Corrected Transcript

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West Pharmaceutical Services, Inc. (WST)

Q3 2019 Earnings Call

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OTHER PARTICIPANTS

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David Howard Windley
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MANAGEMENT DISCUSSION SECTION

Operator: Ladies and gentlemen, thank you for standing by and welcome to the Q3 2019 West Pharmaceutical Services Earnings Conference Call. At this time, all participants are in a listen-only mode. After the speaker's presentation, there'll be a question-and-answer session. [Operator Instructions]

Please be advised that today's conference is being recorded. [Operator Instructions] I would now like to introduce host of this conference call, Mr. Quintin Lai. You may begin.

Quintin John Lai
Vice President Corporate Development, Strategy & Investor Relations, West Pharmaceutical Services, Inc.

Thank you, Kevin. Good morning and welcome to West third quarter 2019 conference call. We issued our financial results this morning and the release has been posted in the Investors section on the company's website located at www.westpharma.com. This morning, CEO, Eric Green; and CFO, Bernard Birkett will review our results, provide an update on our business and provide an update on the financial outlook for full-year 2019. There's a slide presentation that accompanies today's call, and a copy of that presentation is available on the Investors section of our website. On slide 2 is the Safe Harbor statement. Statements made by the management on this call and in the accompanying presentation contain forward-looking statements within the meaning of US federal securities law.

These statements are based on our beliefs and assumptions, current expectations, estimates and forecasts. The company's future results are influenced by many factors beyond the control of the company, and actual results could differ materially from past results, as well as, those expressed or implied in any forward-looking statement made here. Please refer to today's press release, as well as, any other disclosures made by the company regarding the risk to which it is subject including our 10-K, 10-Q and 8-K reports. During today's call management will also make reference to non-GAAP financial measures including organic sales growth, adjusted operating profit, adjusted operating profit margin, and adjusted diluted EPS. Reconciliations and limitation of the non-GAAP financial measures to the most comparable financial results prepared in conformity to GAAP are provided in this morning's press release.

I now turn the call over to West's CEO and President, Eric Green.

Eric M. Green

President, Chief Executive Officer & Director, West Pharmaceutical Services, Inc.

Thank you, Quintin, and good morning, everyone. Thank you for joining us today. As you saw in our press release, we delivered another solid quarter. We continue to make excellent progress implementing our market-led strategy, creating value for our customers and the patients we serve together. Our performance demonstrates the forward momentum we have seen throughout the year on a number of fronts. The market units are driving growth through differentiated value propositions. Our investments in newly launched products and services are gaining traction and contributing to robust high-value product growth. The globalization of our operations is driving improvements around quality, service and productivity gains.

And we have increased our investment in Daikyo Seiko to deepen this long-term strategic partnership. With three good quarters behind us and given our confidence in the underlying strength and future growth of the business, we are increasing our sales and EPS guidance for the full year. Bernard will take you through the details of our updated guidance later in the call. Let's start with an overview of our sales performance on slide 4. Proprietary Products sales grew organically by 8.5% in the quarter. High-value products, which make up more than 60% of Proprietary Products sales, grew double digits and continue the momentum that we have seen throughout 2019. Turning to the market units; sales within our Biologics market unit, once again, grew strong double digits.

During the quarter, Biologics saw increased demand from both large and small biotech customers. This demand has been fueled by customers selecting NovaPure for their new drug applications. This is now paying dividends as many of these drugs have been approved and launched in the past year. Our NovaPure sales, which have grown strong double digits for three consecutive quarters in 2019, reflect post-approval reorders and the commercial success of our customers' products. Crystal Zenith is a similar story. Volume has grown for CZ containers and syringes for the use with newly approved drugs and for development agreements to support pre-commercial activity. Additionally, we have experienced good uptake in Daikyo and Flurotec components, a trend we see continuing.

Looking ahead, we anticipate full-year double-digit growth for the Biologics market unit. The Generics market unit grew mid-single digits. High-value product sales led the growth, and we continue to set the stage for future growth with the AccelTRA Component Program. Our early interest customers are moving from the evaluation phase to the contract phase, preparing for commercialization of their drugs with this unique containment platform. As we have said on prior calls, we're also seeing interest from generic customers in our self-injection platforms and CZ. A recent capacity investment for self-dose will enable further acceleration of this growth. We expect high-single-digit growth for the Generics market unit for the full year.

Our Pharma market unit experienced a mid-single-digit decline in sales in the quarter, primarily due to the previously announced Vial2Bag product recall. However, we're encouraged that we continue to see high-value product adoption for our Pharma customers and are working to support them as they convert legacy products to higher-value offerings such as Envision inspection. We expect the Pharma market unit to return to growth in the fourth quarter and deliver full-year performance of low-single-digit growth. Our book of committed orders in the Proprietary Products segment continues to be healthy, giving us confidence that our growth can be sustained.

Let's now turn to Contract Manufacturing. This segment of our business posted organic sales growth of 6%. The primary growth driver continues to be in the diabetes market, led by sales of our diagnostic and drug delivery devices. As we have discussed on prior calls, Contract Manufacturing growth is moderating, especially as it comes against a strong second half performance comp from 2018. We expect further moderation in Q4 and continue to expect full-year 2019 growth to be in the high-single digits. Turning to slide 5, we recently made two announcements that demonstrate our continued progress to support the unique needs of the markets we serve. Earlier this week at the PDA conference Pre-filled Syringe in Sweden, we introduced a new high-value product and highlighted our self-injection portfolio.

We launched our NovaPure 3mL Cartridge components, which are specifically designed for use with higher-volume drug delivery devices. These components solve an unmet need in the market given the increase in sensitive biologic products that are being developed. These drugs, often delivered through an auto injector or on-body injector, require the highest quality cartridge components and this new offering from West meets that challenge. We also highlighted our SmartDose Gen. II injector, which enables subcu delivery of injectable therapies up to 10 mL in volume.

The increase in customer development agreements for SmartDose and across our self-injection platform demonstrates the commercial success we have seen with these technologies and the future growth potential they represent for West. Last week, we also announced that we increased our minority stake in Daikyo to 49%. For over four decades, Daikyo and West have partnered together to bring high quality, reliable and innovative drug containment solutions to our customers. Our increased investment demonstrates our long-term commitment to the strategic partnership and we look forward to our continued collaborations for years to come.

At this time, I'd like to turn the call over to our CFO, Bernard Birkett to go into more detail around our financial performance. Bernard?

Bernard J. Birkett

Senior Vice President, Chief Financial Officer & Treasurer, West Pharmaceutical Services, Inc.

Thank you, Eric, and good morning, everybody. Let's review the numbers in more detail. We'll first look at Q3 2019 revenues and profits where we saw continued solid growth led by strong Proprietary Products performance especially in our Biologics market unit. I will take you through the margin growth we saw in the quarter in addition to some quarter-end balance sheet takeaways. And finally, we review the guidance for 2019. First off, Q3, our financial results are summarized on slide 6 and the reconciliation of non-US GAAP measures are described in slides 11 to 15. We recorded net sales of $456.1 million representing organic sales growth of 7.9% and 20 basis points of inorganic growth related to a recent acquisition.

We also saw growth in two of our Proprietary Products market units and in Contract Manufacturing with double-digit organic sales growth in our Biologics market unit. We are pleased to see continued improvement in gross profit. We recorded $147.8 million in gross profit, $12.2 million or 9% above Q3 of last year. And our gross profit margin of 32.4% was 100 basis points expansion from the same period last year. We also saw improvement in adjusted operating profit with $70.1 million recorded this quarter, compared to $63.1 million in the same period last year or an 11% increase. And our adjusted operating profit margin of 15.4% was an 80 basis point expansion from the same period last year.

Finally, adjusted diluted EPS grew 4% and approximately 12% when stock-based compensation tax benefit is excluded. So, what's driving growth in both revenue and profit? On slide 7, we show the contributions to sales growth in the quarter. Volume and mix contributed $32.2 million or 7.5 percentage points of the growth. Sales price increases contributed $2.8 million or 0.7 percentage points of the growth, and changes in foreign currency exchange rates reduced sales by $10.6 million or a reduction of 2.5 percentage points. Looking at margin performance, slide 8 shows our consolidated gross profit margin of 32.4% for Q3 2019, up from 31.4% in Q3 2018. Proprietary Products third quarter gross profit margin of 38.2% was 120 basis points above the margin achieved in the third quarter of 2018.

The key drivers for the continued improvement in Proprietary Products gross profit margin were favorable mix of products sold focusing on high-value products, production efficiencies and sales price increases partially offset by increased overhead costs. Our high-value products and devices represented 63% of Q3 Proprietary Products sales and generated double-digit organic sales growth. Contract Manufacturing third quarter gross profit margin of 14.4% increased by 10 basis points compared to the prior-year quarter. Adjusted operating profit margin grew by 80 basis points over Q3 2018 as we continue to expand gross profit margins and closely manage SG&A and R&D expenses. We did see a period headwind on other income and expense due to an FX impact. Now, let's look at our balance sheet and review how we've done in terms of generating more cash for the business.

On slide 9, we have listed some key cash flow metrics. Operating cash flow was $260.8 million year-to-date 2019, an increase of $45.4 million compared to the same period in 2018, a 21% increase. Our year-to-date capital spending was $88.8 million, $14.1 million higher than a year ago and in line with our expectations. Working capital of $669.1 million at September 30, 2019 was $58.4 million higher than at December 31, 2018, primarily due to the increase in our cash and cash equivalents. Our cash balance at September 30 of $396 million was $58.6 million more than our December 2018 balance, a 17% increase. Turning to guidance, slide 10 provides a high-level summary. First, despite increasing FX headwinds, we are raising our expectation of 2019 full-year net sales to be in a range of between $1.815 billion and $1.825 billion.

We expect organic sales rate growth to be approximately 8% over 2018 reported net sales, which assumes a headwind of $54 million for the full-year 2019 sales based on current foreign currency exchange rates, compared to prior guidance of a full-year negative impact of $42 million. Second, we are raising our 2019 full-year adjusted diluted EPS guidance to a new range of between $3.10 and $3.15 compared to the prior guidance of between $3 and $3.10. CapEx guidance remains at $120 million to $130 million. There are some key elements I want to bring to your attention as you review our guidance.

Estimated FX headwind has an impact of approximately $0.13 on adjusted diluted EPS based on current foreign currency exchange rates compared to prior guidance of $0.10. We have seen an impact of approximately $0.11 for the first nine months of the year. From a comp perspective, SG&A expense in Q4 2018 was unusually low due to adjustments to compensation accruals made around the impact of Vial2Bag recall. The SG&A expense Q4 2019 is expected to be more in line with the spend patterns experienced throughout 2019.

So, to summarize the key takeaways for the quarter, strong top-line growth in both Proprietary and Contract Manufacturing, gross profit improvement, growth in adjusted operating profit margin, growth in adjusted diluted EPS over Q3 2018 and growth year-to-date in operating and free cash flow. Our raised sales and EPS projections for 2019 and performance to-date are in line with our long-term construct of approximately 6% to 8% organic sales growth, operating profit margin improvement of greater than 100 basis points and EPS expansion.

I'd now like to turn the call back over to Eric.

Eric M. Green

President, Chief Executive Officer & Director, West Pharmaceutical Services, Inc.

Thank you, Bernard. Before we open the line for questions, I want to conclude with a few key takeaways. Across our business segments, customers are driving demand for our products and services. Our R&D investments have resulted in new product launches that will contribute to our future high-value product growth, and our global operations team is driving efficient and cost-effective manufacturing initiatives to ensure we continue to deliver margin expansion and increase return on invested capital.

With another solid performance this quarter, we're poised to finish out the year strong, and we're confident in the opportunities we see ahead of us. Kevin, we're ready to take questions.

QUESTION AND ANSWER SECTION

Operator: [Operator Instructions] Our first question comes from Paul Knight with Janney.

Q

Hi, guys. It's actually Mike on for Paul. Congratulations on the quarter.

Eric M. Green
President, Chief Executive Officer & Director, West Pharmaceutical Services, Inc.

A

Great. Thank you, Mike, and good morning.

Q

Good morning. Eric, can you talk to the highlights in the Proprietary Products portfolio this quarter specifically around Biologics? And then additionally, can you give an update on CZ and has it really become meaningful to your numbers yet or is that more in 2020? Thank you.

Eric M. Green
President, Chief Executive Officer & Director, West Pharmaceutical Services, Inc.

A

Yeah. Thank you, Mike. We you look at the Biologics business we continue to grow very strong in this area for combination of new products being launched into the marketplace but also reorders of previously launched products and being actually adopted into the marketplace. So, we're very confident with the performance this year and we see a very strong committed order book for this particular area. And when you start thinking about the pipeline of new molecules being approved and our participation; and in this space, we continue to be extremely high. So, I'm very confident as we look forward.

In particular, if – in the second question, it was in regards to CZ. Actually interesting part about that part of our portfolio, obviously, a lot of it is around Biologics. We had two approvals in Q3, again two Biologics and that would make it for the year five approvals. If you recall, the previous years, we had significantly less than that. So, we're seeing gain momentum with CZ mostly in the syringe area. We're continuing to invest in Scottsdale, Arizona facility to handle the demand that's being requested by our customers and we also had a one vial approval earlier this year. The CZ cartridges are also driving nicely due to the SmartDose demand that we have with both the active DAs and also active feasibility studies underway.

Q

Great. And then maybe for Bernard, can you provide some color on the outlook for CapEx spend? It's come down significantly from your peak of $170 million in 2016 to about just under $120 million. As we look forward, is there room for continued reduction in that number? And then maybe – Eric can chime in, too. But as visibility demand increases, as you guys talk on the call, how do you think about volume increasing, as you work towards a smaller footprint? Thank you. And I'll hop back in the queue.

Bernard J. Birkett
Senior Vice President, Chief Financial Officer & Treasurer, West Pharmaceutical Services, Inc.

A

Yeah. So, on the CapEx, where we're focusing on really is growth in – our investment in automation and growth and obviously there's always a certain level of maintenance CapEx, which is about $45 million. Typically, for the last year or two, we've been running about 6% to 7% of revenues for CapEx spend, and that's what we will be targeting, but it felt – we always have to make sure that we're investing the appropriate amounts in the business to make sure that we can continue to drive the growth. A lot of the investments on CapEx that are in more in equipment and automation which provide faster returns on investment compared to investing in buildings and facilities. So, hopefully, that covers it for you.

Q

Yeah. Thank you very much.

Operator: Our next question comes from Larry Solow with CJS Securities.

Larry S. Solow
Analyst, CJS Securities, Inc.

Q

Great. Thank you. Just a couple maybe more high-level questions. Just on the Daikyo investment was there any reason for timing of that or any – is there some kind of option on that that was expiring or is that – any thoughts on that will be great.

Eric M. Green
President, Chief Executive Officer & Director, West Pharmaceutical Services, Inc.

A

Larry, the discussions with Daikyo, obviously, it's a very long, deep relationship we've had for...

Larry S. Solow
Analyst, CJS Securities, Inc.

Q

Absolutely.

Eric M. Green
President, Chief Executive Officer & Director, West Pharmaceutical Services, Inc.

A

...quite a while and – but it's very important between both companies because when you think about the technology and parts of their portfolio, how it supports our growth in high-value products and particularly around the Biologics space. So, we've been engaged in dialogue and how we can continuously build a stronger relationship and partnership. There were no actions required due to previous agreements, but this increase from 25% to 49% does put us in a very good position with Daikyo as their exclusive partner both on a distribution of their existing products, but also the license and technology that we share between the two firms. And that was the major thrust, Larry, to bring this forward and to reinforce the growth that we have in our high-value products and particularly in the Biologics space.

Larry S. Solow
Analyst, CJS Securities, Inc.

Q

Right. Okay, and then also on just – I guess next generation SmartDose which you guys have shown I think already to investors. Just, obviously, that's being now commercialized. Can you just sort of highlight sort of the advantages of that over the prior product? And if you think that'll help further adoption faster?

Eric M. Green
President, Chief Executive Officer & Director, West Pharmaceutical Services, Inc.

A

Larry, what you're seeing there is that with the original first version that we came out with that was targeted towards smaller doses and particularly in the Biologics space. And what we're being asked by our customers, they want to take that technology and allow them to move certain drug molecules from IV infusion environment to a subcu. And so, that – and these tend to be molecules that already are on the market already. So, this is actually good news for West because the technology can handle larger volumes as we indicated with the launch of the 10 mL Cartridge dose at this point of time, and it allows us to support our customers through development driving from IV to subcu. And we have several development agreements underway as we speak. Obviously, as in the past, we don't talk about the specific customers or the molecule itself. But there are many that we're currently working on.

Larry S. Solow
Analyst, CJS Securities, Inc.

Q

Okay, great. And then just a couple for Bernard. On the restructuring, I guess, that's just one particular program that's set to save you guys $40 million annually. Is that pretty much complete? Should you start seeing some of those benefits and will you get that whole benefit or will some of that money be reinvested back into the business?

Bernard J. Birkett
Senior Vice President, Chief Financial Officer & Treasurer, West Pharmaceutical Services, Inc.

A

So, it will be completed by the end of Q4, and the vast majority of the work will be done. And we'll start to see the benefits come through in 2020 on a phased basis. So as we move through the year, we'll be able to harvest more of those benefits.

Larry S. Solow
Analyst, CJS Securities, Inc.

Q

Okay. And then just last question, I joined the call a little late. You may have addressed it. Just on the lower tax rate this quarter, was there an additional credit in there? Was that more related to the options expenses?

Bernard J. Birkett
Senior Vice President, Chief Financial Officer & Treasurer, West Pharmaceutical Services, Inc.

A

More related to the options expenses. And at this point, there were no other major adjustments to tax within the quarter.

Larry S. Solow
Analyst, CJS Securities, Inc.

Q

Okay, great. Thank you.

Eric M. Green
President, Chief Executive Officer & Director, West Pharmaceutical Services, Inc.

A

Thank you, Larry.

Operator: Our next question comes from John Kreger with William Blair.

John Kreger
Analyst, William Blair & Co. LLC

Q

Hi, guys. Thanks. The Daikyo ownership stake increased. Did any other part of the relationship change other than the ownership stake?

Eric M. Green
President, Chief Executive Officer & Director, West Pharmaceutical Services, Inc.

A

No, it's relatively the same. As mentioned earlier, we do have exclusivity with Daikyo and between the distribution and license and technology agreements. But it was an increase in stake as the major change of the agreement.

John Kreger
Analyst, William Blair & Co. LLC

Q

Great. Thanks. And then I think in the press release you mentioned a small acquisition benefit. Again, was that just the impact of the higher stake or was there some other deal that you guys did in the quarter?

Eric M. Green
President, Chief Executive Officer & Director, West Pharmaceutical Services, Inc.

A

No. Actually, that was – that is due to the transaction we had last quarter due to South Korea to acquire a distributor, so allows us to work directly with the end customers, which by the way is going quite well. The integration has gone very smoothly and we're already seeing the benefits with – conversations with some of the largest biosimilar companies in that part of the world.

John Kreger
Analyst, William Blair & Co. LLC

Q

Great. Thanks. And then Eric, one more, maybe can you just talk a little bit more about how you view the pharma client segment? What do you think the key is to driving better growth as we kind of look out to 2020 and beyond?

Eric M. Green
President, Chief Executive Officer & Director, West Pharmaceutical Services, Inc.

A

Yeah. No, John, the big driver there – number one driver is continuing to convert large pharma customers from the standard products to high-value products. That's the number one thesis of the growth of that unit. The other – and you start thinking about total cost of ownership. So as we demonstrate to our clients that we're able to take costs out of their system and provide a higher quality, better cycle time to them allows them to drive their inventories down and a better cleaner product in the marketplace. The second one is in the – specifically in the diabetes application, that continues to be robust.

You see that in our Contract Manufacturing space. When you think about all those devices that we're producing through Contract Manufacturing, it also requires primary containment, which is usually the West's component, specifically around the insulin portfolio. The pipeline is strong and we're feeling very comfortable. I think what you see with 2019 performance is the impact of Vial2Bag. And as we work through that, you won't see that direct impact going forward, but more upside when we eventually get the product back in the marketplace.

John Kreger
Analyst, William Blair & Co. LLC

Q

Excellent. Thanks. Any update on that recall both in terms of timing, but also on what the expense burden was in the third quarter? Thank you.

Bernard J. Birkett
Senior Vice President, Chief Financial Officer & Treasurer, West Pharmaceutical Services, Inc.

A

Yeah, we're obviously still working through the process, so we don't have an update on the timeline for re-entry into the market at this point. On the expense side, you're looking at probably a couple of million dollars, so nothing too material.

John Kreger
Analyst, William Blair & Co. LLC

Q

Thank you.

Eric M. Green
President, Chief Executive Officer & Director, West Pharmaceutical Services, Inc.

A

Great. Thank you.

Operator: Our last question comes from David Windley with Jefferies.

David Howard Windley
Analyst, Jefferies LLC

Q

Hi. To follow-up on John's last question there, Bernard, could you quantify the revenue headwind from Vial2Bag?

Bernard J. Birkett
Senior Vice President, Chief Financial Officer & Treasurer, West Pharmaceutical Services, Inc.

A

It was – quarter, I think, was about $4 million.

Eric M. Green
President, Chief Executive Officer & Director, West Pharmaceutical Services, Inc.

A

For the quarter.

Bernard J. Birkett
Senior Vice President, Chief Financial Officer & Treasurer, West Pharmaceutical Services, Inc.

A

For the quarter.

David Howard Windley
Analyst, Jefferies LLC

Q

$4 million for the quarter. Okay, great. Broader strategic question, in terms of capacity and insomuch as you've globalized your operation footprint, Bernard, and you talked about investments in automation, things like that, I am interested in how you think about your runway for capacity by, say, the end of this year when you've taken the targeted facilities offline. You've invested in automation. You have Waterford online, things like that, are you – do you have room in your existing footprint to support growth for a fairly significant period of time, and if you could put a timeline on that that'd be great? Or should we be thinking about your beginning to add modules to Waterford or expanding other facility locations in order to support growth. I'm just curious kind of where are you – where will you stand with your capacity by the end of the year?

Bernard J. Birkett
Senior Vice President, Chief Financial Officer & Treasurer, West Pharmaceutical Services, Inc.

A

At the end of the year we have adequate capacity for a number of years. We believe with the – obviously the existing footprint with the levels of automation we're looking at. And automation is a journey. It's not going to be completed in one or two years. It's a multi-year process. And so, we don't see that we're going to have to add facilities for production in the coming years.

David Howard Windley
Analyst, Jefferies LLC

Q

That's great. In terms of margin, the – you've been focused there. You've talked about certainly maybe starting with Contract Manufacturing. You talked about kind of driving some more efficiency into staffing levels and things like that in the Contract Manufacturing business. The year-over-year kind of progression on margin slowed in the third quarter. And I wondered maybe starting with Contract Manufacturing, were there factors that kind of flattened that out. But then also in Proprietary Products, were there mix differences from say second quarter or the first half that influenced the year-over-year expansion of margin? Thanks.

Bernard J. Birkett
Senior Vice President, Chief Financial Officer & Treasurer, West Pharmaceutical Services, Inc.

A

Yes, on the Contract Manufacturing that – the margin expansion was a little bit slower than we would have expected in Q3. We expected to see a little bit more. We have specific areas that we're targeting to improve the margin within Contract Manufacturing. So, we have very focused groups working on that. So, that is still a primary focus for us to make sure we start to see that margin expansion progressing through 2020. But it has been – in the third quarter was a little bit behind where we would have expected it to be, and we understand the reasoning behind that. It was regarding one or two of our facilities and the level of efficiency and productivity we saw in those.

So, we have, as I said, specific programs in place to tackle that. On Proprietary, what we saw is, from a standard margin perspective, we're pretty much in line with where we have been for most of the year. So, our mix is where we would expect it to be. In the third quarter, we have a number of summer shutdowns particularly in our European plants. So, the level of absorption that we get in the third quarter is normally a little bit lower than what we see in the first half of the year. And that was primarily the impact on margin. So, it slows margin expansion a little bit in the third quarter, and that's something that we would have expected.

David Howard Windley
Analyst, Jefferies LLC

Q

Okay, very good. Thank you. Appreciate the answers.

Eric M. Green
President, Chief Executive Officer & Director, West Pharmaceutical Services, Inc.

A

Thank you, David.

Operator: And I'm not showing any further questions at this time. I'd like to turn the call back over to our host.

Quintin John Lai

Vice President Corporate Development, Strategy & Investor Relations, West Pharmaceutical Services, Inc.

Thank you, Kevin, and thank you, everyone, for joining us on today's conference call. An online archive of the broadcast will be available on our website at westpharma.com in the Investors section. Additionally, you may access the replay through Thursday, October 31, by dialing the numbers and conference ID provided at the end of today's earnings release. That concludes the call. Have a nice day.

Operator: Ladies and gentlemen, this concludes today's presentation. You may now disconnect and have a wonderful day. To access the replay, you can do so by dialing 1-800-585-8367 and entering access code 9278868. Again, that phone number is 1-800-585-8367 and access code 9278868.