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Year End 2018 Earnings Call

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PRESENTATION

Operator:

Good day, and welcome to the VieMed Year End 2018 Earnings Call. Today's conference is being recorded. At this time, I would like to turn the conference to Todd Zehnder, Chief Operating Officer. Please go ahead. sir.

Todd Zehnder:

All right. Thank you, Amy. Good morning everyone. Please note that remarks in this conference call regarding our expectations, future plans, and intentions may constitute forward-looking information as such term is defined in applicable Canadian Securities Legislation. All statements other than statements of historical fact may be forward-looking information. Such statements reflect the Company's current views and intentions with respect to future events and current information available to the Company, and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance, or achievements that may be expressed or implied by such forward-looking information to vary from those described herein, should one or more of these risks or uncertainties materialize. Examples of such risk factors are discussed or referred to in the Company's disclosure documents filed with securities regulatory authorities in certain provinces of Canada and are available at sedar.com. Should any factor affect the Company in an unexpected manner, or should assumptions underlying the forward-looking information prove incorrect, the actual results or events may differ materially from the results or events predicted. Any such forward-looking information is expressly qualified in its entirety by this cautionary statement. Moreover, the Company does not assume responsibility for the accuracy or completeness of such forward-looking information. The forward-looking information included in this conference call is made as of the date as of hereof, and the Company undertakes no obligation to publicly update or revise any forward-looking information other than as required by applicable law. The fourth quarter financial results, news release, and related financial statements and the MD&A are available on SEDAR.

Now, I'll turn it over to Casey to get things started.

Casey Hoyt:

Okay, thank you, Todd and good morning everyone. Thank you for joining our call. Today, I will start with many of the factors that led us to achieving an 8% revenue growth rate over the third quarter and 39% overall for 2018. We will also discuss some of the initiatives we have in place for 2019 that will contribute to our growth. Before I begin, I'd like to acknowledge the exceptional job that our team of clinicians and administrative personnel have been performing in each of their job duties. I couldn't be more pleased with the way that our employees executed on a mission to educate, nurture, and inspire patients to live better lives. It is through this day-to-day passion for improving life and bettering themselves that ultimately drives the financial success of our business. Thank you.

Moving on to the organic growth in the fourth quarter, once again we had a record-breaking quarter for sales. This now marks the tenth quarter in a row of consecutive revenue growth. The main contributors to the organic growth are still being driven by our ability to educate more physicians and case managers on the results of the KPMG findings. Our ability to reduce mortality by 16% has proven to be a wake-up call in the clinical community and, as a result, we have seen an uptick in orders from our existing referral sources. We also continue to add new geographic areas to our service coverage area through the recruiting and hiring efforts of our sales managers and HR department. These guys hired and trained another nine sales reps in the fourth quarter. We estimated that we've developed 18 new territories in 2018, which exceeded our goal of 16 set at the beginning of the year. The goals for next year are set to develop another 24 new territories.

The network development team continues to close new contracts with private payors. We saw 28 more contracts signed in the fourth quarter, which brought our year-end total to 70 new contracts closed in 2018. The department continues to expand its personnel and develop effective strategies for communicating the $25,000 per patient per year savings that the KPMG report reflects.

Our Compliance department has also been hard at work with the addition of many more states. To date, we are licensed to do business in 36 states and conducting business in 25. The team has their sights set on getting us licensed in all the lower 48 over the course of the next year and a half. They are also working on getting us approved to offer more products and services for our clinicians to offer to our patients. We expect 2019 to be a year where we continue to densify our coverage area, but also expand geographically.

I am very happy to report that we have begun the process to service veteran patients with noninvasive ventilation. Our Government Relations Clinical Team, alongside with our Network Development Department, has been hard at work learning how to navigate each of the individual VA facilities. This tedious process began early in 2018 and it's finally starting to get some traction. We are working to help navigate the administrative process on the small wins we received in the fourth quarter and are hopeful that this will become mainstream for larger batches of patients as we gather up our VA patient success stories and report them across the country.

Todd and myself have continued to stay in front of both new and prospective investors telling the VieMed story. We participated in the Piper Jaffray and Lake Street Capital Conferences in New York and have already completed trips to Toronto and Montreal this year. We have committed to the MicroCap conference in New York in April and the Bloomberg Healthcare Conference in Toronto in May. Our sights are still set on being a dual-listed company in the U.S. and Canada to obtain more U.S. investors.

On the regulatory front, with many broken fundamentals inside of the competitive bidding program and a significant loss of DME providers, CMS decided to officially suspend the competitive bidding program for the next two years. Since noninvasive ventilation is a life support device requiring a high-touch service component, the product remained out of competitive bidding, which left the majority of our existing business unaffected by this decision. CMS did call for suppliers to submit their comments on whether or not vents should be included in the next competitive bidding program, which we and many others submitted comments. As historically proven, our company views any sort of change in the regulatory landscape as an opportunity, one that will leave us with less suppliers to service a growing number of patients. This comment period announcement appeared to cause a pullback in our stock during the quarter, which presented an opportunity for a good use of capital by way of purchasing our undervalued stock.

At this time, I'd like to turn the call over to Todd, who will provide a financial overview of the quarter and give more details on our NCIB transactions.

Todd Zehnder:

All right. Thank you, Casey. In reviewing the financial results, all figures are in U.S. dollars and as mentioned, the full results are available on SEDAR.

We generated revenue of $18.5 million during the fourth quarter of 2018 as compared to revenues of $13.5 million in the fourth quarter of 2017, which equates to a 37% increase. Our revenues came in slightly higher than our previously-guided range for the fourth quarter revenues, as we continue to grow new vent patients at record rates, and we also have been expanding our other revenue streams at a faster-than-expected pace. Our 2018 annual revenue reached a record of $65.3 million, which is 39% higher than last year. Additionally, our gross margin percentage was 74% during the current quarter as compared to 75% in last year's fourth quarter.

Adjusted EBITDA, which excludes stock-based compensation, totaled $5.5 million for the quarter, which is a 27% margin; slightly higher than the last few quarters as a result of variable compensation tied to our stock price. Our annual adjusted EBITDA was $17.2 million, or 26%, which appears to be a good estimate for our go-forward EBITDA margin. We have once again redeployed a significant portion of this EBITDA during the current year, as our cap ex totaled $14.5 million for 2018, primarily driven by new vent purchases to support our growing patient base.

Our SG&A totaled approximately $34.4 million as compared to $24.6 million in the prior year. As we have previously disclosed, our 2017 results had certain items that could not be accrued until the legal spinout was made, but looking at this number annually, we have good comparables. Additionally, as just mentioned, some of our variable compensation is tied to the stock price of the company; therefore, we've seen fluctuations in SG&A with the volatility in our stock. We will continue to manage our cost structure as we are growing so rapidly and are keeping a watchful eye on our bottom line as we continue through this rapid growth phase.

We saw 2018 having investments in the technology department as well as initial costs beginning to become a U.S. listed company. Our intention is to work feverishly to become a dual-listed company during the current year, as we see value to being on both Canadian and U.S. exchanges. With all that said, we would expect our revenue and gross margins to increase at a higher pace than SG&A expenses.

We further strengthened our solid balance sheet as we ended with approximately $10.4 million in cash at quarter end, $8.8 million of clean AR, and an overall working capital balance of $6 million. Our AR continues to be higher than we would expect as we finish off collections of our previously-disclosed audit, but we have received a significant portion of the money which has helped with our rapid cash growth during the current year. I expect to finish the majority of the old collections during the first six months of 2019. Our long-term debt, which is primarily made up of capital leases, is immaterial at $400,000 and being serviced with operating cash flow.

Moving on to the first quarter, we have provided revenue guidance in the $20 million to $20.5 million range and feel that our gross margin and Adjusted EBITDA percentages will once again stay consistent with this past year. We will reiterate that all of this expected growth is organic, and we are excited to continue to push out our therapy to new patients every day. We are also expecting to start having more significant growth in other equipment lines during 2019.

From a capital perspective, we continue to use internally-generated cash flow and capital leases with our major vendors, and we believe that this will be able to fund our future growth using the same financial instruments. We built cash this year even in other year of almost 40% growth.

We took the opportunity in the fourth quarter to use some of our liquidity to buy back stock under our NCIB. We used roughly $1.6 million to buy back almost 411,000 shares during the fourth quarter. Our line of credit with Whitney Bank remains fully undrawn and serves as an easy way to finance any excess capital needs that might arise. While we don't currently have a planned use for this line, it is a nice to have the excess liquidity and think that we'll be able to grow this line over time as the Company has continued to grow.

As Casey mentioned, we continue to meet with both the buy and sell side, as well as many bankers and industry peers, and as I mentioned earlier, we continue to work behind the scenes on potentially being a dual-listed company on the U.S. Exchange at some point during 2019. The first step in the process is to have U.S. financial statements that are GAAP compliant, and we are close to completing that preparation.

At this time, I would like to turn the call over to Casey to wrap things up.

Casey Hoyt:

Okay, thanks, Todd. As everyone can see, we continue to experience strong growth with our existing organic engine. We will add more fuel to the tank in 2019 with bolting on more adjacent products and services for our patients. The lifting of the competitive bidding program has allowed for us to offer more ancillary products through our network of sales people across the country. The management team is devoted to making these products and services a significant piece of our revenue stream this year.

The technology team is also hard at work with the transition to our new workflow software. As this tool comes on board, their focus is shifting towards the development of tools for the future that will assist us in keeping our patients out of the hospitals and alive longer.

We are committed to streamlining our services with more remote patient monitoring tools and to make sure that VieMed is a leader in the use and development of home healthcare technology. The U.S. healthcare system is still driven by reducing hospital admissions and continues to have a major focus on finding value-based home care providers. With more than 10,000 patients turning 65 every day, the country will continue to accelerate care in the home and move away from treating inside of facilities. The technology tools we are creating are specifically designed for us to report on our quality of care and admission prevention. We have regularly stated that we have less than 5% market penetration for the COPD patients who qualify for our care. These industry tailwinds, coupled with the 95% of the marketplace yearning for our care, puts us in position to grow this business in a very meaningful way. I personally look forward to the challenge of making the VieMed brand one that everyone in the country can identify as a leader in home healthcare technology and services.

This concludes our prepared remarks. We will now open up the floor for questions.

Operator:

Thank you. If you would like to ask a question, please signal by pressing star, one on your telephone keypad. If you are using a speakerphone, please make sure your mute function is turned off to allow your signal to reach our equipment. Again, press star, one to ask a question, and we'll pause for just a moment to allow everyone an opportunity to signal for questions.

We will take our first question from Brooks O'Neil with the Lake Street Capital Markets.

Brooks O'Neil:

Great; good morning. I'm at an airport, so I apologize in advance for any background noise, but congratulations on the terrific progress you guys continue to make growing the business.

Casey Hoyt:

Thank you.

Todd Zehnder:

Thanks.

Brooks O'Neil:

So, a couple questions. Obviously, Casey, you talk quite a bit about expanding the array of products you offer to patients in the home. Could you just elaborate a little bit more so that we can kind of get a feel for the type of equipment you're considering and what impact you might expect those additions to have in terms of do you anticipate it driving accelerated growth? Is it going to have a margin impact? That kind of think would be very helpful.

Casey Hoyt:

Yes, Brooks, some of the products that we're offering right now are the percussion vent is becoming a more meaningful product line. Dr. Frazier, our Medical Director, has been educating our staff on how 25% of our vent patients that are on therapy with us really struggle from bronchiectasis, which is the stiffening of the lungs, so the percussion vent is a nice complementary product line that we have been expanding on.

Oxygen has always been something that we've had here locally and we didn't really scale with it around the country just because of some of the barriers that competitive bidding around the country would present. Now that that's been lifted, it opens us up to expand the oxygen product line, so we're going to be looking at doing that around the country.

Same thing goes with sleep apnea, we're looking at—and the technology team is real hot to trot right now in developing technology tools for the sleep apnea business going direct to consumers, so we're excited about a lot of the development that those guys had, a lot of telehealth and telemedicine solutions that they are testing right now. So as far as margin goes…

Todd Zehnder:

I think in general, Brooks, while we see some real growth coming from these new product lines, or really pushing these product lines harder, I don't think that they're going to have much of a margin impact at this point, just because the growth rate of the vents is still high. We see it's going to have a revenue impact, but I don't see the margins being moved around much at all.

Brooks O'Neil:

Great. So, let me ask you a different question. So, obviously the Q1 number seems strong and we're excited about that. Do you see any seasonality in the business? Or I guess, asked slightly differently, would you anticipate the growth rate to slow in any way as we move into Q2 and Q3, or do you think you could maintain the kind of growth you're anticipating in Q1?

Todd Zehnder:

You know, generally we've always looked at the business as not having a ton of seasonality. Respiratory diseases do accelerate in colder weather, but our attrition typically is a little higher because of that colder weather as well. I don't see growth rate slowing. This quarter looks to be a little bit on the upper end of what we've historically guided, which is the 8% to 10% every quarter. We're pretty comfortable; I think the guide is at a midpoint; it's over 10%, so I don't see anything meaningful that will slow that down or accelerate it other than just our normal hiring processes and so forth, so it's hard for me to get out there and give any other guidance, but just generally we think this growth rate is achievable. It should, unless there's something else that changes, we have 95% of the population, as Casey mentioned, that still needs this therapy, so we would expect to keep doing it.

Brooks O'Neil:

Great, fantastic. Let me ask one or two more quick ones. Obviously, you talked about the cash and some of things you're doing with the cash, but cash continues to build. Would you anticipate looking at any inorganic growth opportunities during 2019, or do you think the use of cash will continue to be in the areas you've used historically?

Casey Hoyt:

Well, I mean we definitely—our first thing that we want to do with our cash is go out and buy more vents. We are looking at a lot of other strategic acquisitions right now that would make sense in adjacent markets. I can't say if it's going to be a 2019 event or not, we kind of have to wait for our due diligence process to work itself out, but it's something that we definitely are focused on. We want to find something that really complements our infrastructure of having the RTs in the home, something that our folks are going to be good at selling; there's many different types of wearable devices and things and product lines that we're vetting right now that would be good fits for us to offer to our patients; we're just not ready to talk about them just yet, Brooks.

Brooks O'Neil:

No, that's fine. I'll ask just one last one and I appreciate all the time. I think you mentioned progress with the VA, but I'm just curious in a more global sense if you have any comments about the opportunity you see with the VA?

Casey Hoyt:

Yes, I mean it's very early. We mentioned some small wins. It's literally like we just have less than 10 patients that have just come on board, but the good news is with four different facilities and the better news is that we're finding out how to conduct business inside of the VA. We spent all of last year getting certified and working through the red tape of being a certified provider to the VA. We're past that, and what we're finding out now is that really we can use our existing sales force to get in there and get some onesie, twosie types of sales very similar to the way that we get business right now from a normal facility; it's just an education process for the clinicians, which is what we're good at, which KPMG helps with. The VA, for whatever reason, is just a little bit behind the rest of the clinical community it seems like, so it's our job to just make sure that they know that noninvasive vents can be put on COPD patients and we've got data and even further clinical data being developed right now to support our case. We're optimistic about where we sit right now and hopefully we have some more material numbers to talk about in the next call.

Brooks O'Neil:

Sure, great. Congratulations; again, thanks for taking my questions.

Todd Zehnder:

Sure thing. Have a good day.

Operator:

If you find that your question has been answered, you may remove yourself from the queue by pressing the star key followed by the digit two. Our next question comes from Doug Cooper with Beacon Securities.

Doug Cooper:

Hi; good morning, guys. Congratulations on another great quarter. A couple things, Casey you mentioned, or Todd you mentioned, you added I think 28 sales reps in Q4 and 70 in 2018. Can you just remind us how many you have in total now?

Todd Zehnder:

No, I think Casey mentioned that we added that many new payors; we had nine sales reps.

Doug Cooper:

Sorry, 9 sales reps—there it is; 9 reps and 18 in the year, yes.

Todd Zehnder:

I think we're at roughly 70 sales reps and clinical liaisons at this point, correct.

Doug Cooper:

The patient growth. I know this one I sort of get. Over the course of 2018 on a quarterly basis, it looks like patient growth grew 30% in Q1 and then up 35% pretty much in Q2 through Q4, and then you mentioned earlier that the guidance for Q1 is 11%--of the upper end anyway—11% revenue growth. I guess I'm just wondering with the KPMG study out there, are you getting more awareness, more mindshare amongst the physician community. What do you see the probabilities of growth accelerating as we head into 2019, 2020?

Casey Hoyt:

You know, we always talk through—we always have to be cautionary because we don't have guidance out there, but in general as we hire more reps, and we've modified our training program around here, we expect reps to hit the ground running and getting more business, especially as we arm them with KPMG and our network development group has us in so many more payors. We all know that as we continue to grow 40%, to grow 40% on a bigger base gets more difficult, but that's why we're out there hiring as aggressively as we are. I think the expectation is to continue to perform like we have. We know it's a taller challenge, but we're arming every division with all the tools necessary to do that, and then you think about the other product lines that we're adding from an ancillary, respiratory disease management standpoint, along with other things that we're evaluating, and ultimately, the investments that we're making in the technology and everything that we're doing gives us the ability to continue to grow at this rate or even higher, there's downside opportunities we all know that, but we're comfortable thinking through that there's nothing stopping us from growing at this rate on a go forward basis.

Doug Cooper:

Right, and maybe just thinking about it another way in terms of the ancillary products, you also gave the active patient count; I think in the end of the quarter was 5905. When I do my math for the year, it looks like the average revenue per patient came in around $12,350 annualized for the year. Last year it was $11,882, so up; presumably because of some of the contribution from these ancillary products. As they become a bigger percentage of your revenue, obviously coming out of a small base, so like how should we think about that number—the rev per active vent patient?

Todd Zehnder:

So, two things drive that. One, our network development team pushes on every contract that we can. Obviously, all of the government contracts are set rates, but in our commercial world we're always out there trying to show value to these payors and show them that we want the highest rate possible and get paid for all the services that we provide, which is the high-touch model that everybody knows we are 100% supportive of, so that drives it some Doug, but you're exactly right in saying that as the vent business becomes a bigger part of it, as sleep gets more mainstream with the technological advances and the online presence that we'll have around the country, as oxygen potentially becomes a bigger piece of what we're doing and just other product lines, I think that you're going to see that revenue per patient accelerate, to move it another $500 in one year would be astronomical for us, but I would expect that number to creep up over time. Then, obviously at some point, if any of these product lines become more material to where we want to start providing—or it makes sense for our disclosure to start providing that level of detail, we'll clearly do that. It's not anything we're against providing, it's just that we've never had much of a reason to do it. If we start doubling and tripling product line revenue, we'll assess that and maybe start putting that disclosure to make it easier for the street to look at.

Doug Cooper:

Okay, a couple other sort of quick ones. Bad debt provision, looks like it came to about 9.8% for the quarter; down slightly from Q3. Is that the sort of range, around that 10% level, between 9% and 10%, is that sort of a good number to think about?

Todd Zehnder:

Yes, we've always said, and I'll stick to it, that 9% to 13% is where we think we're probably going to live. With this rapid growth where it brings on a lot of collection issues and so forth. We're trying to snap up every department as fast as we can to keep up with—we've doubled the patient load over two years. My hope is that we stay in the single digits. I think they're doing a great job, and so if we can keep it under

10% I'm extremely happy, but I also recognize every point gives us almost a million dollars of EBITDA and so that's good money that's out there. I think that in the margins that we're expecting, that 9% to 10% number is a good estimate.

Doug Cooper:

Okay, finally just a couple things and maybe Casey on the VA. Can you just remind us how many patients are in the VA that could be applicable for your therapy?

Casey Hoyt:

We don't have an exact number on the COPD patients in there Doug, but I know there's 9 million patients that are inside of the VA system, so when it gets down to how many COPDers, that's that number that we're missing, but we've always kind of just pulled off a swag that anywhere between 200,000 and 600,000 of our patients are probably inside of the VA that need it. I mean for sure we can see it with our boots on the ground that they have problem right now with these patients going in and out of the hospital being placed in BiPAP and really being incorrectly treated and it's just a revolving door of admissions.

We can see the problem; there's not much parking spots in the parking lot. We have a solution for their parking problems, and we just have to get out there and communicate it and make sure that the clinicians know that this service is available for them.

Doug Cooper:

Okay and final, just on the geographic expansion, I think you mentioned if I can read my notes, you're licensed in 36 states, you're operating in 25, and you want to be in the rest of the lower 48 in the next 18 months or so. When would you be operational in those—I guess that's 11 states—your licensed but not in operations. Is there a specific state or region that you're most excited about from a growth perspective that you're not in today?

Casey Hoyt:

You want me to start? I would say from a licensure standpoint, we should be in the lower 48, I would say within the next nine months. There's different requirements for all these different product lines, so to be able to be recognized as a Medicare-licensed provider, I would like to say give them 18 months. In general, about ten of those could be what I would say any day now. By the next time we have a conference call, I would expect that number to be much higher, and we're out there actively recruiting. As people can see, we have positions of need specifically for sales/RT dual roles in many new states.

What gets us the most excited probably from a—at least me—California is a new area that we're in; we can expand in California dramatically because it's such a big state. Florida has been a challenge to get in. We think that we're going to be in soon and it's a huge population, so that obviously has a lot of upside, and the numbers—the geographic numbers, and the data that we're looking at in Colorado looks real, real good. We're not far enough into the north east to give any real color. I have to believe that that's going to be a huge opportunity for us, but sort of most near-term that I feel real good about would be California, Colorado, and then Florida.

Doug Cooper:

Perfect. Thanks gentlemen. I'll pass it on to the next.

Casey Hoyt

Take care.

Todd Zehnder:

Thanks, Doug.

Operator:

As a reminder, if you would like to ask a question, it is star, one. We'll hear from Greg Silver with Silver Advisors.

Greg Silver:

Hey Casey; hey Todd. Congratulations on a first independent year. You guys have done a fantastic job showing a thorough understanding, ability to execute within their business, as well as a real focus on capital allocation, so congrats on that.

I wanted to ask, can you give us some idea of—if we thought about a maintenance cap ex, you did about $17 million in capital spending last year, which resulted in a fantastic growth. If we thought about a maintenance number that would get us to stay flat to GDP like growth on the capital spending side with the rest going towards growth, what would that look like? Can you give us an idea?

Casey Hoyt:

First of all, it was $14 million, so our EBITDA was 17 and our cap ex was just slightly over 14 last year so just to clarify that, and that was in a growth year of 40%.

Here's the way we look at maintenance cap ex around here. So vents, in our mind, have a 10-year life at a minimum, and I say minimum because our department here, our PM department, Preventative Maintenance, and just Repairs Department, in certain circumstances will take a vent and it's been reworked completely so 10 years is not a magical number for every vent, but if you want to think about it as a 10-year vent. We really, at this point, have no maintenance cap ex, so for every patient who passes away, we get the vent back, we maybe rework it, we may have reparative maintenance, we may have just preventive maintenance, but that vent is ready to go back out on another patient. So in the event that we stayed roughly let's just say these 6,000 patients, the attrition would be replaced by new patients and we would have zero cap ex.

Now, we do have other products, like we talked about, that have caps on them, so you would have an immaterial amount, but if you stay flat from a total patient standpoint, virtually zero money would have to be spent in capital.

Greg Silver:

That's really helpful color, thank you. My final question is as we talk about building this company from a 6,000 patient company to a 100,000 patients one day long down the road; I know you brought on a head of technology, a very big difference in terms of organizational management, managing that large of an enterprise. What are those steps you have to take from a technology perspective to really manage a large-scale enterprise like that that you're putting in place today?

Todd Zehnder:

Well, we just upgraded our workflow software and that's going to allow the ability just for some basic streamlining needs with how we function today. Putting tablets in the hands of the RTs and reducing overhead and unnecessary visits. It also puts us in the position to capture data that we can report back out to the payors on real time outcomes and really report back on all the good that we're doing in the home.

The things that we're working on right now is more patient engagement types of tools that gets the patient and the caretaker involved with their own care. It's all in the name of driving the length of stay, I mean we want these patients to live longer, it's good for the patient and it's good for us, it's good for our bottom line. Any kinds of tools that we develop that will help us take care better care, that will ultimately drive the length of stay, will pay for the investment of the technology; that's kind of like phase one of what we're working on right now.

Phase two is these other—as we're seeing technology advance and seeing more Bluetooth capabilities in the home, types of devices that folks can wear and it reports back to a hub and can talk to our platform. Now you're getting into remote patient monitoring and it's the type of platform that you could build out that physicians could take advantage of, billing a remote patient code down the road. That just helps us create more buy-in and bring more value to physicians and really, at the end of the day, it helps us take care of these patients in a more efficient manner.

And then as we're developing that—all these tools—we're keeping a watchful eye on what types of strategic acquisitions and fits and other product lines that might fit in well with the things that we're building or things that might speed up the process so that we don't have to build them from the ground up. That's just where we stand right now in the technology front.

Greg Silver:

All right. Thank you and congrats again.

Todd Zehnder:

Thanks Greg.

Operator:

As a reminder, if you do have a question or comment for our speakers today, it is star, one from the phone line. It is star, one.

Todd Zehnder:

All right Amy, I think it looks like that's going to wrap it up for today. We want to thank everybody for their time this morning and participating on the call and we look forward to following up with anybody on a one-on-one basis. Thanks for your continued support.

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