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Intermec's earnings soar

EVERETT -- Intermec Inc. has started the new year with convincing signs that the maker of handheld computers and inventory-tracking technology is back on track.

A year ago, the largest public company based in Everett limped into 2007. Intermec ended 2006 with a 50-percent plunge in earnings, declining sales and layoffs.

But the tech company ended 2007 on a decidedly promising note, Intermec's executives reported Thursday. In the fourth quarter, revenue rose to a record \$253 million, 16 percent higher than the same quarter in 2006.

That produced earnings of \$16.4 million, or 27 cents a share, more than 200 percent better than the \$5.2 million profit reported in the prior-year quarter.

Patrick Byrne, who took over last summer as Intermec's chief executive officer, said the company has moved closer to its goal of increasing revenue and profit by leaps and bounds.

In the fourth quarter last year, sales of Intermec's newest handheld computer models boosted sales across the globe. For the first time in a year and a half, sales in North America bounced upward, by 7 percent, Byrne said.

In the rest of the world, sales grew by an average of 25 percent, the company reported.

Michael Wills, Intermec's senior vice president of global sales, noted that Intermec realigned its sales teams to aggressively improve sales.

For the entirety of 2007, the rebound in the second half helped Intermec end up with revenue nearly equal to 2006 -- \$849 million compared to \$850 the prior year. Earnings were down, however, from \$35 million in 2006 to \$24.3 million.

The turnaround in sales and earnings during the fourth quarter met well with investors. In after-hours trading Thursday, Intermec's shares were up more than \$1.50, or 7 percent, reaching \$22. That was after a gain of nearly \$1 per share during regular trading.

Byrne updated investors and analysts during Thursday's conference call on Intermec's determination to stay ahead in radio frequency identification technology, which is finding more uses in the marketplace. Intermec also has turned its focus again to mobile-sized printers. The company was a leader in label printers more than a decade ago, but that changed in the intervening years.