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CORPORATE PARTICIPANTS

Pat McKay *Office Depot - EVP, CFO*

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PRESENTATION

Moderator

-- as CEO from Auto Zone, and later adding Pat McKay as CFO from Restoration Hardware. Under this new leadership, Office Depot has made tremendous strides in improving margins and delivering profitable growth over the last several quarters and we believe there is still a great deal of opportunity that remains for the Company today.

Here today from Office Depot, we're very pleased to have Pat McKay, EVP and CFO. Also, here is Ray Tharpe, Director of Investor Relations. So without further ado, I'll turn it over to you, Pat.

Pat McKay *- Office Depot - EVP, CFO*

Good morning everybody. This is an interesting setup, to my left and to my -- in front of me. This is great. Good morning. The obligatory statements, safe harbor, same regarding forward-looking remarks that will be part of my presentation, so if you just turn your attention to that for just a moment, I'll get on with the rest of the presentation.

From a Company overview perspective, many of you probably know Office Depot, but let me give you just a little broader overview. Office Depot is a leading global provider of office products and services. We have annual sales over $14 billion. We operate in 22 countries around the world and we operate through multi-channels, whether it's stores, catalog, Internet, as well as contract sales. We have 3 divisions. They are North American Retail, our Business Solutions Division, as well as International. We're a relatively young Company. In fact, we turn 20 this year; we were incorporated in 1986. We've been listed on the New York Stock Exchange since 1991 and we're a member of the S&P 500 since 1999.

Part of the -- giving a little bit of context in terms of who Office Depot is, is to provide you with an overview of the products and services that we offer. 61% of our sales are generated from Supply. So those are those basic office supplies categories, whether it's paper, pencils, writing instruments, if you will, as well as paper clips and those kinds of things. Technology would include the laptops, peripherals, and even digital cameras are offered in our stores and through our various other channels today. And Furniture and Other represents 13% of our sales.

We use our multi-channel capabilities to serve our businesses, whether they are customers of any size, meaning the Fortune 500 accounts or small office/home office kind of accounts. So we have the 1,049 retail stores actually in North America today as we closed out Q1. Our North American Business Solutions Division offers, again, execution and offerings in terms of sales execution through catalog, contract, and e-commerce. And our International Division, as a large measure, really mirrors the kinds of operations that we have in North America. So it includes all of those elements, with retail, catalog, contract, and e-commerce as well. And one fact that you may not know about is that we're actually one of the world's largest e-commerce retailers. So third, in fact, at $3.8 billion in sales, according to one of the Internet retailing magazines.

One of the things that you may think about when you think about Office Depot, particularly here in the United States, is that we're a retailer. And, in fact, what's interesting is we are 47% of our sales are actually retail. The rest, 53%, are actually through direct sales, so those catalog, contract, e-commerce kinds of sales to our customers. So you can see on the left-hand side of this chart that, again, 53% direct, 47% retail. And on the mix by channel, on the right-hand side, you can see how the direct part of the business shapes up.

An interesting thing, even more so, about the retail business is that, in fact, the retail business isn't driven necessarily by consumers but still, moreover, by business customers. So, in fact, 80% of our customers in our retail stores are actually business customers, represent businesses, as opposed to consumers.

We're fortunate to identify that we have multiple strategic growth priorities. So this Company is about -- our number one priority is actually profitable growth. And we have 3 different areas actually that represent opportunities for us in terms of that profitable growth and they happen to be our divisions. So in North American Retail, we see that we have significant opportunity to be able to expand our store count, as well as improve store productivity. And our North American Business Solutions Division, we know that we have an opportunity to be able to grow that market share meaningfully and I'll show you an example of that in just a moment. And then on the International side, in addition to the improved growth profitability, we know that there are opportunities within kind of the contract business to expand and to execute in a stronger way there. And beyond the locations that we currently are in, which is predominantly Europe and Japan, we know that there is an opportunity to expand our geographic reach as well around the globe.

Looking at North America, in particular, you can see on this chart, which is one of the industry -- sources for one of the industry associations, it shows that the overall marketplace for U.S. office supply products is, indeed, about a $323 billion business, with the breakdown between retail and delivery, as shown. And it's been growing at a CAGR of about 3.2% over the last 5 years.

But, interestingly, when you take a look and think about who naturally kind of comes to mind when you think about office supply products, you naturally would think of, perhaps, Office Max, Staples, and Office Depot. And representing on this slide is that the 3 of us, in total, only represent about 10% of the overall market. So very fragmented. Lots of opportunities in terms of us being able to see areas where we can, indeed, take share, and not necessarily from one another but from the other partners or the other players, if you will, on the overall space.

On a North American Retail and a Business Solutions perspective, one of the things that we've been doing a lot over the last year or so has been looking at opportunities to make sure that we're very effective in our marketing execution. And as I mentioned to you just a moment ago, since most of our customers are indeed business customers, one of the things that resonates very well with them is taking -- our "Taking Care of Business" campaign. It's one that we had used a number of years ago and you may remember that song, and I won't sing it for you here, you'll be thankful for that, but, indeed, it's one of those things again that resonates very well with our customers.

In addition, one thing that perhaps is, and this environment here in New York, you may not think it naturally comes to mind is NASCAR. NASCAR is a very small business-oriented customer fan base and it's very fast growing in the United States and it's been very productive for us in terms of being able to drive affinity and customer loyalty for the NASCAR Association that we have and the sponsorship we have there.

Growth opportunities for North American Retail and Business Solutions, one of the areas certainly is private brand. We look at private brand not necessarily as just Office Depot, but a whole suite, if you will, of different brands that we actually offer in our stores. And the offering actually enabled us to do a couple of things. And one is it enables us to expand the margins. Private branding typically allows us to be able to do those things. I think most companies experience that. But in addition to that, it enables us to differentiate our offerings with our customers. So to that end, we offer, whether it's Office Depot products, you can see on the left-hand side of the slide, or whether Foray, when you think about writing instruments. Foray is our own private brand for writing instruments.

And then on the Furniture side, we have Christopher Lowell furniture. And then more on the Technology side and Business products, we look at Ativa as being one of the brands that we use there. And, again, the opportunity for the point of differentiation is, I don't know how you feel about it, but I know there is a pen that I really adore, and it's the one that I love to be able to write with. What we want to be able to do is with our brand differentiation, our product differentiation of private brand, is to be able to create the stickiness, if you will, the retention capability with our customers. So if they want that brand of pen, if they want that particular pen, they've got to come back to our stores to be able to get actually those goods and those services, or through our Business Solutions Division.

Another opportunity in terms of growth, profitable growth, for us, we know, is in North American Retail in terms of store expansion. You can see in the early '01, '02, '03 even time frame, we were really not opening very many stores. In the last couple of years, in '04 and '05, we certainly got a little faster in terms of that store count growth. And then in '06, we plan to open about 100 stores.

Interesting thing about store growth, the fact that we didn't open in '01 and '02 and '03, if you think about the maturity curve of how the store maturities impact comp store sales, we really had very little feeders in terms of the overall comp performance over the last couple of years because we had no new stores of any order of magnitude during that early '01, '02, '03 period. So, again, stores tend to mature over a 5-year period and tend to add to the comp store results year-over-year. And again, as we see opportunities for being able to expand our store counts in '06 and beyond, it fuels both things - growth over the top line and total and also enables us to have a comp store growth enabler embedded within that store as well.

From an age of stores perspective, we probably, we do have the oldest average age of stores in the overall office supply superstore chain. So our stores average about 8 years of age. And what we haven't been doing really is going in and remodeling on an ongoing basis, so we have been working over the last couple of years of identifying is there a good model, if you will, in terms of good store layout that is most effective and most productive for us to be able to roll out to remodel all of our store chain.

So for any of those that have been following us for a fair amount of time, you'll know that we've looked at various versions of what we've called the Millennium II store. The slide here depicts our recent and our refined version of that M-II model. And, in fact, enables our customers to shop easier - easier visibility, sight lines as you walk into the store to find the products and services that you're looking to purchase. In addition to that, it also has been able to create product adjacencies. So even from a margin perspective, these stores are actually performing better than our existing store base.

So we had planned, as we went into this year, to remodel about 60 stores. We've actually increased that number to about 150. And all of our new stores, as well as the remodeled stores that we will be doing in 2006 and on a go-forward basis, will all be done according to this new refined M-II store remodel plan. I've shown on this slide, as well as we have costs about $225,000 to $250,000 per store, about $70,000 to $80,000 of which is expensed. But at the end of the day, these stores indeed have a return, as we remodel them, at a very respectable and above our hurdle rates of 13%.

Other opportunities in terms of growth in North American Retail, we've instituted a couple of years ago an advantage program. You know these kinds of programs that are loyalty programs and we found them to be very efficient and very effective with our customers doing a couple of things. A) We see that our customers actually return to our stores on a more frequent basis, as well as increase in the overall average order value of the purchases that they do. So, again, a very favorable program. We continue to see significant growth in that program as well.

We've just started looking at global sourcing. We've got a very modest amount today that we do globally in terms of our purchasing. So, again, another opportunity for us to look at profitable growth within North American Retail.

We talked a bit about profitable growth, top-line growth, but we also recognize that there are some opportunities for us to be able to manage our cost structure in a better way and drive some costs out of the system. And for those of you, again, that have been following us, you've seen the list that we've put together before of the cost management initiatives and this is, indeed, a representative of just a few of the hundreds of initiatives that we have going on at Office Depot. To be able to, again, get our cost structure to a place that we feel is more appropriate and enables us to fuel that profitable growth as we look into the future.

Any single one of these items isn't particularly material on its own, but the collection of all of these, the aggregation, all of which on average, over $1 million on average for those listed on this page, enable us again to be able to look to see how we're going to drive overall the cost management and the cost structure lower as we look into the future.

On the Business Solutions side, again, this is an opportunity for us from a not a brick and mortar perspective but again from more of a sales force perspective. How do we grow that business outside of our businesses as a direct business facing off to our business customers? And we have a couple of areas that we see as very defined opportunities for being able to grow this business. One is the expanded use of telephone account management. That's outbound sales calls, people being able to call out to customers, which are probably too small to be able to have feet on the street, if you will, to go in-person to visit with a potential new customer. So it's enabled us to quickly expand and create demand where otherwise we would not have been able to do so. And that also enables us to expand our existing relationships with customers, so that even those larger customer accounts that we have is to create more customer satisfaction as we touch out, reach out to them, and enable them to have the customer relationship that they so much want.

From a contract sales force perspective, we have a couple of things that we're doing there. We are increasing the overall size of the sales force. We've added to our sales force last year and we'll continue to do so this year as well. We found that there hasn't been a point of diminishing returns in terms of that addition to our sales force. So, again, this is the feet on the street reaching out to the larger size, medium and larger-sized, customers that's enabled us to grow that top line of that segment of our business.

And overall, within each one of these businesses there is the opportunity to be able to expand the share of wallet, whether it's by private brand products that are sold within that area or whether there are new categories with janitorial, jan/san as it is sometimes called, in design, print, and ship opportunities. And there is definitely a direct correlation between the numbers and the types of products and services that we can offer to our customers and then their retention and the profitability of that customer as well.

Shifting gears now internationally, this is a picture of what the Western Europe industry sales opportunity looks like. It's $258 billion. And I would say that probably the sizing in general on the left-hand side, excuse me, the right-hand side of the slide indicates probably the overall size and proportionally of our business as well in Europe in relationship to the total sales. But, again, strong opportunities in terms of the overall size of the market in Europe.

But in addition to that, we see that there are opportunities, again, as I mentioned earlier, to expand beyond Europe - our sales efforts and our business, our markets. So you can see where we're located today on the map, which is represented in the red. And so lots of opportunities in emerging markets and other parts of the world, whether it's Asia, whether it's Latin America, Eastern Europe as well, as we look forward into the future.

From a growth initiative perspective, we have just recently, in fact, the last couple of weeks, brought onboard our new managing director for Europe. So we are pleased to have him onboard. We've also converted the leadership of our European operations to a Pan European structure, centralized in one location in the Netherlands, that enables us really to drive the overall performance and the execution of that business in Europe from a very consistent and coherent manner across the European countries.

We've also been able to take advantage of the fact that there are great things that we do in North America that are very transferable to Europe. So the things that I've talked about in terms of telephone account management are indeed transferable to execution opportunities in Europe. So we've had pilots there and then we've been able to execute against that and seen again the same kind of lift in sales that we had seen in North America. We also will continue to increase the sales force, similar to what we're doing with our Business Solutions Division in North America.

And, importantly, and a fact that, perhaps, may not be as natural to think about is that when we originally started our European business we were very much a mail-order business, so we would drop a catalog and then people would respond with sales. We acquired a company a couple of years ago that actually had much more of a contract business which required much more of a selling orientation, going out and eliciting sales. So creating that selling culture and transforming that environment to one that is, instead of waiting for the sale to happen, but being more aggressive about the sales execution has been a very important transformational thing for our Europe business to go through. And, in fact, we are seeing fruits of that labor today.

We also have private brand, as we do in North America. We've got a couple of other brands in Europe, Niceday and Viking, in addition to Office Depot. And, again, like we have in North America, we're seeing opportunities for being able to expand the loyalty programs that we have just fledgling in International, and Europe in particular. And, again, with the opportunity for being able to manage across all of the countries in Europe, as opposed to uniquely and discreetly within each one of the countries. A Pan European campaign management has been a big opportunity for us to have some wins and some successes and some consistency in how we execute. Which also leads to opportunities for cost savings with that same kind of organizational structure. So as we centralize and as we organize our merchandising and our marketing operations, we recognize that there were opportunities to do things like negotiating a Pan European contract for our print of those catalogs; was able to save a substantial amount of money as a consequence of doing that.

Our call center consolidation, in the relatively recent days was actually consolidated our call centers in France from 12 down to 5. So, as part, again, executing against this model, cost management initiatives, in addition to looking for profitable growth of the top line are the combination of the execution model that we intend to go forward with in Europe as well as elsewhere.

From a financial guidelines perspective, we look -- number one is to make sure that we're driving profitable growth in the Company. That's our number one priority, our number one objective. We know that we have a great business model that's our starting point, which has enabled us to have a substantial amount of free cash flow each year. But we also know there are opportunities, as I've talked about, with those cost management initiatives leveraging off, even more so off of that top-line growth, to be able to expand our margins.

We're creating a culture of thrift at Office Depot, and that's just not at the top level with the executives that operate there, but it goes all the way down to the feeling in the store associates where they are enthusiastic about the fact that we shortened the length of the cash register tape and they understand that there is a real benefit to them at the end of the day for those kinds of cost saving initiatives. So that culture of thrift is getting pervasive throughout the organization.

The streamlining of operations is really important to us as well, as we've talked about - network optimizations with our supply chain. Call center consolidations as well, whether it's in North America or Europe. And we're executing against a very disciplined capital management structure, so we expect any capital decisions that are made will reach a certain and achieve a certain hurdle rate. The things we'll be executing against, as we spend $300 to $400 million in capital this year, we'll necessarily have to hit our hurdle rates, as required.

And an economic value-added mindset. Our folks are bonused against really the elements, if you will, their EVA in their nature is EBIT and it's ROIC. So, every month, our officers throughout the Company are very mindful of where we are relative to our EBIT performance as well as our ROIC performance, and that's something that is, again, part of the D&A in addition to the culture of thrift that we're establishing.

I won't take you through the details of these results for us for the first quarter, but suffice it to say we are relatively pleased. We were pleased with our results for the quarter. A couple of things I would point out here are the things I've been talking about and sharing with you that we have as objectives. We were certainly able to see a number of them being achieved this past quarter. Taking a look at the EBIT expansion, we had 110 in basis point expansion of the EBIT margins just in this past quarter. Sales on the top line grew 3%, and actually if you took out the FX effect of foreign currency changes in our International Operations, that would have been about 5%. So we're feeling good top-line growth as well. And EPS overall grew 30% quarter-over-quarter and at the end of the day had an expansion of 240 basis points as well in ROIC.

From a trailing 4 quarters, so you may point out, okay, 1 quarter is interesting; tell me what you've done over the last year. So for the last 4 quarters, we're able to demonstrate again some increases in performance in a number of those areas as well. EBIT expanded by, on a margin basis, by 40 basis points. And EPS was up 30% over that trailing 4-quarter period. And, again, ROIC up 240 basis points.

So our stock has performed and responded to some of the things that we've been doing over the last year or so. So we've had 107% growth in our stock price, relative to the 2005 time frame. And from a cash flow perspective, again, business that generates a fair amount of cash flow. That's our business model, but year-over-year we actually saw a nice improvement in terms of the cash provided by operating activities. That's reflects some of the cash, or excuse me, the working capital management that we've put in place in terms of inventory and some other things. And at the end of the day, we had $211 million of free cash flow that we generated before share repurchases. We bought back $398 million of our shares; that was 12 million shares during the quarter.

From a balance sheet perspective, again, nice reduction in total in terms of the merchandise inventories, down 6%. Working capital down 43%. So, again, our balanced equation says let's grow the top line profitably, let's put forth some cost management initiatives, and let's also manage our balance sheet in a more aggressive way. And again, you can see ROIC and ROE increase nicely over the 2 time periods.

I've provided this as just a reference point to you. Last year, in the third quarter, we announced that we were going to put forth a series of charges, the majority of which actually were completed in the third and fourth quarter of this past year. But, again, this is just reference information for you, as you go forward. This enabled us to identify those areas, those assets, that were impaired, as well as those areas of our business that weren't going to be part of our future operations and so we made sure that we took adjustments for those.

We also changed the way that we did our segment reporting in the first quarter, so we provided additional visibility in terms of our overall performance of each one of our divisions after G&A allocations. We took those items of our G&A that we knew -- that we could identify as either directly or indirectly attributable to each one of our businesses and then there is a piece of the corporate overhead that remains unallocated. But, again, I think it provides our readers with some transparency in terms of how we see our business overall performing. And one of the things that you'll see is that year-over-year, quarter-over-quarter that we had nice growth in both sales, as well as the operating profit margins, in each one of our divisions in the first quarter.

So, for Q1, one of the things, again, that we are very pleased about is that we saw a number of things executing on all cylinders. We had top-line growth in all of our divisions, so we had a 3 comp that was executed in our North American Retail. Our Business Solutions Division went up by -- or sales were up by about 8%. And then if you take a look at our International Division, sales were up by 2% in local currency, which was the first time that that had occurred in some 8 quarters.

Importantly, though, is we also had expansion of each one of those division's operating profit margins. Couple that with solid working capital reductions in terms of the effectiveness there, expanding ROIC, EBIT margins have expanded, and an earnings per share growth of 30%, we were very pleased with the outcome that we were able to achieve for the first quarter of 2006.

We also know there is a lot to do to make sure that we actually execute against a continuous improvement program. So we're on the path and we believe we have the appropriate strategic operating priorities and strategic growth priorities to be able to drive that continuous improvement in the future. And, again, to remind you, the things that we see as our opportunities are North American Retail, with store productivity and expansion of that store base; North American Business Solutions, with expansion of our customer acquisitions; International on all of those fronts in terms of being able to expand and grow profitably, as well as the geographic reach there; and we also are going to be able to put that cash flow, as we drive for enhanced working capital and improved working capital management, to put that cash to work, if you will, in terms of opening new stores, those new geographic markets; we'll then make necessary investments in our core businesses; acquire assets or businesses in our key priority areas; and then if we have excess cash available, then the last item, if you will, in terms of our choices of how to use our cash, will be through the repurchase of shares.

So we feel very strongly about the opportunities for growth and our ability to be able to drive our performance as we look forward into the future. And, again, the number one priority for this Company is to be able to drive top-line growth in a profitable way.

So at this point, I'll be happy to open it up to questions.

Yes?

QUESTIONS AND ANSWERS

Unidentified Participant

Could you spend a little bit more time talking about the operating margin expansion in the last quarter? Obviously, it was a big surprise and a big jump, the EBIT margin. And from a couple of different perspectives, whether, one, that is sustainable throughout the year and/or expandable, just given the fact that you've got very few, as you pointed out, 3 to 4 year-old stores coming on, plus you're opening 100-odd stores this year, which, obviously, aren't going to drive those types of margins. So how do you kind of balance the fact that you've been a margin expansion kind of, as you pointed in the stock price, over the last 12 months with a big jump and how do you -- can you continue to lever up on that with those 2 headwinds?

Pat McKay - *Office Depot - EVP, CFO*

That's a great question. One of the things that I would reiterate is that we clearly recognize we've got to over the top line, so that's number one priority. But in addition to that, we recognize that there are plenty of opportunities to be able to drive our costs in a much more effective manner. And, unfortunately, I'd love to be able to tell you that there is just one thing that will be driving that. Instead, there are lots of things that are driving that. We've got a management team, in fact the whole organization, that's very focused on driving all of those items that you saw on the list, and there are hundreds of those. Again, no silver bullets. If it were able to be done, the silver bullets, it probably would have been done by now. But it's taking all of those initiatives to be able to drive the performance and provide the catalyst for that expanding bottom-line margin to be able to, in fact, grow the top line and invest more effectively in our businesses.

Other areas where we see opportunities, in addition to the cost management issues, are private brand. We don't disclose necessarily what our percentage is of penetration in private brand, but we see the private brand expansion in both our stores, as well as in BSC and in International, as being a significant contributor, an opportunity for us in terms of being able to drive performance. So there is a whole host of things that are kind of going on that are going to be able -- that will enable us to have the confidence to go forward to not only do the store remodels but do the store openings and move forward on a plan this year and into next.

Unidentified Participant

[Inaudible question.]

Pat McKay - *Office Depot - EVP, CFO*

Well, again, we don't provide specific earnings guidance, but what we have provided is that we believe there is nothing structural that would suggest that our margins should not continue to expand over time. So we've put together our plan, we've shared that we will, indeed, be opening new stores, about 100 this year, have increased the number of remodels that we were planning to do from 60 to 150, about 150. And those are all factored into our decisions in terms of being able to go forward.

Unidentified Participant

I would like to know something more about the CapEx versus the depreciation, because in every quarter it's been below. So CapEx is below depreciation. What should we expect on a more normalized level going forward?

Pat McKay - *Office Depot - EVP, CFO*

Yeah, as we have disclosed previously, we expect to be actually in the $300 and $325 to $400 million range for CapEx for this year. Our D&A last year was about $270 million. So we had shared publicly that, indeed, we expected to have a higher level of spending this year as in what we had on an ongoing basis in D&A, in part because we haven't been doing the store remodels and we haven't been doing those new store openings that we've doing in the past.

So this year will be a bit of a -- we expect a little bit more -- a little heavier than what you would see in kind of a normalized year. So there is a little -- there is a gap. So we will be spending at a heavier pace.

Any questions?

Unidentified Participant

I was just wondering [inaudible] Auto Zone is really implementing the same course initiatives, techniques you might say, at Office Depot. I was just wondering how he goes about it in terms of directing various managers, the way to look for things, just the technique of managing and saying here's the overall concept, here are some things I did at Auto Zone, now you go and see what you can do. I was just wondering how he manages?

Pat McKay - *Office Depot - EVP, CFO*

I wasn't at Auto Zone, so I can't speak for a lot at Auto Zone, but I'll speak to how we do, what we do at Office Depot, and that is that we run the Company in a very collaborative manner. So I would tell you that Steve would say he is not the person that's driving the change, but I think it's, perhaps, the team that's identifying that there are lots of opportunities. It's very self-evident. When you take a look at our business and somebody else, I mean look at the EBIT margins, it begs the question in terms of why is there a difference.

And so I think if we look inwardly and said there is lots of opportunities here, let's go after it, we have identified exactly the sponsors for all of those projects that you saw and all of the hundreds of projects that we have. My name is attached to quite a few of them, as is all of the rest of the executive team, and then it's cascaded throughout the organization. And we monitor, we measure, we look at it daily, we look at it weekly, we look at it monthly, and it's just part of how we have gotten the organization to be thinking about how can we drive change and develop the accountability around once you say you are going to do something, let's go make sure we do it.

So the question was what about finding the next thing? You know the interesting thing that I've experienced in my career, and I suspect many of you might have as well, is once you find one thing, the light bulb goes on I think for many people to say, oh, I get it. If I'm looking around, I bet you there are a lot more things that I hadn't thought about that way before. So it's synergistic and its execution. So we're seeing that happen a lot within our Company. It's that whole getting to the culture of thrift that's getting to be part of our D&A and how we think about looking at things. So it's that continuous improvement that's working for us.

Unidentified Participant

How do you grow the growth and also the profitability of the direct sale portion and I guess outside of the Internet? I mean, just wait for the phone to ring or is there something more than that?

Pat McKay - *Office Depot - EVP, CFO*

No, we have, as I mentioned earlier, we've got a couple of key initiatives. It's a telephone account management group, so it's outbound sales calls in the Company and that's been very productive, both at generating demand as well as being able to retain some of our larger customer, our contract customers, through [indiscernible] touch points, which in customer retention is an important part of the story as well.

And then to the extent from a contract business there are opportunities there for expanding the sales force. And if you reflect back on that pie chart that showed how much of the market that the 3 of us represent, which is just 10%, there is all of the rest of that fragmented marketplace for us to go after. So we haven't found the point of diminishing returns in terms of adding additional sales people to be able to communicate what the service offerings and what the product offerings are. And then as we look forward, some of the opportunities for tomorrow will be to look at other products and other services that we don't currently have in our portfolio today. So we are always looking for that next thing. What's the next innovation that can, again, differentiate us from the competition?

Other questions? Okay. Well, if we have no more questions. Thank you all very much.
