Operator: Greetings and welcome to the inTEST Corporation Second Quarter 2023 Financial Results Call. At this time, all participants are in a listen-only mode. A question-and-answer session will follow the formal presentation. As a reminder, this conference is being recorded. I would now like to turn the conference over to your host Mr. Shawn Southard, Investor Relations for inTEST Corporation. Please go ahead.

Shawn Southard: Thank you. Good morning, everyone. We appreciate your interest and thank you for sharing your time with inTEST Corporation.

Here with me are Nick Grant, our President and CEO, and Duncan Gilmour, our Chief Financial Officer and Treasurer.

You should have a copy of the Second Quarter 2023 Financial Results, which we released earlier this morning. If not, you can access the release, as well as the slides that will accompany our conversation, on our website at intest.com/investor-relations. After our presentation, we will open the lines for Q&A.

Please turn to **Slide 2** and I will review the Safe Harbor statement. You should be aware that we may make some forward-looking statements during the formal discussions, as well as during the Q&A session. These statements apply to future events that are subject to risks and uncertainties, as well as other factors that could cause actual results to differ materially from what is stated here today.

These risks, uncertainties and other factors are provided in the earnings release, as well as in other documents filed by the Company with the Securities and Exchange Commission. These documents can be found on our website or at sec.gov.

During today's call, we will also discuss some non-GAAP financial measures. We believe these will be useful in evaluating our performance. You should not consider the presentation of this additional information in isolation or as a substitute for results prepared in accordance with GAAP. We have provided reconciliations of non-GAAP measures with comparable GAAP measures in the tables that accompany today's release and slides.

With that, please turn to **Slide 3**, and I will turn the call over to Nick.

Nick Grant: Thank you, Shawn, and good morning, everyone. Thanks for joining us for our second quarter 2023 earnings call.

Once again, the inTEST team has delivered strong results through execution of our 5-Point Strategy for Growth. I want to take a moment to recognize our team members and thank them for their commitment and dedication to our strategy and their hard work delivering to plan.

Their outstanding performance allowed us to achieve record revenue of $32.6 million for the second quarter. This growth reflects strength in a number of our markets. Our thermal test solutions had some nice wins in the defense/aerospace market. Sales of our analog, mixed-signal backend semi test solutions remained robust. We also continued to have strong shipments of our frontend semi-induction heating solutions for silicon carbide and epitaxy crystal growth.

I believe these results are a reflection of our success diversifying into new target markets, capturing additional market share through go-to-market and innovation investments, and the broader market opportunity we gained with the acquisitions made in 2021.

We are delivering on our efforts to expand our presence globally. For example, our Environmental Technologies division was recently in Japan for the Automotive Engineering Exposition promoting our Thermal solutions. While a competitive market, our participation informs us of new ideas on product development, value added engineering requirements and opens up new opportunities.

The division also landed a new customer in Guadalajara, Mexico, for several Thermostream precision temperature systems in the quarter. This is an example of our efforts to further penetrate the market in Latin America where medical device manufacturers have a good presence.

Innovation of course is a key element of our growth, and our Electronic Test division had a number of wins for its new SuperSet high voltage/high current interface and new LSL automated manipulator. These wins helped to keep sales robust to the backend semi space even as others have reported experiencing moderating capital equipment sales.

Our Process Technologies division continues to win new customers that create opportunities for further growth. For example, we announced earlier in the quarter the win at a utility industry customer which is replacing its natural gas preheating system with our environmentally preferred electric induction heating systems to preheat metal in preparation for welding. Our systems provide a green solution and improve quality and throughput. This initial win is for systems to be used in multiple production lines in our customer's operation and has the potential to expand into additional facilities. We are seeing more opportunities for this application of our induction heating systems as companies embrace greener factories.

As we are growing, we are demonstrating our strengthening earnings power as well. Our 10% increase in sales versus a year ago contributed to our 11% growth in gross profit, 23% increase in operating income, and 32% growth in net earnings.

We believe these results demonstrate our operating leverage potential as we scale the organization.

As for new business booked in the June quarter, we saw strong demand in our defense/aerospace, industrial, and security markets with second quarter orders of $31 million, up 2% sequentially. And we ended the quarter with a backlog of approximately $45 million. The slight decline both year-over-year and quarter-over-quarter, we believe, is a reflection of the supply chain returning to more normal trends. Customers are no longer ordering far in advance of their needs with improving lead times.

And before I turn it over to Duncan, I'll just comment that I'm pleased with the success of our recently completed $20 million At-The-Market equity offering. The just over $19 million raised enhances our balance sheet and provides us with additional capital to support our organic and inorganic growth ambitions.

With that, let me turn it over to Duncan to review the financials in more detail. Duncan, over to you.

Duncan Gilmour: Thank you, Nick.

Starting on **Slide 4,** as Nick noted, revenue for the second quarter was a record $32.6 million, up 10.1%, versus the same period last year and at the upper end of our Q2 guidance range of $31 to $33 million.

The $3.0 million year-over-year revenue growth reflects strong demand for induction heating solutions in front-end semi, traditional testing applications in back-end semi, thermal test chambers and flying probe test systems in the defense/aerospace industry, and industrial grade image capture technology in the security industry, as well as a variety of our solutions in other markets.

Moving to **Slide 5**, gross margin of 46.2% in the quarter, increased 40 basis points compared with the prior-year period driven by better product mix and improved pricing. Compared with the trailing quarter, gross margin declined, primarily due to an especially favorable product mix in the first quarter.

Our trailing twelve-month gross profit of $59 million grew $5.6 million reflective of success at scaling the business. The trailing twelve-month gross margin of 46.2% is in line with our outlook for full year gross margin of approximately 46%.

As you can see on **Slide 6**, our operating expenses as a percent of sales improved by 70 basis points to 35.9%, as compared with the prior-year period.

On a dollar basis, operating expenses increased $866,000 as a result of annual merit increases and continued investments in engineering, sales, and marketing.

Turning to **Slide 7**, you can see our bottom line and Adjusted EBITDA results. We had net earnings of $2.8 million or $0.24 per diluted share for the second quarter which is up from $2.1 million or $0.20 per diluted share in Q2 2022.

Adjusted EBITDA was $4.8 million, up from $4.2 million last year, and adjusted EBITDA margin expanded 50 basis points to 14.7%.

On an adjusted basis, non-GAAP EPS was $0.28 per diluted share compared with $0.25 per diluted share in the second quarter of 2022. Adjusted EPS reflects adding back tax-effected acquired intangible amortization.

On an after-tax basis, acquired intangible amortization amounted to $434,000 in the second quarter. We expect after tax intangible amortization for the third quarter to be similar.

Slide 8 shows our capital structure and cash flow. We raised $19.2 million in net proceeds from an At-The-Market equity offering during the quarter. This increases our share count, such that our weighted average diluted common shares outstanding will be approximately 12.4 million for Q3 2023.

We also generated $2.9 million in cash from operations in the quarter. Given our modest capital requirements to grow the business, free cash flow was $2.5 million, or about 89% of net earnings.

Cash and equivalents at the end of the second quarter were $37.4 million, up $22 million from the trailing quarter reflecting the $2.9 million from operations and $19.2 million from the offering. As Nick indicated, our capital priorities remain focused on organic and acquired growth.

We have $30 million available with our delayed draw term loan and $10 million available under our untapped revolver. Our current leverage ratio is below 1 at just 0.73 giving us considerable flexibility. As we have done in prior quarters, we repaid $1 million of debt, bringing total debt down to $14.1 million. Note that repayment of debt does not increase funding available under the terms of our term-loan facility.

Turning to **Slide 9,** our second quarter orders of $31.4 million were up 2% sequentially on the strength in orders from security, defense/aerospace, automotive/EV, industrial and other markets. Specifically, for EVs, orders were strong for our chillers for testing and production of high-powered traction inverters. For the industrial market, orders were strong for our induction heating solutions as companies seek out more environmentally friendly solutions for their production needs.

Order levels in 2023 have become more normalized given improvements in the supply chain and the resulting reduction of lead times.

Backlog at June 30, 2023, was $44.6 million, 3.1% lower than the prior year and down 2.5% compared with the trailing quarter.

Approximately 45% of the backlog is expected to ship beyond the third quarter of 2023.

Turning to **Slide 10** we'll review our updated outlook for 2023.

Coming off a strong second quarter, we remain excited about the remainder of 2023. We believe we're on track to achieve high single-digit to low-double digit organic growth and reach our full year revenue target.

For the third quarter of 2023, we expect revenue and gross margin to be similar to the second quarter.

Third quarter operating expenses, including amortization, are expected to be similar to Q2 which was approximately $11.7 million. Intangible asset amortization, after tax, is expected to be approximately $430,000.

We expect third quarter interest expense of approximately $175,000 and our effective tax rate to be between 16% and 17%.

EPS for the third quarter should be in the range of 20 to 24 cents per diluted share, while adjusted EPS should be in the range of 23 to 27 cents per diluted share. As a reminder, we simply adjust for tax-effected amortization expense.

Looking further ahead, we believe demand will remain strong across our technology offerings and markets. Additionally, we continue to pursue strategic acquisitions and partnerships to extend our reach and expand our portfolio.

Based on our results for the first half of 2023, we are updating our revenue outlook for 2023 to approximately $127 to $131 million.

Based on our backlog and forecasts, we are narrowing the range of our gross margin outlook for 2023 to approximately 46% and our expected operating expenses to be $46 to $47 million, raising the low end by $1 million. This includes tax-adjusted intangible asset amortization expense of approximately $1.7 million for determining adjusted earnings. Our expected effective tax rate remains approximately 16% to 17%.

Finally, our capital expenditures for 2023 are expected to continue to run between 1% to 2% of sales.

As usual, our guidance does not include the potential impact from any unusual non-operating expenses that may occur from time to time.

With that, if you will turn to **Slide 11**, I will now turn the call back over to Nick.

Nick Grant: Thanks, Duncan.

On **Slide 11** we would like to highlight the solid progress we are making toward our stated 2025 revenue goal of $200 to $250 million. We expect to continue driving high single digit revenue growth with our base business in the coming years and we anticipate future acquisitions will complement our organic growth to reach our 2025 revenue goal.

Our pipeline of acquisition and partnership opportunities remains active, and with the net proceeds from our recent ATM equity offering, we believe we have sufficient flexibility with our capital structure to execute on our plan.

Slide 12 shows how we expect our revenue growth will translate into strong earnings growth. Our plan is to deliver divisional operating income of over $40 million, adjusted EBITDA of over $30 million and improve earnings power to over $20 million in 2025. Our strategy is primarily focused on scaling the company while maintaining our margin profile.

Let me sum up on **Slide 13**. As I have noted throughout my prepared comments, our 5-Point Strategy is delivering results for shareholders. Our engineered solutions are in high demand as they enable our customers to improve productivity or create more effective solutions within their own portfolio of products. Our technology-segmented organizational structure has generated focus and we are driving greater collaboration across the Company. As a good example, a few weeks ago I was up at our new Acculogic facility outside of Toronto and I saw one of our Flying Probe Systems preparing to be shipped that included three of our Videology Cameras. Providing these types of broader solutions supports our growth plans and enables us to provide more value to our customers. We could not have created this kind of synergistic sale even a year ago.

I'm pleased with what our team has been able to accomplish. We continue to unleash the potential of inTEST on our journey to becoming a supplier of choice for innovative test and process technology solutions. We are driving organic growth while actively pursuing acquisition opportunities to enhance our product offerings, expand our addressable markets, and deepen our presence in targeted industries.

With that, Operator, let's open the lines for questions.

Question & Answer

Operator: Thank you. At this time, we'll be conducting a question-and-answer session. [Instructions] Our first question comes from the line of Jaeson Schmidt with Lake Street Capital Markets. Please proceed with your question.

Jaeson Schmidt: Hi, guys, thanks for the taking my questions. I just want to start on your commentary regarding the supply chain. It sounds like those pressures continue to ease. And I was just curious, if they had all caused any sort of headwinds in the quarter, any demand you were unable to ship. And I guess relatedly, would you expect the pressures to continue to ease here in the second half of the year?

Duncan Gilmour: No major impact in the quarter, and I would expect these pressures to continue to normalize. Like I said I think the pain and suffering of 12 months ago, 12 months to 18 months ago is kind of behind us.

Nick Grant: Yes. And it's great, Jason, that it's allowing us to kind of free up our engineering resources, our manufacturing engineers to focus more on new products, on cost-out initiatives and activities that really will deliver a lot of value rather than requalifying suppliers or new components, et cetera. So, it's good to get back to normalized supply chain.

Jaeson Schmidt: Okay. No, that's good to hear. And then just following up on your comments on the security market. I know it's a smaller piece of the pie, but it does sound like you're seeing some increasing momentum there. I was just wondering if you guys could provide some more color on what's sort of driving that momentum. Is it just you've had more time with it under the in inTEST umbrella? Is it new customers? Any additional thoughts there?

Duncan Gilmour: It's a combination. It's absolutely some of what you described there and some new products that we've launched with updated sensors into the cameras. It's improving supply or go-to-market with added distribution channels on that. So yes, it's really across the board in our efforts to scale the business there.

Jaeson Schmidt: Okay. Perfect. And then just a last one for me. When you look at sort of the pricing environment, are you guys planning to implement any price increases going forward?

Duncan Gilmour: I mean, I think, as I've talked about before, I mean, always looking at our pricing and our input costs. And to the extent those things are increasing, and we need to kind of price up for that. We're looking at that. We're not just once a year kind of price increase kind of rotation, if you will. So, something we're constantly looking at.

Jaeson Schmidt: Okay. Sounds good. Thanks a lot, guys.

Operator: Our next question comes from the line of Peter Wright with Intro-Act. Please proceed with your question.

Peter Wright: Great. Thank you for taking my question and congratulations on a fantastic quarter.

Duncan Gilmour: Thanks, Peter.

Peter Wright: My first question, Nick, you gave some great color on the innovation development in the quarter on the utility scale induction heating. Any color you can share on how big this opportunity you think can be -- that sounds quite significant and maybe some thoughts around the average sale that goes there. Is it a much bigger ticket item than your average sale? And then also, you gave great color on innovation in Global. Any case at your comment on the service side of your business as well? And then I've got one follow-up.

Nick Grant: Okay. So yes, this -- as noted in the prepared remarks there, this greener trend that we're seeing is gaining more momentum out in the marketplace there. Companies are, as they expand capacity or update their automation on their production lines, they're looking for greener alternatives and our induction heating solutions are becoming more and more popular out there. So as to how big it can be, I mean, it really just depends on how much of that mega trend is around green technology adoption plays out there. But we're well positioned. As for the size of the sale, our induction heating systems range from the $25,000 low-end, if you will, relative to like our easy heat systems, more tabletop $200,000, $300,000 for larger systems out there. So, it's a pretty wide gamut depending on the application and the systems that sold into it.

Peter Wright: Wonderful. And on the --

Nick Grant: As service side of things. So far year-to-date, our service is, Duncan, what 9%, 10%?

Duncan Gilmour: Yes, that's right.

Nick Grant: So, we're seeing some improvement as a percent of sales there. We, of course, like to get that 15% to 20%. So, we're continuing to drive that. But service initiatives are underway across all the businesses.

Peter Wright: Fantastic. And my second question is really around kind of -- you've given a model now that you've raised the equity in the quarter of around a $2 earnings power number on your 2025 guidance. And here's my question. If you just continue to organically grow 10%, it suggests about a $65 million gap at the midpoint for acquisitions. Historically, you bought that at one-ish time sales. Can you validate kind of the expectation there? And I guess the question is, with $37.5 million of cash and $40 million of borrowing capacity, do you think you've got the sufficient capital already raised where no dilutive capital will be required to achieve kind of your acquisition goals over the next two years?

Duncan Gilmour: Yes. We've talked before about the need to be ballpark $50 million of inorganic activity to get to our top line goals for 2025. So, you're kind of exactly right there. Obviously, you're raising money in the second quarter there helps us -- helps our balance sheet, it helps us from a cash position. So just further increases our financial flexibility. I mean, obviously, and we'll continue to look, even kind of beyond 2025, we do kind of envision continuing to be an acquisitive company and continuing to look for opportunities, which would mean, we would have to continue to look at equity as well as debt, as we look further kind of down the road.

Nick Grant: Yes. As for our approach on acquisitions, we remain disciplined to our objectives on returns, on market multiples out there. So, we feel confident that we can identify and achieve the right strategic acquisitions to support our plan in ranges that make sense for our shareholders.

Peter Wright: And very last question just on that. So, the EBITDA leverage ratio you think could tick above one-times for the right acquisitions and debt would be an increasing mix of capital choice?

Duncan Gilmour: Yes. I mean we've talked a number of times of the fact that we'd be comfortable going up as much as 2.5 times trailing twelve-months EBITDA, in terms of total leverage, depending on, again, debt, equity, cash, et cetera. So, where we are just now at 0.73, we have plenty of room to take on additional debt.

Peter Wright: Fantastic. Congratulations, guys.

Nick Grant: Thanks, Peter.

Operator: Thank you. Our next question comes from the line of Edward Jackson with Northland Securities. Please proceed with your question.

Ted Jackson: Thanks. Yes, that train of thought on M&A was actually what I really wanted to auger into with this call. But I have a couple of other questions for you guys. Congratulations on the quarter.

Nick Grant: Thanks, Ted.

Ted Jackson: I'm going to circle back into the supply chain. On supply chain, there's two fronts to it. One is the stuff that's coming into you and then the other is your ability to send stuff out. And I mean, you're seeing an improvement in velocity, viscosity, whatever it is you want to call it, for the supply chain and it's allowing you to see your backlog kind of trend down because you're being able to deliver things in a more timely manner. I've had some companies that I follow and pay attention to in the last few weeks. And the other side of that is that their customers are able to, and your customers are able to get your products a little bit quicker, too. And I guess my question is, are you finding that any kind of, not necessarily cancellation of orders, but maybe deferral of deliveries as your ability to deliver solutions to your customers is perhaps faster than maybe they had built within their plans? And then beyond that you yourself have brought up your inventory levels to compensate for the supply chain issues you've had in terms of the suppliers to you. I know plenty of other companies that I deal with that have done the same thing. Do you have any concerns that you could have sort of two waves, one where because of your ability to deliver things faster, that they are just kind of deferring orders, and then you might end up later on seeing more deferrals as people start bringing their inventory levels down? And just more of a conceptual -- are you seeing any of that? And how do you think about that as we probably roll through the rest of this year and into 2024. And then I got a follow-up. Thanks.

Duncan Gilmour: Okay. I mean, let me take a kind of crack at that, Ted. So, I mean, you're exactly right. Lead times for our raw materials, material inputs have come down, right, which helps us then reduce our own kind of lead times to customers. There's just improved sentiment out there with respect to trusting the overall global supply chain, which means your customers are more comfortable ordering in a more traditional kind of lead time, I guess, versus where we were six months, nine months ago where people were wanting to get their place in the queue and more placing orders well in advance of ''normality''. So, that's when we talk about the kind of overall normalization effect. And I think as you indicated, many companies out there are -- you're talking about that, seeing that. We did increase inventory somewhat to help overcome many of the challenges we saw there. And we have seen, I mean, inventories come down here in a little bit here in kind of Q2 versus Q1. So, we are seeing the impact of that normalization on our balance sheet as well.

And as I indicated our results have been relatively kind of stable the last couple of quarters. Our guidance indicates another stable kind of quarter from an activity standpoint. So, there's a lot of normalization there that I'm kind of talking to. So, I think you're kind of exactly right.

Nick Grant: As for delays, I would say, we really haven't had customers push things. The fact that they're getting their systems more in line with their project timings, et cetera, and that -- so we're not the longest lead time items, so our deliveries are usually pretty well dialed in on that side of it there. So, no major delays in shipments or push outs, if you will, from customers.

Duncan Gilmour: And I think you touched on cancellations. I mean we never really saw any major cancellations at any point during the last 18-months or so. So that's not something we have really seen.

Ted Jackson: Yes. The sense I get with what I'm listening to with different companies, it's less that the markets are all softening or it's a recession or anything. It's just more of kind of like an ebb and flow, kind of like traffic on a highway. It's all moving. But what I'm saying is as these things kind of normalize out, things are a little – maybe for lack of a better term – like a little backwash. Duncan, listening to you talk before, it sounds like perhaps you are seeing that; but it's not that it's causing your sales to fall off, it's just maybe moderating the sequential growth that you're experiencing right now as things kind of normalized. You know what I mean, it's not an underlying demand thing. It's not causing any kind of reset for your business. But perhaps if supply chains were, say… we're not going through this readjustment, that some of the growth that inTEST has had might have been even just a little bit better. Is that a fair way to sort of summarize the response?

Duncan Gilmour: In some ways. For example, 12 months, 24 months ago, if you wanted to buy a car, you have to wait forever, right? Now you don't need to wait way forever. So, you're not going to place an order for a car for delivery in two-years' time and get your place in the queue. So, we're just seeing customers returning to normal buying patterns, of buying a few months ahead of when they need equipment instead of: oh my goodness, I need to buy 12-months, or I need to get my order in now because I'm concerned that this thing isn't going to be available. So that's sort of the change. If anything, that backlog is normalizing, if you will, a lot of normalization here and doesn't extend out as far because people aren't as concerned about the ability to deliver.

Nick Grant: But with our improved lead times, we're able to capture more book-ship in the quarters, and that's where the growth opportunity is.

Ted Jackson: I'm not worried about that. I mean that -- it makes sense to me. I mean, it's like -- I expect every company I cover to see their backlog numbers go down. I mean it's just -- they're all at levels that are -- like if you said that you were going to have those kinds of backlogs 3-years ago, people would have laughed at you.

Nick Grant: Yes.

Ted Jackson: Let's move on the next question, and then I'll step out because I'm guessing there's probably more people around. Just kind of talk about the longer term and margin gains and things like that. One thing that has worked its way into the global economy is wage inflation and the cost of people has clearly gone up. Those are usually pretty sticky things that don't go the other way once they happen. I'm kind of curious, it's something that came up in a call earlier this week that had never thought about. Do you have any kind of like supply contracts that are longer term in nature? A lot of things like that, you'll build in cost riders and pass-throughs for commodity costs. But I mean I don't think anyone really thinks about it from a cost of people. You get into some markets, I mean, particularly when you get into Europe, where there's European legislation that's passed where there's mandatory, like 10%, 15% wage gains. You've seen them saying that if you don't have things like that structured into your contracts, kind of an issue. And so, it just kind of made me think in terms of like a train of thought: what's going on with regards to the ability to actually compensate people? And how does that flow through within your margins? Are there any issues with regards to that kind of stuff and your ability to kind of continue down the path of reaching your leverage goals that you have in your business plan. And that's my last question. Thanks.

Duncan Gilmour: Yes. I mean, obviously, wages are one of the bigger kinds of line items, if we kind of break down our costs. We talked a little bit in the discussion on operating expenses about merit being one of the bigger headwinds in our operating expenses. And obviously, we factor it in, it's a big input cost. We think about it in relation to pricing, touched on pricing a little bit earlier. So, when we're looking at price increases and what we have to do to maintain margins, then it's one of the bigger components from an overall cost base perspective. So, it's something we're always thinking about. We're also always wanting to make sure we're paying our employees fairly and making sure that we're kind of doing the right thing for them as well as kind of the shareholders. So, I mean, it's a constant cycle. I wouldn't say there's anything special or unique that we face there. I'm not aware of us having any constraints around mandated increases in any of the jurisdictions that where we have employees. So, I don't think that's an item you have any particular concern. But I mean, that's the way I think about it, Ted. I don't think there's anything unique there for us.

Nick Grant: And Ted, I'd just add, 12 months, 18 months ago, when we were getting these blanket orders placed on us for four quarters or longer and that's where we kind of got behind the eight ball where we couldn't pass price along to certain customers with higher volumes or what have you. But now that things are more normalized, we're in a better position to be able to capture price adjustments on the next orders that come through, et cetera, because they're coming in more frequently on that side. So, it's a better position out there. But yes, absolutely focused to make sure we have the people on board to be able to deliver our plans and meet our customers' expectations out there on that. So, wage is something we watch carefully.

Ted Jackson: Great, thanks for taking my questions. And then a shameless plug I look forward to seeing you all at the Northland Securities Conference in September. Anyone on the phone that wants to come and meet some great companies, including this one and the management team, please come to Minnesota. The weather is fabulous in September.

Duncan Gilmour: It's like a piece of an advertising!

Nick Grant: You kind of stole my thunder, but we got that coming up too. So, thanks, Ted.

Operator: Ladies and gentlemen, this concludes our questions and answer session. I would like to hand the floor back over to Nick Grant for some closing comments.

Nick Grant: Thank you, Melissa. Before we close, I want to express my gratitude again to our global team as they continue to deliver outstanding results. Finally, we will be participating in Oppenheimer's virtual 26th annual telecommunications conference on August 8th; the Needham Semiconductor and SemiCap conference on August 22nd; and then we will be in Chicago on August 23rd for the Midwest IDEAS conference. Looking at September, we will be participating in the Lake Street Big 7 conference in New York, and, as Ted noted, the Northland Institutional conference in Minneapolis. For the first time, since Duncan and I have taken over at the helm here, we will be participating in the LD Micro conference in early October, in Los Angeles. We hope to connect with you at these events. We want to take the time to appreciate you all joining the call and thank you for your interest in inTEST. Thank you all and have a great day.

Operator: Thank you. This concludes today's conference call, and you may disconnect your lines at this time. Thank you for your participation.

Note: This transcript has been edited slightly to make it more readable. It is not intended to be a verbatim recreation of the inTEST Corporation (INTT) financial results teleconference and webcast that occurred on the date noted. Please refer to the webcast version of the call, which is available on the Company's website (www.intest.com), as well as to information available on the SEC's website (www.sec.gov) before making an investment decision. Please also refer to the opening remarks of this call for INTT's announcement concerning forward-looking statements that were made during this call.