they're really going is on the addressability. They want to deliver addressable commercials on all their new platforms. And we believe that we are best positioned to capitalize on that. The flip side of addressability is the advertising inventory that may not be the best at addressable. We call that under addressable. We think that's an equivalent opportunity with the big providers, and we're in -- we think we're well positioned there. The next growth area is Activation and the fourth is around movies and analytics. In terms of the movie arena, we believe, if you just talk with the large mega companies that have consolidated over the last number of years, whether it's AT&T or Comcast or Disney, at the core of how they're organized is their content divisions. And they're increasingly merging their television and their movie content and some of their direct-to-consumer platforms, we believe they're going to continue to respect the windows and move it in the movie theaters, the theatrical release, while at the same time, right after that, they go direct-to-consumer. So even though it's a business that we believe is strategic, as it's been announced in the past, the company is going to be doing a strategic review. But personally, I think the movie business is an important piece of the puzzle in the future.

Greg, do you have anything else to add?

Gregory A. Fink ***comScore, Inc. - CFO & Treasurer***

No, I think that was well said, Bill.

William Livek

Thank you.

Operator

Our next question comes from Victor Anthony with Aegis Capital.

Victor B. Anthony ***Aegis Capital Corporation, Research Division - MD of Internet & TMT and Analyst***

Thanks for the color on the movie business. Just a follow-up to that, if you could just kind of clarify a bit you filed the statements about Starboard. And I guess, you may have said that you were receiving inbound interest maybe you could just clarify exactly what that really meant. And second, on your guidance for the fourth quarter, it looks like the consensus is essentially estimating roughly 30% lower revenue EBITDA versus the third quarter. So I wanted to get a sense of what the magnitude of that adjusted EBITDA that you've got it for the fourth quarter is? And second to that, quite to that is really, how should we think about the EBITDA for 2020 relative to your slightly up revenue guidance?

William Livek

Okay. There's a lot there. I'm going to pass it over to Greg.

Gregory A. Fink ***comScore, Inc. - CFO & Treasurer***

So thanks, Victor. I appreciate the questions. Let me make sure that I try to touch on all of them. So I think your first question really was around the strategic options. As I mentioned in my remarks, and we had said at the end of Q2 in our earnings release and call that we are pursuing all strategic options. We continue to examine those and obviously, as we made that statement, people, when I talk about inbound interest, have some inbound to us regarding what that means. It means all aspects of what we think could be strategic. And I think we covered that last time around all the different options that we possibly could have. At this point, we can't really comment anything other than we're taking a look at everything that we've received as inbound.

As I mentioned earlier, looking around flexibility, clarity and certainty around certain aspects of the Starboard note and we'll be evaluating all of those as we move forward. As it relates to the guidance moving forward, when you think about the costs that we've taken out over in 2019, I mentioned the people cost of $40 million from a compensation standpoint, you have a full run rate of that next year. So we haven't given specifics as it relates to where we see adjusted EBITDA in 2020, more specifically as it relates to the fourth quarter, just that it will be positive and moving in a positive direction as we move throughout the year, as I said earlier.

So we haven't put any specific parameters around it, but I think we model out to some of the pieces that we've given as far as revenue higher than in 2019 with those costs taken out of the system. I think you could model it from there.

Victor B. Anthony ***Aegis Capital Corporation, Research Division - MD of Internet & TMT and Analyst***

Got it. Just a follow-up on -- put it aside, again the flexibility with the Starboard and inbound interest. The dilution issue that you guys currently face, how should we think about that going forward?

William Livek

Greg, would you like to handle the question on dilution?

Gregory A. Fink ***comScore, Inc. - CFO & Treasurer***

Are you speaking specifically around the interest payment?

Victor B. Anthony ***Aegis Capital Corporation, Research Division - MD of Internet & TMT and Analyst***

Correct.

Gregory A. Fink ***comScore, Inc. - CFO & Treasurer***

So look, as we said last quarter, and as we've continued to say, we need to make sure that we stay above the minimum requirement by the cash covenant in the notes. We don't want to get close to that line at all, as you can imagine. Each quarter, we look at where our cash position is, our current cash forecast and our expected capital needs and we have to make a decision each quarter whether or not we'll pay cash or we'll issue shares. And as you know, we can issue shares, we can issue a combination thereof of cash and stock or cash only. So we will evaluate that each quarter based on, as I just outlined, what our cash position is and what our cash forecast is.

Operator

(Operator Instructions) Our next question comes from Alan Gould with Loop Capital.

Alan Steven Gould ***Loop Capital Markets LLC, Research Division - MD***

Bill, welcome back. A few questions here. First, Bill, I know you're this -- this is probably day 1 as back as CEO, but you've been interim CEO and on the Board. I mean, any changes that you see making upfront? I mean, what are your priorities now?

William Livek

As I said earlier, the product priorities and sales priorities. I believe what Dale did is a fantastic job, along with our team of rightsizing our cost structure. Now it's about executing on the strategy that's continuing to push through new products, and it's continuing to sell the products that we already have, and that's around premium video and cross-platform, addressable OTT, under addressable, Activation, movies and analytics. So it really is focusing on the basics. And you've known me for a long time, Alan. And I believe that our playbook historically when we focus on the simplicity, oftentimes, that's the best approach.

Alan Steven Gould ***Loop Capital Markets LLC, Research Division - MD***

Bill, where are we on cross-platform at this point in time? Is there -- I know at one point, there was a beta product out there that all functionality. Is there a beta platform -- beta products still out there? And any suggestion as to when we could expect a commercial cross-platform product to be available?

William Livek

Well, we're already commercial and -- on some of our products. So if you look at what we're doing that, I believe, is unique and special. It started with Nexstar of -- in local markets, where because of comScore's unique tagging system, they have tagged all their over-the-top content, oftentimes news content. And through our unique deduplication methods, they have been able to sell their television schedules along with digital, and they're doing quite well with it. So we're doing well, but stay tuned on that in the future. That's where we're going to be putting a lot of energy.

Alan Steven Gould ***Loop Capital Markets LLC, Research Division - MD***

Okay. And lastly, lower national TV, how much was that lower?

Gregory A. Fink ***comScore, Inc. - CFO & Treasurer***

We don't specifically, Alan, break out our products revenue for -- by category there, but it did obviously have an impact when you look at local growth and cross-platform growth that TV and cross-platform combined were flat, but we don't provide that level of granularity.

Operator

(Operator Instructions) Our next question comes from Surinder Thind with Jefferies.

Surinder Singh Thind ***Jefferies LLC, Research Division - Equity Analyst***

I'd like to take a step back and just kind of a big picture question about the organization. Obviously, you guys have reduced headcount, implemented a number of efficiency initiatives. How should we think about maybe what more might can be done or maybe where we are in that life cycle in the sense of how much of a safety margin is there, if, let's say, our expectations are for breakeven cash flow by the end of the year, but let's say there's maybe a downturn in the economy or maybe the headwinds are a little bit stronger next year. How should we think about the flexibility in the organization at this point?

William Livek

Thank you for that question. That's a good one. Those of you that know me, know that I always try to operate with the margin of safety. As I said earlier, and it does bear repeating. The cost structure, we believe, has been rationalized now so we can grow with our syndicated products off that cost base. One of the nice things about our business most of our revenue is subscription model or behaves as if it's a subscription model. And although nothing is insulated from a downturn in the economy, over my past 40 years, one of the features I like about a business like ours are we become more important actually when things get more difficult because the sellers have to use quantification more and the buyers have to use information products to justify more. So even though no one has ever insulated from changes in the economy, these are really good business models.

Gregory A. Fink ***comScore, Inc. - CFO & Treasurer***

And I would just -- to your question, just about expense and what I would say is we still believe there are opportunities for us to extract incremental expense. But what I would more focus on is that it's been a focus over the course of the whole year. And as you move forward, you get a full year's benefit of all of the activities. So when you take a look at the company's expense through 9 months or 12 months, if you want to annualize it and look at the things that we've done, the expense base going into 2020, is substantially lower than the expenses we had this year, when you look at it on a run rate basis. So I think that gives us flexibility to generate at some point, right. We haven't given a specific point in 2020, cash flow, as opposed to getting to breakeven by the end of the year.

Surinder Singh Thind ***Jefferies LLC, Research Division - Equity Analyst***

Understood. That's helpful. And then maybe just a follow-on related to the expense savings. You guys have characterized the headcount as roughly $40 million in annual run rate savings. What's the totality that you guys are looking at if we were to add in the efficiency initiatives? I just want to make sure I'm interpreting the cost savings correctly.

Gregory A. Fink ***comScore, Inc. - CFO & Treasurer***

Yes. I mean, we haven't quantified those collectively, but it's nowhere near the magnitude of the headcount. We've been focused on that as a good gauge for -- as people want to think about what our 2020 expenses are. I think there will be a lot of detail in the financial statements where I think we file our 10-Q regarding all the different categories of our expenses. And I think that we will bear out when you model that out of what the annual savings could be. But collectively, it's obviously not nearly as significant of the headcount. But by no means is it small.

Surinder Singh Thind ***Jefferies LLC, Research Division - Equity Analyst***

Understood. And then one of the comments, I think, Bill, that you made was talking a little bit about maybe redirecting some of the savings into some incremental spend or investment into some of the growth areas. Can you a kind of characterization you can do there, perhaps? Unless I misunderstood your comments, it sounded like that the incremental investment would be fairly helpful, meaning that there's maybe been a little bit of under investment, just to make sure that the ship is righted before you guys kind of put the pedal to the metal. Any color there?

William Livek

Well, again, I think the color, only color I would like to add is, the world is changing pretty radically, and our company is well positioned as we think about what we do. We have a census currency and a tagging network, and we're measuring how the consumer is entertained and informed. And this is a big, big market. And we have always earned a great living in a business here by focusing on these changes. So we do need investment that we have out of these savings now. The company could not really invest before because it was spending way, way in advance of revenues. I believe our cost structure has been rationalized, Dale Fuller and the management team deserves a round of applause for what they've done. That was the heavy lifting. And now it's time for our great employees and the great product organization -- sales organization that we have to capitalize that on that and do investments where we need, where we see the best return. That simple.

Surinder Singh Thind ***Jefferies LLC, Research Division - Equity Analyst***

Helpful. And then one final question here related to the syndicated digital revenues. I think the comment that was made was you would have a bit more clarity on the outlook of that segment post the 4Q given that there's a number of renewals. Any color on kind of what the deciding factors for clients are when they kind of make that decision? Or just any thought that you can provide that maybe helps us have a better understanding of -- in trying to come up with an independent analysis of the trajectory?

William Livek

Well, there's a lot there in that question. But as the company has said in the past, there are a number of smaller publishers that no longer sell their ad inventory on their own, they became part of the programmatic networks. Has that run its course completely? We actually don't know. But as we look forward through the renewal cycle. We don't want to think, give any more forward guidance as already been given. But we think we're in a nice place with our digital business. And what we have with digital, along with TV, gives us a great opportunity with cross-platform. Greg, do you have anything to add on that?

Gregory A. Fink ***comScore, Inc. - CFO & Treasurer***

No, I think, that's great.

William Livek

Okay.

Operator

At this time, I'd like to turn the call back over to management for any closing remarks.

William Livek

So thank you, operator, very much. And while our company is in the middle of what I believe is this strategic transformation, I really couldn't be prouder of the progress that we made in repositioning our organization to capture customer wins and develop new and innovative product solutions that are going to revolutionize the industry. We are investing in our business as we lay the groundwork for harnessing the potential that comScore has is the future.

We look forward to sharing our progress and our results to you in the upcoming quarters. So we thank you very much for your interest in the company and your participation. We'll talk to you all soon. Thank you.

Operator

Ladies and gentlemen, this concludes today's conference call. Thank you for participating. You may now disconnect.

DISCLAIMER

Thomson Reuters reserves the right to make changes to documents, content, or other information on this web site without obligation to notify any person of such changes.

In the conference calls upon which Event Briefs are based, companies may make projections or other forward-looking statements regarding a variety of items. Such forward-looking statements are based upon current expectations and involve risks and uncertainties. Actual results may differ materially from those stated in any forward-looking statement based on a number of important factors and risks, which are more specifically identified in the companies' most recent SEC filings. Although the companies may indicate and believe that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate or incorrect and, therefore, there can be no assurance that the results contemplated in the forward-looking statements will be realized.

THE INFORMATION CONTAINED IN EVENT BRIEFS REFLECTS THOMSON REUTERS'S SUBJECTIVE CONDENSED PARAPHRASE OF THE APPLICABLE COMPANY'S CONFERENCE CALL AND THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORTING OF THE SUBSTANCE OF THE CONFERENCE CALLS. IN NO WAY DOES THOMSON REUTERS OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED ON THIS WEB SITE OR IN ANY EVENT BRIEF. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S CONFERENCE CALL ITSELF AND THE APPLICABLE COMPANY'S SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.