PARTICIPANTS

Corporate Participants

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Sally J. Smith – President, Chief Executive Officer & Director

Other Participants

David E. Tarantino – Analyst, Robert W. Baird & Co. Equity Capital Markets
Brian John Bittner – Analyst, Oppenheimer Securities
Bryan C. Elliott – Analyst, Raymond James & Associates
Will Slabaugh – Analyst, Stephens, Inc.
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MANAGEMENT DISCUSSION SECTION

Operator: Good afternoon, ladies and gentlemen. Welcome to the Buffalo Wild Wings' First Quarter 2012 Conference Call. At this time, all participants are in a listen-only mode. Following the presentation, we will conduct a question-and-answer session. Instructions will be provided at that time for you to queue up for questions. I would like to remind everyone that this conference call is being recorded.

I will now turn the conference over to Mary Twinem, Chief Financial Officer and Executive Vice President of Buffalo Wild Wings. Please go ahead.

Mary J. Twinem, CFO, Treasurer, EVP & Head-Investor Relations

Good afternoon, and thank you for joining us as we review our first quarter 2012 results. I'm Mary Twinem, Chief Financial Officer and Executive Vice President of Buffalo Wild Wings. Joining me today is Sally Smith, our President and Chief Executive Officer. By now, everyone should have access to our first quarter earnings release.

Before we get started, I remind you that during the course of today's call, various remarks we make about future expectations, plans and prospects for the company constitute forward-looking statements for purposes of the Safe Harbor provisions under the Private Securities Litigation Reform Act of 1995.

Actual results may vary materially from those contained in forward-looking statements based on a number of factors, including, but not limited to, our ability to achieve and manage our planned expansion; the sales at our company-owned and franchised locations; our ability to successfully operate in new markets, including non-U.S. markets; unforeseen obstacles in developing sites, including non-traditional and non-U.S. locations; the cost of commodities, such as traditional chicken wings; the success of our key initiatives and our advertising and marketing campaigns; our ability to control restaurant labor and other restaurant operating costs; economic conditions, including changes in consumer preferences or consumer discretionary spending; and other factors disclosed from time to time in our filings with the U.S. Securities and Exchange Commission.

On today's call, Sally will provide an overview of our performance for the first quarter. After that, I will provide further detail on the quarter and comment on trends to-date in the second quarter. Finally, Sally will share some additional thoughts about the second quarter and the remainder of this year. We will then answer questions.

So with that, I'll turn things over to Sally.

Sally J. Smith, President, Chief Executive Officer & Director

Good afternoon, everyone. We are pleased with our solid start in 2012. We are leaders in the casual dining category, with first quarter same-store sales increases of 9.2% at company-owned restaurants and 7.3% at franchised locations. The combination of strong same-store sales, new restaurant performance and franchised restaurants acquired in 2011 fueled our substantial revenue increase of 37.9%.

We continue to invest in the infrastructure necessary to support our expansion in North America and internationally. Through leveraging expenses at the restaurant level, we reduced the impact of higher wing costs. For the first quarter, we achieved net earnings growth of over 22% and provided value to our shareholders with earnings per diluted share of $0.98.

Our fast-paced unit growth continued in the first quarter across the United States and Canada. We now have restaurants in 48 states with the opening of our first location in Salt Lake City, Utah, and Anchorage, Alaska, and we added our fifth restaurant in Ontario, Canada. In total, we increased our presence in North America by 15 locations.

We had strong results from our expanded holiday gift card program, which produced nearly 2% of additional same-store sales for the first quarter. We'll continue to look for opportunities to expand these programs moving forward.

The first quarter is a great time for sport fans. Our restaurant team is focused on preparing a game plan that match the intensity of postseason play. Avid football fans choose Buffalo Wild Wings as a place to watch college bowl games, the NFL playoffs, and the Super Bowl. On Super Bowl Sunday we beat our record again, as our guests enjoyed 7.7 million wings and our website had the most visits in site history.

On the heels of football's big game, sports fans turned their focus to the NBA and the excitement of college basketball conference play and the March tournament.

Our More March campaign captured attention on TV and radio and engaged guests through our in-restaurant promotion and social and digital media. As the tournament approached, we increased our media presence from last year. We had TV spots in NCAA men's tournament games, including the championship game on April 4. We continue to engage our fans with unique digital and social experiences, and we've surpassed 7 million Facebook likes in the first quarter. Over 1 million fans viewed our More March TV spots on our YouTube channel and our Twitter followers continue to increase. We are now ranked fourth among all restaurant brands for both Twitter and Facebook.

While friends gathered in our restaurants to watch the big sporting match-ups of the first quarter, we featured our award-winning wings and shareables that can enhance any viewing event. Fried pickles, sampler platters, soft pretzels, and slammers were popular choices and helped to increase sales in our shareables category by 34%.

Our ongoing commitment to create a great dining and sports viewing experience while focusing on profitability came together with our engaging marketing to achieve another successful quarter for Buffalo Wild Wings. Our efforts to continually improve our food and beverage offerings were also recognized within our industry, and we received a MenuMasters Award from the National Restaurant Association and a VIBE Award for best beer program.

Mary will now provide additional details on the first quarter, as well as the second quarter to-date. Then I'll return to talk about the rest of the year.

Mary J. Twinem, CFO, Treasurer, EVP & Head-Investor Relations

Thank you, Sally. Our revenue in the first quarter grew by 37.9%, increasing to $251.1 million. System-wide, sales at our company-owned and franchised restaurants were $605 million for the quarter, more than 22% higher than the prior year.

Company-owned restaurant sales for the first quarter increased to $232.3 million, a 40.3% increase over the same period in the prior year. Same-store sales were 9.2% for the quarter, compared to 3.9% last year. Our same-store sales benefited by nearly 2% from the redemption of gift cards sold at retail locations during the holiday season. Menu price increases taken during the past 12 months at company-owned restaurants also contributed about 1.8%.

We had 64 additional company-owned restaurants in operation at the end of this quarter versus first quarter last year. Average weekly sales increased by 12.9% exceeding our same-store sales percentage for the quarter by 370 basis points. The average weekly sales calculation benefited by about 80 basis points from the closing of older lower volume locations during the last 12 months. The remaining 290 basis point increase is due to the higher unit volumes of company-owned locations opened during the last 15 months.

Our royalty and franchise fee revenue for the first quarter grew by 13.1% to $18.8 million versus $16.6 million last year, with an additional 17 franchised units in operation at the end of the first quarter versus a year ago. As a reminder, we purchased 18 franchised locations in 2011, which lowers the year-over-year incremental unit increase. Same-store sales at franchised locations increased by 7.3% in the quarter, compared to 1.6% in first quarter last year. Average weekly sales volumes for the quarter increased by 8.6%, a 130 basis point increase over same-store sales.

The following comments will focus on the performance of our company-owned restaurants. Cost of sales for the first quarter was 31.1% of restaurant sales, 320 basis points higher than first quarter last year. Traditional wings were $1.92 per pound for the quarter, $0.70 or 57% higher than last year's average of $1.22. Traditional wings accounted for 19% of our restaurant sales this quarter, compared to 20% in the prior year, and boneless wings were 18% of sales versus 19% last year.

Food and nonalcoholic beverage sales were 78% of restaurant sales, up from 77% in first quarter last year. Our overall cost of sales percentage increased over the first quarter last year with significantly higher year-over-year wing cost, and to a lesser extent from sales mix shift and higher cost of other commodities.

Cost of labor for the first quarter was 29.4% of restaurant sales, 10% lower than first quarter last year, or 10 basis points lower. Management wages leveraged on the higher sales levels, which was partially offset by higher year-over-year health insurance costs.

In the first quarter, restaurant operating expenses as a percentage of restaurant sales was 14.1%, a decrease of 70 basis points with the continued benefit of lower natural gas expense and lower debit card fees.

Occupancy cost was 5.5% as a percentage of restaurant sales, compared to 6.2% last year, a 70 basis point decrease. We leveraged rent costs with our strong sales volumes, as well as with a shift to more freestanding buildings, which lowers occupancy cost, but increases depreciation expense.

In summary, restaurant level cash flow, which is calculated before depreciation and pre-opening expenses was $46.3 million, or 19.9% of restaurant sales, versus $35.6 million, or 21.5% in the first quarter last year. By leveraging expenses, we limited the impact of the 320 basis point increase in cost of sales by half.

Depreciation and amortization for the first quarter was 6.2% of total revenue, 10 basis points higher than the prior year. As mentioned when discussing occupancy costs, we have built more freestanding buildings, which increases the depreciation expense. We also incurred about 20 basis points of incremental amortization for intangibles related to the 2011 acquisitions of 18 franchised locations.

General and administrative expenses were $19.4 million in the first quarter or 7.7% of total revenue, compared to $16.3 million, or 8.9% in the prior year. Excluding stock-based compensation, G&A expenses for the first quarter totaled $18.2 million, or 7.2% of total revenue, compared with $13.7 million, or 7.5% in the prior year. The 30 basis point leveraging is due to higher same-store sales.

We opened or relocated 10 new company-owned restaurants in North America during the first quarter, compared to five new locations in the first quarter of 2011. Pre-opening expenses for the quarter totaled $2.6 million versus $2.4 million last year. The $2.6 million includes $779,000 of pre-opening expenses for future openings that are under construction, while in the first quarter last year we incurred $1.3 million related to future openings. Pre-opening cost averaged $256,000 for the 10 units that opened in the first quarter.

The loss on asset disposals and store closures for the first quarter totaled $737,000, compared to $411,000 last year. Of this amount, $381,000 was related to the relocation of two company-owned locations in the first quarter.

We reported investment income of $410,000 for the quarter, compared to $356,000 in 2011. Investment income from funds set aside for future payouts under our deferred compensation plans totaled $377,000, compared to $274,000 in the prior year. Investment income from our excess cash and marketable securities was $33,000, down from $82,000 last year.

Our effective tax rate during the first quarter was 33%, compared to 33.9% in the prior year. For the full year of 2012, our effective tax rate is estimated at 33% to 33.5%.

In summary, in the first quarter we produced net earnings of $18.2 million, an increase of 22.8% from first quarter last year, delivering earnings per diluted share of $0.98.

From the balance sheet standpoint, on March 25, 2012 our cash and marketable securities totaled $71.5 million, compared to $60.5 million at the end of 2011. We ended the quarter with $495 million in total assets and $335 million in stockholders' equity. Cash flow from operations was $42.2 million for the quarter, and we spent $23.8 million for capital expenditures. For the full year of 2012 we estimate capital expenditures to total $150 million.

Now I will highlight on trends and provide some additional comments on the second quarter of 2012. For the first four weeks of the second quarter, our same-store sales were 6.7% at company-owned restaurants and 6.6% at our franchised locations as compared to same-store sales trends for the first four weeks in the prior year, u 5.3% at company-owned restaurants and 1.6% at franchised locations.

In the second quarter, we expect to open four company-owned restaurants in North America, which includes one location in the greater Toronto area. Three of these units have already opened, one of which is a relocation of an older restaurant. In the second quarter of 2011, we opened 17 new company-owned locations. We also expect that our franchisees will open eight restaurants during the quarter.

The cost of sales – the traditional wing market remains high with the price of chicken wings for the first two months of the second quarter averaging about $1.92 per pound. This compares to last year's average price for the second quarter of $1.02. We estimate that the rest of our commodities are contracted at an increase of about 4% over last year.

Throughout May, we will be adjusting the price of Wing Tuesdays to $0.50 at our company-owned locations. The potential menu price benefit for this increase and for increases in food and alcohol prices taken in prior quarters is about 1.8% for company-owned restaurants in the second quarter.

We anticipate slight leveraging of labor cost and operating expenses, as compared to second quarter last year. We anticipate that our G&A expenses in the second quarter, exclusive of stock-based compensation expense will be approximately $18 million.

Second quarter stock-based compensation expense is estimated at $3.2 million, compared to $3.4 million last year. For the full year, stock-based compensation expense is estimated to be between $10 million and $11 million.

For 2012, we plan to open 110 Buffalo Wild Wings locations in North America, and more than half of those locations will be company-owned. We also expect that about 8 company-owned and 12 franchised locations will close during the year, as we continue to upgrade our restaurant base.

In addition, we continue to invest in our existing facilities. We remodeled three company-owned restaurants, and our franchisees also remodeled three locations in the first quarter. We expect to remodel an additional 11 company-owned and 21 franchised locations throughout the year.

With first quarter results on target, continuing strong same-store sales, our strategic focus on guest experience and operational excellence and the benefit of the 53rd week, we believe we will achieve our 20% net earnings growth goal for 2012.

Please review the risk factors outlined in our SEC filings, including our 10-Q for the first quarter, which will be filed shortly, as well as our Safe Harbor statement for factors affecting our forward-looking statements.

Now, Sally will share some thoughts about the second quarter and the year ahead.

Sally J. Smith, President, Chief Executive Officer & Director

Thank you, Mary. We are pleased with our solid first quarter results and our strong same-store sales, as we head into the second quarter. We'll continue to focus on innovating around every aspect of our guest experience, including new menu items.

We'll increase marketing for the remainder of the year, and we have a disciplined approach to managing the costs we can control. With our proven track record of success, we believe that even with high wing costs, we will achieve our net earnings growth goal of 20% for 2012.

Last week, we began providing our restaurants with an exclusive Sports Illustrated trivia game that is customizable by region and is the platform for our new text-to-win promotion. Additional elements to generate awareness and engage our guests are in development and will continue to roll out over the next 12 months. We're also testing the use of interactive technologies, including tablets and smartphones as potential tools for entertaining our guests and enhancing operational efficiency.

With the arrival of spring, sports fans have a wide variety of sports to watch on TV and at their local neighborhood fields. Our "IRONFAN" campaign, which started April 16, reminds fans of every sport that Buffalo Wild Wings is a great place to celebrate a victory or gather with teammates for an ice cold beer after playing a game.

In the second quarter, we will increase our advertising over last year with national radio that covers all of our markets. We also launched a new TV spot yesterday called Best Friends. It emphasizes the fun and social atmosphere in our restaurant and shows how any visit to Buffalo Wild Wings can result in a new best friend. This commercial will air throughout the quarter in premier sports programming.

Our operations excellence team remains keenly focused on the fundamentals of providing great service to our guests and driving restaurant level profitability. We have new processes in place to ensure our new restaurants open strong, retain strong sales and achieve targeted profitability sooner. Our dedicated team focused on enhancing our guest experience is also generating positive results. We have a pipeline of new strategies in place and the team is currently testing new programs to enhance the way we interact and provide service to our guests.

We are continuing to create new menu items and research ways to optimize our food and beverage offering. Wings, shareables and our signature flavors will continue to be a focus and our April 16 menu panel began featuring our sauces and seasonings as a way for our guests to customize their own flavor creations on many of our menu items. We will also continue to adapt to new trends and the preferences of our guests.

We are currently testing a variety of new products, including variations to our wings, healthy salads, shareable appetizers and desserts that satisfy any sweet dish. We have also been successful in adapting to our guest preferences in draft beer, and they are enjoying the increased selection of local draft beers in our restaurants. Our facility sets the stage for a great guest experience, and we have a new design that will ensure we are providing the ultimate gathering destination and sports viewing experience.

We want to recreate the energy of a stadium on game day everyday in our restaurants. We expect to have two of the new design prototypes built before year-end in the Cincinnati and San Diego markets. Some of the locations we are remodeling will also begin to incorporate these contemporary new elements later this year. Along with this new design, we'll be refreshing additional visual elements of our branding in the upcoming months.

This is an exciting time at Buffalo Wild Wings. We continue to implement strategies for long-term growth. Our plans include a development pace to achieve 1,500 locations in North America in the next five to seven years. We're in active discussion with several prospects for international expansions, so there are no signed deals yet to report, and we are investigating potential concepts for acquisitions that would provide additional growth.

We are innovating around the critical aspects of the Buffalo Wild Wings brands, including our facilities, food and beverage, sports and entertainment, technology, and our service strategy. We believe that with the dedicated focus on our guest experience and unit level profitability, we will prudently expand our presence across the globe and generate industry-leading net earnings growth well into the future.

For the never-ending enthusiasm to succeed at every new opportunity, we thank our franchisees, vendor partners and team members for their dedication to our continued growth and success.

Operator, we will now open the call to questions.

QUESTION AND ANSWER SECTION

Operator: Thank you, ma'am. [Operator Instructions] Our first question comes from the line of David Tarantino with Robert W. Baird. Please go ahead.

<Q – David Tarantino – Robert W. Baird & Co. Equity Capital Markets>: Hi, good afternoon. Just Mary, first, a quick clarification question on the first quarter comps. Could you give us a sense for how the comps trended in the second half of the quarter? I know March was a very high volume month. So, I guess maybe a simple mathematical calculation won't work. So, if you could give maybe a directional or ballpark figure for the second half of the quarter.

<A – Mary Twinem – Buffalo Wild Wings, Inc.>: Well, we don't give breakdowns by month. So, we did share in our February call that the first six weeks we were trending at 12.9 at company-owned locations with about a 3% benefit from gift card redemptions, and we ended up at 9.2 for the quarter. So, you can get directionally from there. And then the full quarter effect of the gift card redemptions was right around 2%. So, the biggest piece of that did happen in January and February.

<Q – David Tarantino – Robert W. Baird & Co. Equity Capital Markets>: Okay. Got it. And is it fair to assume that March was a bigger month, so maybe a simple math won't work if I try to calculate the implied range, or is that...

<A – Mary Twinem – Buffalo Wild Wings, Inc.>: We would have – you would have known six weeks from the February earnings column, there's 13 weeks in our quarter.

<Q – David Tarantino – Robert W. Baird & Co. Equity Capital Markets>: Got it. Okay. My main question is really about sort of your outlook and confidence in achieving the 20% EPS growth target for the year. And, first, do you need to keep running comps in the mid to-high single-digit range to hit that or do you think you have some other levers that you could pull if comps slow down further? And then, perhaps, you can talk through what some of the puts and takes are in terms of the expense lines. Thanks.

<A – Mary Twinem – Buffalo Wild Wings, Inc.>: Well, from a same-store sales standpoint, obviously, when we started the quarter, as strong as we did in first quarter, as well as what we see in April, that definitely gives us additional confidence about hitting our target of 20% for the year.

I mean, you can – again, you can model it in many different ways. What is kind of still unknown today is whether or not wing prices will fall or not and then how much menu price increase we take, as the year goes through. But we – you can, from modest single-digit same-store sales, something above what our menu prices, you can get to a 20% net earnings growth.

<Q – David Tarantino – Robert W. Baird & Co. Equity Capital Markets>: Great. That's helpful. And then maybe, Sally, one more. Perhaps you could maybe talk about the initial feedback or reaction you've got to the new advertising creative and maybe what are some of the customer response is to that, and how do you think that's going over from an effectiveness perspective? Thanks.

<A – Sally Smith – Buffalo Wild Wings, Inc.>: Well, we did run several new TV commercials during the basketball championship; one on the tournament stations themselves and then others on supplemental channels, as well as through YouTube. The feedback that we've gotten – and we typically do research after our major promotional period in March and September-October timeframe, and so I don't have those results back yet where we analyze our – recall an unaided awareness.

Don't have that information yet, but anecdotally in some of the feedback that we have received from guests via Facebook and Twitter were all very positive. And so – and we are continuing to, along that theme – not More March, because that's over of course, but kind of the IRONFAN, and how we continue to engage that fans with our new TV commercial that just started to air yesterday.

<Q – David Tarantino – Robert W. Baird & Co. Equity Capital Markets>: Great. Thank you, and good luck.

<A – Sally Smith – Buffalo Wild Wings, Inc.>: Thank you.

Operator: Thank you. Our next question comes from the line of Brian Bittner with Oppenheimer & Company. Please go ahead.

<Q – Brian Bittner – Oppenheimer Securities>: Thank you very much. Just want to talk about the pricing strategy a little bit more. You talked about taking the Wing Tuesdays up to $0.50. So, first of all, I mean, what's the percent of wings that are actually sold on Tuesdays? I'm just trying to think about how large of an effect this will have on your margins taking the [audio gap] (27:23) part up about 10%?

<A – Mary Twinem – Buffalo Wild Wings, Inc.>: We don't give a breakdown on our weekly – or our daily sales piece. We did share that on the menu price. It would make our overall menu price for the second quarter 1.8%. For the third quarter, it'd move us to 2.1%. And that's about 0.4% higher than we would have been without the menu price increase effects for $0.50.

<Q – Brian Bittner – Oppenheimer Securities>: Okay. And then a question on the labor, labor cost per store growth continues to kind of run in line with the average unit volume growth double-digit type growth. So, I'm just wondering, as your comps kind of come back to the mid to high single-digit range, how easy it will be for those labor costs to come back down the range and actually possibly leverage it, because it seems as though to hit earnings guidance that you've laid out, you're going to have to get better leverage on the labor line. So, I'm just kind of wondering if you could just talk a little bit about how we should expect labor leverage to maybe improve from the first quarter?

<A – Mary Twinem – Buffalo Wild Wings, Inc.>: So we did leverage down the management wages, which you would expect in higher same-store sales times. On the hourly side, we did leverage on our comping stores from an hourly labor piece. We did better from a percent standpoint on our non-comping stores than we had the year before. We just have so many non-comping stores that they've sort of masked the effects of the better labor that we bring on. So, as those stores mature, and as our operations excellence team is working on bringing those new stores more quickly into what we would say is the model for labor, we do believe we will see leveraging occur on our hourly [inaudible] (29:07)

<Q – Brian Bittner – Oppenheimer Securities>: Okay. And then just the last question is on the unit growth, the company-owned unit growth, looks like you are expecting four for the second quarter, so I guess that would imply about 40 for the back half of the company-owned side, so about 75% of the total year. I'm just wondering how the visibility looks for the back half for the unit growth? Is it kind of set in stone? Just kind of wondering how to think about the second half unit growth?

<A – Sally Smith – Buffalo Wild Wings, Inc.>: Yes, we are – I'm very comfortable with the unit growth that's going to happen throughout 2012, and we are well into the – into working on 2013. It seems like every possible, I wouldn't say delay, but it's just taking longer for third-party approvals. Let's say you have a tenant where you need to get their approval, you get the bank approval. Permitting in cities is just taking a lot longer. We, of course, would love to open more in the first step of the year, but this year just happened to be one where it is very back weighted. We were a little better in 2011 with moving that and maybe it's kind of every other year. But I'm very comfortable with our unit growth through – that's in the pipeline and signed and sealed for 2012.

<Q – Brian Bittner – Oppenheimer Securities>: Great. Thanks.

Operator: Thank you. And our next question comes from the line of Bryan Elliott with Raymond James. Please go ahead.

<Q – Bryan Elliott – Raymond James & Associates>: Good evening. A quick follow-up first, the healthcare impact of labor cost, which you mentioned, could you share the impact of that in basis points?

<A – Mary Twinem – Buffalo Wild Wings, Inc.>: It's going to be close, but I'm going to say that we were about 30 basis points leveraging on management wage – or on management wages, we lost about 20 basis points on health insurance costs.

<Q – Bryan Elliott – Raymond James & Associates>: Okay. And I assume, is that an annual repricing of the benefits, so that's going to be the impact moving forward for the rest of the year?

<A – Mary Twinem – Buffalo Wild Wings, Inc.>: No. It's just a trend in the way the plans are working. We have a self-insured plan. So, you can see that move one way or the other on a quarterly basis.

<Q – Bryan Elliott – Raymond James & Associates>: Okay. Are you assuming it comes down some in your guidance, I would guess?

<A – Mary Twinem – Buffalo Wild Wings, Inc.>: I don't think that we have it nailed that close. We're talking again about 10 or 20 basis points.

<Q – Bryan Elliott – Raymond James & Associates>: Okay. And did you test the $0.50 Wing Tuesdays in some company markets? And if so, what kind of a response did you see?

<A – Sally Smith – Buffalo Wild Wings, Inc.>: We had a number of company and franchised markets that were at $0.50 already. And so, then we've begun rolling that out in, I believe, the Minneapolis market with a continued rollout through probably mid to-late May. And so far – we'll be analyzing it, but it's – in those markets where it has already been $0.50, it hasn't been a problem.

<Q – Bryan Elliott – Raymond James & Associates>: Okay. Fair enough. And the six-day week prices on average is pushing about $0.90, I believe, right? So it's still quite a bargain.

<A – Sally Smith – Buffalo Wild Wings, Inc.>: It's still a wonderful deal. And actually – yeah, that's about right.

<Q – Bryan Elliott – Raymond James & Associates>: Okay. And a question on wing consumption. Actually, our math suggests that it, on a per store week basis, rose a bit, but well below the rise in sales. So, it looks like you're seeing less – wings falling as mix – well you mentioned that actually as a percent of sales in your prepared remarks. So, are you doing anything explicitly to suggestively sell or otherwise try and move people to non-bone-in wings?

<A – Mary Twinem – Buffalo Wild Wings, Inc.>: Well, a couple comments on that, Bryan. From a percent of sales at our wings, we were 20% last year. We're 19% this year. But we really – it's really about a 0.5% difference, because we were rounding up and rounding down in those two years. So, it's moved a little from a decrease standpoint. We have focused from an in-store menu in certain things other than wings with the shareables. So, you do see a – we did see movement over to those.

I think the one other piece that has come into play a little bit is that we do have more samplers for our appetizer samplers, and they do have boneless or traditional wings as part of them. So, I think there are some sales that are going out as part of that overall purchase.

<Q – Bryan Elliott – Raymond James & Associates>: Okay. You said you're going to file the Q here momentarily. Would you happen to have the – some of the disclosures that you put in there on wing consumption handy here?

<A – Mary Twinem – Buffalo Wild Wings, Inc.>: We do have the wings as a percent of cost of sales. For the first quarter, that would be 25.7%.

<Q – Bryan Elliott – Raymond James & Associates>: Okay. Great. Thanks much.

Operator: Thank you. And we have a question from the line of Will Slabaugh with Stephens, Little Rock. Please go ahead.

<Q – Will Slabaugh – Stephens, Inc.>: Yes. Thanks. Wanted to ask just quickly on G&A. That leverage was impressive there. And it looks like you're guiding down slightly sequentially. Just wondering if there is anything one-time in there in 1 or 2Q, or if we should expect similar leverage as we go forward, throughout the year?

<A – Mary Twinem – Buffalo Wild Wings, Inc.>: Will, I think – make sure – a kind of a common as we talked about general and administrative expenses, you know, when I look at it, I back out that comp and I also back out that deferred comp gain income that's an offset in the investment income line. So, you would be looking at about a $17.8 million of G&A expenses ex those two items, and we are guiding at about $18 million for the second quarter. So, there is some stuff that we saw a little bit higher in the first quarter with travel and some legal that we don't think will be recurring in the second quarter. We are, though, incurring professional outside consultancies to get some of our projects kicked off like the restaurant redesign and our restaurant technology projects that we have going on. So, those will continue into the second quarter.

<Q – Will Slabaugh – Stephens, Inc.>: Okay, great. And then on marketing, I wonder if you could talk just quickly about the bump in dollars there with more radio and then your TV spot coming on? If you could quantify what that may mean to the model? And it doesn't sound like any sort of strategy shift is coming.

<A – Mary Twinem – Buffalo Wild Wings, Inc.>: We are seeing from an overall marketing spend that it still is a 3.5% spend at the restaurant level, 3% being national ad time related. We are spreading that across the quarters, and we do have incremental year-over-year spending happening because of our size.

<Q – Will Slabaugh – Stephens, Inc.>: Okay. And just lastly, from me, if you could quantify the mix shift that you said that impacted COGS as well?

<A – Mary Twinem – Buffalo Wild Wings, Inc.>: We just broke out a few items, one is the food to alcohol difference. We were 77% last year, first quarter, we moved to 78%. Food tends to have a higher cost of sale than alcohol does. We talked about the movement on the wings from 20 to 19 and on boneless from 19 to 18. And then the comment that we made in the script related to shareables or appetizers, which we saw year-over-year increase, and as we promoted them as part of our menu insert.

<Q – Will Slabaugh – Stephens, Inc.>: Okay. Thank you very much.

Operator: Thank you. And our next question comes from the line of Paul Westra with Cowen and Company. Please go ahead.

<Q – Paul Westra – Cowen & Co.>: Great. Thanks. Good afternoon.

<A – Sally Smith – Buffalo Wild Wings, Inc.>: Hi, Paul.

<Q – Paul Westra – Cowen & Co.>: A couple of thoughts. On the ad spend – I know you just sort of answered it, but just to be clear, you are sticking at 3.5% for the whole year. Is there – and then the additional ad spend is going to be the – obviously the dollar is going to grow with sales of course, but is there a mix shift going on or maybe economies of scale on purchasing, so you are getting GRP lift? Can you kind of quantify what that might be?

<A – Sally Smith – Buffalo Wild Wings, Inc.>: Yes, a little bit. You know we are always looking at how we spend our advertising dollars via TV, radio, digital, social media. So, we are always shifting that throughout the year. We do have the ability this year to buy some national radio, so we will have coverage in all markets, whereas I think it was about 160 markets that we had coverage last year at this time. So, we are seeing some efficiencies there. And I would say that from a media spend standpoint, it's pretty – the increase in our normal promotional periods is pretty similar to our same-store sales increase. We haven't done anything dramatically different – you know, maybe broadened a week here or there, but again, the ability to buy some nationally really helps.

<Q – Paul Westra – Cowen & Co.>: Great. Okay. But so – are you able to quantify what are the GRP points on that, or what the year-over-year increase could be above and beyond your top line increase?

<A – Sally Smith – Buffalo Wild Wings, Inc.>: Yes, I have not. I don't have the answer to that right now. Other than markets that didn't have national radio or didn't have radio before, now do have radio.

<Q – Paul Westra – Cowen & Co.>: All right. Okay, great. And then I had a question on the franchised builds for the first quarter. Maybe I missed it, but the openings and closings in the first quarter for franchised? Maybe I'll be in the queue.

<A – Sally Smith – Buffalo Wild Wings, Inc.>: I believe we had nine openings and two closures.

<Q – Paul Westra – Cowen & Co.>: Okay. That's helpful. Thanks. I was wondering if we could talk about, you had comments on maybe – looking for maybe an acquisition. Can you kind of quantify or qualify maybe what you're kind of looking for and maybe rough timing when you might like to make a decision by?

<A – Sally Smith – Buffalo Wild Wings, Inc.>: Sure. Again, well, I'll first of all, address the timing. I think we're – is – there is no urgency here, like, "Oh my gosh, we need to have something by the end of this year." We're looking at it from a really long-term standpoint. We would like it to have the ability to be – so what we're looking for would be, is there something out there that's small, that is a great concept, and they don't have the ability to roll it out. We have the infrastructure here to be able to do that. We'd like to have it be franchisable, because we do have a combination of both company and franchised.

And I'd like it to be something that could be – that would work throughout the country, so not just a – not a real niche concept. And we are truly just looking – we mentioned it in the first quarter conference call. And we've certainly gotten some information from a variety of sources on what to look for. And so that's our goal really throughout this year is to take a look at what's out there.

<Q – Paul Westra – Cowen & Co.>: Great. That's helpful. And then, lastly, some more question on – you haven't really talked a lot about your facility upgrade program. I know that you've done a lot of work in different towns and markets. If you can give us an idea of sort of how they're going and sort of what you're looking to sort of accomplish from a consumer need or opportunity standpoint?

<A – Mary Twinem – Buffalo Wild Wings, Inc.>: Well, Paul, I'll talk about the – our existing remodeled projects. So, from a company store standpoint, when we finish our remodels this year, and we have about 14 of them scheduled, we'll only have about a dozen stores that are still the old generation look.

And we'll make an assessment on those in the next coming years, whether we continue with the remodel, or if we look for relocation opportunities for those. On the franchised side, they should be remodeling about 24 locations this year. And when they are – when we get to the end of the year, they'll have about 175 locations that are still the old generation look.

<A – Sally Smith – Buffalo Wild Wings, Inc.>: I can talk a little bit about the new prototypes that we are building in San Diego and Cincinnati. It updates our look. Again, we look to focus on that guest experience, the audiovisual programming, but just a little updated, a little more contemporary look; how do we utilize our patios better, how do we continue to offer that experience for families that enjoy going to Buffalo Wild Wings, and, as well as those that want to have a beer and have it be in the bar component.

We have some kitchen – or we've been working on the layout of kitchen and hope to realize some kitchen efficiencies. I don't have any numbers yet what that could mean. We really won't know that until we've further tested it out. But it's just a great look to take in some of the elements of our – of how we look now and just refining them a bit, again, being able to utilize various footprints in end markets. So, we're really excited about getting the results and test it.

<Q – Paul Westra – Cowen & Co.>: Great. Maybe for Mary, the – what's the average cash buildout expected for your 60-odd expected new things for the year? What's your average buildout in your $150 million CapEx number?

<A – Mary Twinem – Buffalo Wild Wings, Inc.>: We figured about $120 million for that piece.

<Q – Paul Westra – Cowen & Co.>: Great. Okay. Thank you.

Operator: Thank you. And we have a question from the line of Matthew DiFrisco with Lazard Capital Markets. Please go ahead.

<Q – Matt DiFrisco – Lazard Capital Markets LLC>: Thank you. I was just wondering if you could look at the relationship between average weekly sales and same-store sales. It appears as though it's trending greater than 5% the last three quarters and cooled a little bit, still a positive three gap. So, your average weekly sales are growing faster than your same-store sales, but how should we think about that going forward, especially with so many of your stores, like you commented earlier, outside of the comp base now coming into it? Are we going to start to see that – those numbers start to converge, or continue to converge and track closer together?

<A – Mary Twinem – Buffalo Wild Wings, Inc.>: We did run the models through the end of the year based on the current timing of our openings with having so much of our new restaurant openings back weighted into the third and the fourth quarter. And we do have closures coming through, so I think from our modeling standpoint we – there will still be this 80 basis pointish kind of benefit that will happen from the closed stores. And because we still have enough new restaurant openings incrementally year-over-year, we do show in our model that we will maintain a positive delta on that average weekly volume. It will get – depending on how large the volumes end up being for our new stores, it most likely will become a little bit closer, but we started – still model out a positive.

<Q – Matt DiFrisco – Lazard Capital Markets LLC>: But then I guess conversely, you mentioned labor. So, should we look at labor, even though you might start to see some of those volumes come down a little bit or sort of come into harmony with the comp base, you're going to see your labor margins potentially improve as you start to have those stores mature?

<A – Mary Twinem – Buffalo Wild Wings, Inc.>: That would be the goal.

<Q – Matt DiFrisco – Lazard Capital Markets LLC>: Okay. Is there any labor inflation that you could talk about that might be some of the reason why there wasn't greater labor leverage as we entered in 2012? Some of your competitors have talked about certain minimum wage increases and other wage pressures.

<A – Sally Smith – Buffalo Wild Wings, Inc.>: Well, they of course, tend to be higher from a minimum wage standpoint. Seattle and in California, I'm sure we are in excess of $7 for what we're paying our servers, compared to a tip credit wage that you would have in parts of the Midwest. So, that piece is a factor in the percent that you're seeing there on the hourly labor line, but not enough to stop 350 locations from being able to leverage when you have decent same-store sales.

<Q – Matt DiFrisco – Lazard Capital Markets LLC>: Okay. And then just to confirm your pricing, I think you said 1.8 in 2Q, 2.1 in 3Q?

<A – Mary Twinem – Buffalo Wild Wings, Inc.>: Correct.

<A – Sally Smith – Buffalo Wild Wings, Inc.>: Yes.

<Q – Matt DiFrisco – Lazard Capital Markets LLC>: And then what was it in 1Q?

<A – Sally Smith – Buffalo Wild Wings, Inc.>: 1.8, I believe.

<A – Mary Twinem – Buffalo Wild Wings, Inc.>: It was 1.8.

<Q – Matt DiFrisco – Lazard Capital Markets LLC>: Okay. And then lastly, I guess, just as far as the acquisition, if you – should we think of this, or have you thought about the acquisition as a – on the opposite end of the restaurant spectrum than Buffalo Wild Wings or would it this be maybe consolidating the space a little bit and looking at a competitor, whether it might be below or above say the demographic of a Buffalo Wild Wings.

I'm curious is this something that we can envision sort of a real estate defensive play, that you could put it next to a Buffalo Wild Wings or would this be something crosstown in a different demographic and expose you to a different demographic?

<A – Sally Smith – Buffalo Wild Wings, Inc.>: No, I think of it as more as you can put it next to a Buffalo Wild Wings that it won't be competitive with we are right now, whether it's moving up or just slow down. So, consolidation wasn't something that we're looking at. And as we refine it, probably won't be quick service and probably won't be white-table-class fine dining, but somewhere in that fast casual dining niche. Again, something that's unique, and we haven't found it yet, but not a consolidation side.

<Q – Matt DiFrisco – Lazard Capital Markets LLC>: Excellent. Thank you.

Operator: Thank you. And we have a question from the line of Jeffrey Bernstein with Barclays Capital. Please go ahead.

<Q – Jeff Bernstein – Barclays Capital, Inc.>: Great. Thank you very much. Couple of questions, just first on the wing price side of things. I guess we're all aware of the prices now being at these kinds of elevated levels. I'm just wondering, putting aside kind of the elevated level whether you're surprised by perhaps the lack of the sell-off of late, kind of the seasonal trade, and how we should think or what you're assuming for the remainder for the year, now that we're still tracking north of that $1.90? What kind of you're hearing in terms of wing prices as we look to the year?

<A – Mary Twinem – Buffalo Wild Wings, Inc.>: For the – for April and May, our average would be about $1.92. The current market – as we're looking forward to what June could be, based on current market would be about $1.87, $1.88, so there's been a little movement, but not much.

Wing prices have been high from what we can hear from producers, their production has stayed lower year-over-year. Obviously, we're moving Wing Tuesdays to $0.50 as a response to that. We'll also consider where pricing is as we roll into the remainder of the year and make an assessment on how, and how much menu pricing we would take in the future.

<Q – Jeff Bernstein – Barclays Capital, Inc.>: Okay. And then just specific to that, like you mentioned kind of in the – pushing 2% range for pricing. Well, I was surprised I guess it wouldn't necessarily be higher. So, it sounds like there is a possibility for that. I'm just wondering if you could talk about, you know, conceptually how much more you would be willing to take to protect kind of that earnings growth and perhaps what's the range that's been tested in the past or any pushback kind of relative to the 1.8 or the 2.1 that you're talking about in the near-term?

<A – Sally Smith – Buffalo Wild Wings, Inc.>: So our strategy in the past has been to take small increases as we roll out menus. We do have a menu rolling out in July this year as opposed to September, and we will finalize our pricing decisions on that in the next couple of weeks. Wing Tuesday is an easier thing to adjust to, and obviously, by raising to the $0.50 Wing Tuesday – we don't do that lightly, we wait until we really see some sustained price increases, which we have seen. So, we did feel that was appropriate.

And we can always take a look at Boneless Thursday, which isn't going up at the same time. But – and looking back, again, since we've taken typically between probably 1% and 3% over the last several years, I would say that's probably the range we'll look at. I do think we have some room. So, we will be looking and really reviewing that strategically in the next couple of weeks. But I do think we have some room.

<Q – Jeff Bernstein – Barclays Capital, Inc.>: Got you. And then just from the comp perspective, it seems like – investors seem to be very focused on when you talk about the first four weeks, and what-not. So, just to kind of size up this quarter – all right, so you're saying 6.7% thus far. Just wondering if there are any unusuals to consider when we look at kind of the full quarter in terms of the compared? It would seem like perhaps the comparison is a little bit more difficult the rest of the quarter, but is there anything you know of in terms of – like, you talk about some incremental marketing or the timing of events coming up that should drive anything meaningful from the 6.7 or better yet, are do you seeing anything from a consumer perspective that might give you a little bit more pull as it seems like the broader industry has softened a little bit, like at least the – just trying to get a gauge for quarter-to-date and the rest of the quarter.

<A – Mary Twinem – Buffalo Wild Wings, Inc.>: Well, from a comparison on last year's comps, we were at – at four weeks, were at 5.3% in the quarter, ended at 5.9%. So, obviously there is higher same-store sales ahead of us. From an event standpoint in the second quarter, the four-week number that we had, at the 6.7% does include one more UFC fight than last year in the first four weeks. So, we do have a little bit of benefit for that that will even up by the end of the quarter, so will be equal. Some other events that are a little bit different year-over-year, there are two boxing pay per views coming up in May and June that are pretty hot tickets, so we think there is some potential benefit from same-store sales for those. And there is – the way that the NBA playoffs are this year, they're two weeks later than they were last year. And so we do have some extended upside from how the NBA lines up year-over-year.

<Q – Jeff Bernstein – Barclays Capital, Inc.>: Okay. It seems like a lot of – perhaps more favorable than less, just in terms of the one-off that we're talking about.

<A – Mary Twinem – Buffalo Wild Wings, Inc.>: Yes. Some kind of an event or a sports standpoint, that was great.

<Q – Jeff Bernstein – Barclays Capital, Inc.>: Okay. And then just lastly, the operating expense line, you talk about natural gas and debit fees I mean, that was more leveraged than we're anticipating. I'm just wondering, are you able to lock-in, whether it be the natural gas or – how you think about the debit fees? Should we continue to expect that level of favorability as we look through the back of – I know you mentioned some leverage on those lines, but magnitude seems significant this quarter?

<A – Mary Twinem – Buffalo Wild Wings, Inc.>: Yes, natural gas has stayed really low. I don't see anything on the horizon that would make us think that's going to change in the near-term. I think supply of natural gas is in abundance. And from a debit card feedback, that differential came into effect in October of 2011 so we should see three quarters of that improvement.

<Q – Jeff Bernstein – Barclays Capital, Inc.>: Great. Thank you very much.

Operator: Thank you. And our next question comes from the line of Larry Miller with RBC Capital Markets. Please go ahead.

<Q – Larry Miller – RBC Capital Markets Equity Research>: Yes, thanks. Just a couple of quick ones. Hey guys, I think you said that in the past there might be some cost you could postpone if you had to if wing prices stay high. Have you done that and are you still considering that, and what are those costs?

<A – Sally Smith – Buffalo Wild Wings, Inc.>: Hi, there. Yes, we are always looking at what can be postponed or shifted into some later timing. One of the things that we're not postponing is some of the technology upgrade that we need to do in order to have more visibility on menu and some things like that. So, that's built into our estimate. Our goal, as we said, for the entire year is to achieve 20% net earnings growth, and we'll be managing our G&A to do that.

We are doing some investment – some investing both in infrastructure and on the international front, but we're going to continue to look at that and is those kinds of things that we can postpone or reschedule. So, I would say that it's going to continue about how it has, mostly see another huge spike in wing prices, which will certainly – certainly from a cyclical standpoint we wouldn't expect.

<Q – Larry Miller – RBC Capital Markets Equity Research>: Okay. That's great. And then can you just remind us what the Summer Olympics means to you guys? Historically, it's every four years. Does that – is that a sales driver? Is that something you can market around or is that something that people stay at home and watch at home?

<A – Sally Smith – Buffalo Wild Wings, Inc.>: Well, there is a couple of things; it tends to be, if there a local athlete that gets – that's on a winning streak or is picking up the medals, then you can see people start gathering around that. And so some of our restaurants, I remember when – can't remember the swimmer, but he is from Baltimore or something, we saw – yes, Michael Phelps.

<Q – Larry Miller – RBC Capital Markets Equity Research>: Michael Phelps, yes.

<A – Sally Smith – Buffalo Wild Wings, Inc.>: We saw some – I mean, again, this is very anecdotal, but you know better sales in those – in restaurants and trying to gather around that. The Olympics were in Beijing three years ago, 3.5 years ago. And so you could – some of the games that were played at night, you could see it in the morning. This year it's in London, and so timing wise isn't going to probably be as favorable. But we've never really called up the Olympics as being a huge sales driver, it' just an incremental, something nice that's great to have. And hopefully American athletes do really well, and they can drive whole towns into Buffalo Wild Wings.

<Q – Larry Miller – RBC Capital Markets Equity Research>: Yes. Agreed. Last thing from me. Do you have any sense on the cost of the new prototype? How does that compare with sort of the remodeling that you're doing now, because you said there was one remodel option and then how the new builds look?

<A – Sally Smith – Buffalo Wild Wings, Inc.>: So our goal in developing this prototype is better – not be more costly. I don't think we'll know until we've had the prototypes built. Then you go through and you do the reengineering, you try to look for how you can save cost. So, I would say at this point, it should be about cost control. And from a remodel standpoint, again, we'll develop those parts, but I would expect it to be about the same as we look at and spend on remodels today.

<Q – Larry Miller – RBC Capital Markets Equity Research>: Okay. Thanks, guys.

Operator: Thank you. And we also have a question from the line of Jason West with Deutsche Bank. Please go ahead.

<Q – Jason West – Deutsche Bank Securities, Inc.>: Yes, thanks, guys and congrats on the start of the year. Just fair enough to get – give a little more color on the cost of goods sold – how to model that? I mean, should we think about something similar to the first quarter and the second quarter, or do you think it be a bit higher given the incremental wing pressure?

<A – Mary Twinem – Buffalo Wild Wings, Inc.>: Well, from a comparison standpoint, the wing prices for the first two months were the same as what our first quarter average was. So, we are seeing the current market slightly under that. So, you would like to wholesale. We're going to see a little bit lower average for the second quarter than we saw in the first. We do have a touch more – or actually equal menu price increase, so I don't – you won't get any leverage seen on that piece of it. So, really then it's just whether mix stays the same or changes. So, it probably won't look much different than what we saw in the first quarter.

<Q – Jason West – Deutsche Bank Securities, Inc.>: Okay, that's helpful. And then just on the fourth quarter, the extra week, I know we talked a little bit about that the last couple of calls. If you would be able to narrow that down anymore in terms of what the earnings impact might be?

<A – Mary Twinem – Buffalo Wild Wings, Inc.>: No, we have not provided separate guidance on that.

<Q – Jason West – Deutsche Bank Securities, Inc.>: Okay. That's it. Thanks.

Operator: Thank you. And our next question comes from the line of John Glass of Morgan Stanley. Please go ahead.

<Q – John Glass – Morgan Stanley & Co. LLC>: Thanks very much just a few odds and ends. First, is this the first time you've had national radio advertising throughout the system?

<A – Sally Smith – Buffalo Wild Wings, Inc.>: No, we've had national radio on NFL Sunday nights. We had a national by several years ago and have had that for some time. But it's the first time in the second quarter that we've had national – a national radio buy.

<Q – John Glass – Morgan Stanley & Co. LLC>: Okay. And then I think some of us tried to get at this or maybe you answered, but I didn't hear it. Is there – you said you're not going to spend more as a percentage of sales for the year. Did you also mean that for the second quarter, or is there a larger percentage media buy during this quarter?

<A – Sally Smith – Buffalo Wild Wings, Inc.>: It's – oh, go ahead.

<A – Mary Twinem – Buffalo Wild Wings, Inc.>: The percentage buy may go up, but we do expense evenly throughout the year.

<Q – John Glass – Morgan Stanley & Co. LLC>: Okay. That means that – I guess getting to the question earlier, is there a disproportionately larger amount of media, effectively the second quarter versus the second quarter last year?

<A – Mary Twinem – Buffalo Wild Wings, Inc.>: No, I don't think so as I look at our sales increase and look at the dollars that we have to spend media wise, it's pretty proportional.

<Q – John Glass – Morgan Stanley & Co. LLC>: Okay. And in the second half, you talked about 40 stores or so. How many of those are in the California, New England markets or these new or high volume markets?

<A – Mary Twinem – Buffalo Wild Wings, Inc.>: Oh, that's a good question. We have quite a few openings in the California market. New England, I don't know that there's really anything slated there. We have similar – was about five in Canada, opening in the latter half of the year. But again, California, Seattle, are really the two markets that stand out. We're opening up – we opened a couple in Florida, but nothing in the Northeast that I can think of.

<Q – John Glass – Morgan Stanley & Co. LLC>: Would it be more than half of the openings in the second half being, say the West Coast markets?

<A – Mary Twinem – Buffalo Wild Wings, Inc.>: Oh, more than half of it? No, I don't think more than half of the openings, no.

<Q – John Glass – Morgan Stanley & Co. LLC>: Okay. Then just lastly, a bigger picture question. You are at 800 and somewhat units, so when – you've talked about 1,500 unit potential, which makes sense. Typically, brands start to decelerate, at least percentage growth, as they get closer to the end, not wanting to overshoot. When do you envision that point in time when Buffalo Wild Wings begins to decelerate growth in anticipation? Five years isn't, I guess that long of a timeframe, particularly when you're talking about development pipelines.

<A – Mary Twinem – Buffalo Wild Wings, Inc.>: Great. Well, we've set our goal for the number of restaurants by the end of 2013 at 1,000. So, you can take the remaining four to six years and put that remaining 500. And I would expect that you would see some deceleration on unit growth at that point. But again, that's part of the reason why we are looking at an additional concept, as well as continuing to drive average unit volumes at our existing locations. We're very encouraged by the average unit volumes of new locations. And if we can get the whole system to be at that we will still have some great revenue to work with throughout while we grow to 1,500.

<Q – John Glass – Morgan Stanley & Co. LLC>: Thank you.

Operator: Thank you. And that concludes our question-and-answer session. I'd now like to turn the conference back to management for closing remarks.

Sally J. Smith, President, Chief Executive Officer & Director

I'd like to thank everyone for joining us on our first quarter conference call. We look forward to seeing you at some of the analyst meetings out there, and we'll be back to you in July when we report our second quarter earnings. Thanks, again.

Operator: Ladies and gentlemen, that concludes our call this afternoon. Thank you very much for your participation. You may now disconnect.