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CORPORATE PARTICIPANTS

David Scott Martin *Harsco Corporation - Director of IR*

F. Nicholas Grasberger *Harsco Corporation - Chairman President & CEO*

Peter Francis Minan *Harsco Corporation - Senior VP & CFO*

CONFERENCE CALL PARTICIPANTS

Jeffrey David Hammond *KeyBanc Capital Markets Inc., Research Division - MD & Equity Research Analyst*

Robert Duncan Brown *Lake Street Capital Markets, LLC, Research Division - Senior Research Analyst*

PRESENTATION

Operator

Good morning. My name is Nora, and I'll be your conference facilitator. At this time, I'd like to welcome everyone to the Harsco Corporation Second Quarter Release Conference Call. (Operator Instructions) Also, this telephone conference presentation and accompanying webcast made on behalf of Harsco Corporation are subject to copyright by Harsco Corporation, and all rights are reserved. Harsco Corporation will be recording this teleconference. No other recordings or redistributions of this telephone conference by any other party are permitted without expressed written consent of Harsco Corporation. Your participation indicates your agreement.

I would now like to introduce Dave Martin of Harsco Corporation. Mr. Martin, you may begin your call.

David Scott Martin - *Harsco Corporation - Director of IR*

Thank you, Nora, and welcome to everyone joining us this morning. I'm Dave Martin of Harsco. With me today is Nick Grasberger, our Chairman and Chief Executive Officer; and Pete Minan, our Senior Vice President and Chief Financial Officer. This morning, we will discuss our results for the second quarter and our outlook for the remainder of the year. We'll then take your questions.

Before our presentation, however, let me mention a few items. First, Nick, Pete and I are in 2 different locations today so please bear with us during the communication challenges.

Second, our quarterly earnings release as well as the slide presentation for this call are available on our website.

Third, this call is being recorded and webcast. A replay will be available on our website later today.

Fourth, we will make statements that are considered forward-looking within the meaning of the federal securities laws. These statements are based on our current knowledge and expectations and are subject to certain and risks and uncertainties that may cause actual results to differ materially from these forward-looking statements. For a discussion of such risks factors and uncertainties, see the Risk Factors section in our most recent filings. The company undertakes no obligation to revise or update any forward-looking statement.

Fifth, on this call, we will refer to adjusted financial results that are considered non-GAAP for SEC reporting purposes. A reconciliation to GAAP results is included in our earnings release today as well as the slide presentation.

Lastly, as a reminder, we are now reporting the Industrial segment as Discontinued Operations, so all GAAP financial information is presented accordingly. Our full year guidance, however, is presented differently and should align with most of your models. This guidance reflects 2 quarters for the Industrial segment and includes Clean Earth for the second half of the year.

Now I'll turn the call over to Nick to begin his remarks.

F. Nicholas Grasberger - *Harsco Corporation - Chairman President & CEO*

Good morning, and thanks for joining us. This past quarter was the most impactful quarter from a strategic standpoint in many years as we signed and closed a pair of transactions that represent a significant step towards transforming Harsco into a single thesis company focused on environmental solutions.

We also rebranded our Metals & Minerals segment during the quarter as Harsco Environmental to reflect the true nature of the business and the focus of our investments and value proposition moving forward. At this point, about 75% of Harsco's revenues are derived from environmental solutions, and we expect the entire portfolio to fit this theme over the next few years. Overall, the objective is to create meaningful shareholder value through a portfolio of higher growth businesses with enhanced margin profiles and reduced cyclicality. Our path forward is clear.

Just a few comments on Q2 results. I was pleased that we delivered adjusted earnings within our guidance range despite the negative impacts of lower commodity prices, reduced steel volumes, concerns over Brexit and trade protections and tight labor markets. Both our Rail and Industrial segments produced strong double-digit gains in both revenue and profit. In fact, our Industrial segment produced its best quarter ever, led by the Air-X-Changers business, which we divested in a highly attractive move for our shareholders.

Harsco Environmental was impacted by the challenges just noted and recorded flat revenue year-over-year at a roughly 10% decline in profit. As we look forward to the balance of the year, our profit expectations is largely unchanged from previous guidance for our Environmental and Rail businesses.

Our Rail results in Q3 of 2018 were particularly strong, which make for a tough comparison this year. Nevertheless, Rail second half will be much stronger than 2018 due to healthy market conditions and the success of various product introductions and cost initiatives.

Environmental continues to invest in new growth contracts, and we expect, along with better service levels and execution, Environmental will strengthen throughout the remainder of the year.

We expect to divest the remaining businesses in our Industrial segment, those being IKG and Patterson-Kelley, later this year, then therefore, as Dave noted, classified them as Discontinued Operations.

In terms of Clean Earth, cash earnings should grow more than 65% in the second half of this year compared to the same period in 2018. So for Harsco overall, cash earnings in the second half of the year are now expected to be above prior guidance considering that PK and IKG are no longer included, and our consolidated cash flow should approach the previous guidance on a full year basis.

Turning to our newly acquired segment, Clean Earth. The integration of the business into the Harsco business system has been quite smooth. The period between signing and closing was brief, and we expect to begin to realize our targeted cost synergies on a run rate basis later this year.

While we have not yet quantified the benefits of commercial opportunities between Harsco Environmental and Clean Earth, early collaboration between the respective management teams has created a great deal of optimism. We are beginning to formalize those linkages and look forward to realizing benefits in the next few quarters. Finally, as previously stated, we fully expect to expand our new Clean Earth platform through further acquisitions.

Before I turn the call over to Pete, I would just like to acknowledge my Harsco colleagues for the flawless execution over the past few months. We've undertaken a major acquisition in an adjacent industry, divested the core of our Industrial segment, refinanced our balance sheet with very attractive terms and rebranded our largest business. In my nearly 35 years in the corporate arena, I've never seen this degree of change -- of positive change in such a short period of time. We have worked very hard over the past few years to build a strong foundation at Harsco, and the result has been quite evident this year.

Our culture, our people and our business system will all come together to get us to this point. I mentioned earlier that our path ahead from a strategic standpoint is clear. I think it's also fair to say that our ability to execute is likewise clear.

I'll now turn the call over to Pete.

Peter Francis Minan - *Harsco Corporation - Senior VP & CFO*

Thanks, Nick, and good morning everybody. First, let me apologize in advance, as you can appreciate, with all the transactions we completed this quarter, our reporting may seem a little bit more complicated than normal.

First, I'll reiterate a few points that Dave and Nick highlighted. Our reported financial statements now account for our entire Industrial segment as Discontinued Operations starting with the second quarter.

For GAAP reporting, all prior periods will be recast in this presentation. For my remarks this morning, I'll try to be clear. And wherever necessary, I will reconcile our reported results to the prior guidance for May of this year, which, of course, didn't contemplate this accounting change. I'll also do the same with the 2019 guidance, which now essentially disregards our remaining Industrial businesses, IKG and Patterson-Kelley, for the second half of the year but includes the actual results of the segment for the first half.

So let's start with Slide 3 and our consolidated financial summary for the quarter. Harsco's GAAP operating income in the second quarter was $18 million, while adjusted earnings were $33 million. If you include the Harsco Industrial segment to be consistent with our May guidance, adjusted operating income was $53 million in the quarter, and this figure compares with $52 million in the prior year quarter and placed our results within our prior guidance range.

Both Rail and Industrial had a very strong quarters and showed meaning full year-on-year improvement. Our results were at the low end of the guidance range due primarily to Harsco Environmental where customer steel output slowed and commodity prices weakened relative to our expectations as the quarter progressed. Also, new sites ramped up more slowly than anticipated, and we experienced some operating challenges, including higher maintenance costs at a couple of our sites during the quarter.

Relative to the prior year quarter, which was a very strong comp for the segment, adjusted operating income in Harsco Environmental declined, which I'll discuss further in a moment. More importantly, as we look ahead, we expect Environmental operating performance in comparisons versus 2018 to improve as certain headwinds weakened, including foreign exchange in our SG&A investments and as we realize additional benefits from growth investments.

Moving on, each of our segments had double-digit adjusted operating margins in the quarter. Harsco's consolidated adjusted margin was over 11%, including the Industrial segment. Our adjusted earnings per share from continuing operations was $0.21 or $0.37, including the Industrial segment, and this latter figure was within our guidance range of $0.35 to $0.40.

There are a number of unusual items in the quarter, most of which related to the acquisition of Clean Earth, the sale of Air-X-Changers and our recent debt offering. Other unusual items included expected further costs to implement productivity improvements in Rail, a quarterly accounting adjustment related to the Altek earnout and a $5 million provision for bad debts related to a U.K. customer that entered administration proceedings.

Next, our adjusted free cash outflow was $46 million in the quarter. This was the result of a meaningful increase in capital expenditures from the prior year and our working capital performance, which was somewhat below our expectations largely due to the timing. As you know, our annual cash flows are usually second half weighted, and we expect that to be again the case in 2019.

Lastly, before I turn to our segments, let me mention our balance sheet and recent financing, which was previously announced. In June, we executed a very successful financing. We completed an 8-year $500 million unsecured notes offering that was well-received and oversubscribed. This unsecured debt with a coupon rate of 5.75% is due in 2027. We also increased our revolving credit facility by $200 million and extended its maturity until 2024.

In total, I'm very pleased with our current capital structure. Our pro forma leverage ratio stands at 2x, and our balance sheet certainly provides us with ample flexibility to pursue growth.

So now please turn to Slide 4 and our Environmental segment. Segment revenues in the second quarter were essentially unchanged compared with the second quarter of 2018 after foreign exchange translation impacts. The negative revenue impact of FX was roughly $10 million, with exited contracts impacting us by a similar amount. Meanwhile, adjusted operating income totaled $29 million versus $33 million in the prior year period, and our adjusted operating income margin was just under 11%.

The year-on-year change in operating income was largely attributable to foreign exchange impacts, operating costs at a couple of our sites as well as lower Applied Products contributions. Within Applied Products, our Reed Minerals, Excell and Performix businesses each experienced lower profitability with the majority of this year-on-year change attributable to the impact of lower customer output and commodity prices related to Excell and Performix in North America.

Next, please turn to Slide 5 regarding our Rail segment, which had another strong quarter. Revenues and adjusted operating income increased more than 20%, and our segment operating income margin reached 13%. The improved profitability was due to higher demand for equipment primarily in North America and higher aftermarket sales, and these benefits were partially offset by higher commissions, SG&A investments and engineering costs.

Looking forward, the outlook for Harsco Rail remains positive and unchanged and is supported by strong underlying business activity. At the end of the quarter, our backlog, excluding the SBB amounts, remained above $200 million. This total was stable in the quarter and remains up nicely year-on-year.

Lastly, in Rail, our productivity improvement initiative is progressing well and on schedule. Our new facility addition in South Carolina is compete, and we're currently moving our equipment from the legacy plant in Michigan. Our remaining project spending will occur in the third quarter and the annualized savings of $7 million will begin to be realized in Q4.

Next, let me discuss our outlook for the year on Slide 6. Please note that these details include Harsco Industrial actuals for the first half of the year and Clean Earth outlook in the second half. As we indicated in our release, the cash earnings for these 2 segments in the second half is essentially awash. We see this as very positive and a bit better than indicated in May at the time of the acquisition announcement.

Further, our remaining Industrial businesses that are classified as Discontinued Operations, IKG and Patterson-Kelley, are not included in this guidance figure for the third and fourth quarters. So this latest outlook now excludes roughly $11 million to $12 million of earnings for the rest of 2019 that would have been previously included in our guidance.

For the year, adjusted operating income, which includes the Industrial segment for the first half, is now anticipated to be within a range of $215 million to $225 million. This guidance range has provided prior to acquisition-related amortization expense, which will total approximately $15 million this year and should grow in the future as we plan to be acquisitive.

I'm not going to work through all the details on this slide, although it's worth noting our free cash flow outlook. As mentioned earlier, our free cash flow will strengthen for the remainder of this year, and we expect our 2019 free cash flow to exceed $55 million. This forecast contemplates capital expenditures for the year of approximately $160 million, including $70 million of growth-related spending. To reiterate, we see this is as a very positive outlook particularly in light of the recent challenges within the steel industry, which appear to have touched bottom in recent weeks in the U.S.

Now turning to Slide 7 and our segment outlook. First, as stated earlier, our guidance for Rail is unchanged, revenues and adjusted operating income up 30% to 35%.

Secondly, we expect Clean Earth to realize strong growth in the second half. Revenue growth is anticipated to be in the high teens with its cash earnings growth even higher. The business, supported by favorable underlying business trends, will also benefit from new waste streams including medical materials, acquisitions completed in late 2018, new facilities and lower operating costs. Additionally, some new dredging projects will support results later in the year.

Lastly, on this slide, Harsco Environmental is now expected to see more modest year-on-year growth in earnings than previously expected. Our view on global steel output has been reduced to bit and commodity prices are lower as well. These factors impact overall service levels as well as our Excell and Performix operations in North America. We've also modestly trimmed our forecast for Altek due to the push out of some project work in the short term.

Let me conclude with our third quarter guidance on Slide 8. Q3 adjusted operating income before acquisition-related amortization is expected to range from $56 million to $61 million. Clean Earth is expected to see strong growth for the reasons I previously mentioned. Environmental is also expected to realize a year-on-year increase in adjusted earnings. Services demand and growth as well as lower operating and SG&A costs will lead to the improvement.

And for Rail, recall that the third quarter of 2018 was a very strong period for the business when its quarterly profitability reached a 5-plus-year record. Year-on-year lower aftermarket contributions, a less favorable mix and higher SG&A costs will contribute to a decrease in Q3 earnings for Rail. Also, to level set expectations, we anticipate Rail's Q3 profitability will be very similar to the just completed quarter.

So that concludes our prepared remarks. And I'll now turn the call back to Nora to open the line for questions.

QUESTIONS AND ANSWERS

Operator

(Operator Instructions) We have your first question comes from the line of Jeff Hammond of KeyBanc.

Jeffrey David Hammond - *KeyBanc Capital Markets Inc., Research Division - MD & Equity Research Analyst*

Can you hear me?

F. Nicholas Grasberger - *Harsco Corporation - Chairman President & CEO*

Yes.

Jeffrey David Hammond - *KeyBanc Capital Markets Inc., Research Division - MD & Equity Research Analyst*

Okay. Hey, just a couple of housekeeping items. First, on Environmental. Can you give us what the revenue impact was on FX and how much Altek contributed? I think you had at least the stub where it's kind of M&A revenue.

F. Nicholas Grasberger - *Harsco Corporation - Chairman President & CEO*

Pete, do you want to take that?

Peter Francis Minan - *Harsco Corporation - Senior VP & CFO*

Yes. So the FX impact was about $10 million negative, Jeff, for revenue and about $1 million on OI. And Altek was just about -- let's try for the quarter numbers for Altek. They were -- for the quarter, Dave, do you have the quarter in? It's going to be about 30 -- it's going to be about $25 million to $30 million for the full year, and the impact for this quarter was roughly proportional, Jeff.

Jeffrey David Hammond - *KeyBanc Capital Markets Inc., Research Division - MD & Equity Research Analyst*

Okay. Okay. And then just you explained the Applied Products. That seems to be maybe where you had the most severe mix. Is that lower -- just simply lower nickel prices? Or is there more to it than that? What are you seeing perceptively into the second half in terms of that business stabilizing?

F. Nicholas Grasberger - *Harsco Corporation - Chairman President & CEO*

Yes. So with respect Applied Products, the shortfall was almost entirely due to price. There was a very modest reduction of volume relative to expectations but really think about it in terms of price. In the second half of the year, we've seen at least in the past few weeks some strengthening of nickel prices and steel scrap prices. So we do expect there to be some recovery in Applied Products in the second half.

Jeffrey David Hammond - *KeyBanc Capital Markets Inc., Research Division - MD & Equity Research Analyst*

Okay. And then you mentioned the slower ramp of new contracts. So it looks like Altek, you're seeing some pushouts but also some of the new steel contracts are ramping slower. What's driving that?

F. Nicholas Grasberger - *Harsco Corporation - Chairman President & CEO*

I think it's mostly the environments. If you look at steel prices year-to-date, say, in North America and elsewhere, they're softer than I think people expected. So that tends to lead to prolonged, let's say, negotiations on contracts.

Jeffrey David Hammond - *KeyBanc Capital Markets Inc., Research Division - MD & Equity Research Analyst*

Okay. That's fair. Just shifting over to Rail. So you mentioned the profitability dynamic in 3Q, which I understand. Can you talk about like revenue cadence 3Q, 4Q? I mean it looks like year-to-date, you're up 18%. You're guiding 30% to 35%. Just want to understand how back-end loaded around the 4Q the Rail is.

F. Nicholas Grasberger - *Harsco Corporation - Chairman President & CEO*

Go ahead, Pete.

Peter Francis Minan - *Harsco Corporation - Senior VP & CFO*

Yes. It is going to be fourth quarter loaded predominately for revenue, Jeff. So we'll be up a good bit of revenue in Q3 but even more substantially in Q4, and that's really just a question of mostly mix. And as you recall, last year, we had exceptionally large third quarter. That exceptional quarter in 2017 was in the fourth quarter, and it will be again in 2019. This is what we experience in terms of the typical seasonality. But still for the full year, we'll be targeting 30% to 35% year-on-year increase.

Jeffrey David Hammond - *KeyBanc Capital Markets Inc., Research Division - MD & Equity Research Analyst*

Okay. And then just finally, on Clean Earth. It sounds like it's performing a little bit better than you had thought early on. Just talk about 2Q performance, what's particularly going better and then if you just give us a better sense of seasonality for the business as we kind of model it quarter-to-quarter.

F. Nicholas Grasberger - *Harsco Corporation - Chairman President & CEO*

You want to take that, Pete?

Peter Francis Minan - *Harsco Corporation - Senior VP & CFO*

Yes. Sure. So we can't say a whole lot about the second quarter results for Clean Earth. As you know, they're still at that time owned by a public company, which hasn't reported yet, but I will tell you that the results have been better than our previous expectations as we discussed during the May announcement.

The business is second half weighted, so we expect the second half to be better than the first half. And for the reasons I mentioned during my prepared remarks, the year-on-year increase is going to be substantial as well. So it's doing slightly better than what we anticipated back in May.

Jeffrey David Hammond - *KeyBanc Capital Markets Inc., Research Division - MD & Equity Research Analyst*

But the second half weighted, that's normal seasonality or that's acquisitions and other things coming in.

Peter Francis Minan - *Harsco Corporation - Senior VP & CFO*

It's -- well, in terms of this particular year, it's a combination of both. But discounting the acquisitions, the business itself tends to be back-end, more weighted toward the second half than the first half.

Jeffrey David Hammond - *KeyBanc Capital Markets Inc., Research Division - MD & Equity Research Analyst*

Okay. Congrats guys on all the moving pieces. I like the moves.

F. Nicholas Grasberger - *Harsco Corporation - Chairman President & CEO*

Thank you, Jeff.

Operator

Your next question comes from the line of Rob Brown of Lake Street Capital.

Robert Duncan Brown - *Lake Street Capital Markets, LLC, Research Division - Senior Research Analyst*

On the Clean Earth business, just wanted to understand the visibility there. As it steps up into the back half, do you have visibility that, that continues into '20? Or what degree is the visibility that you have? And then how do you see that growth playing out?

F. Nicholas Grasberger - *Harsco Corporation - Chairman President & CEO*

Yes. I think we are quite optimistic as we finish out '19 and go into '20, the degree of project work in dredge has stepped up. The acquisitions that were made last year, performing quite well. And there's some new hazardous materials that the Clean Earth is in a very strong position to process that they have not in the past. So in terms of pricing and volume and the ramp of acquisitions, I think all that goes quite well into 2020.

Robert Duncan Brown - *Lake Street Capital Markets, LLC, Research Division - Senior Research Analyst*

Okay. Good. Then shifting to the IKG and Patterson-Kelley sale, what's sort of the run rate in the EBITDA of those businesses? And what's sort of your view on timing of the sale?

F. Nicholas Grasberger - *Harsco Corporation - Chairman President & CEO*

Yes. The EBITDA on those businesses is in the low-20s, and we would expect those transactions to close late this year, perhaps early in 2020.

Robert Duncan Brown - *Lake Street Capital Markets, LLC, Research Division - Senior Research Analyst*

Okay. Okay. Good. And then maybe a little bit back to Altek. You had a customer fallout and a couple of moving pieces there. But how do you see that business at this point? Do you see that kind of coming back? Or do you see that as really running at a lower rate? And how do you sort of view that playing out into 2020?

F. Nicholas Grasberger - *Harsco Corporation - Chairman President & CEO*

To be clear, Rob, we've not had any customers turn down the technology. It's just a question of -- since it is quite new technology, I'm speaking of AluSalt, and quite differentiated from the legacy solution that these discussions are simply taking longer than we had initially expected, understanding that it was always difficult to predict the offtake of the technology kind of quarter-to-quarter. But the many, many discussions they were having, they're all quite positives. And I think I'll just add that initially we did not expect to really begin so soon discussing the technology with the potential Chinese customers. And that, to our surprise, has ramped up significantly.

So I think we're now viewing China as a very attractive market in the near term relative to the initial expectation. So I would say, overall, that the degree of enthusiasm and optimism for the Altek business is as high, if not higher, than it was when we bought the business, both the core of Altek as well as the AluSalt, the new technology for the aluminum industry.

Robert Duncan Brown - *Lake Street Capital Markets, LLC, Research Division - Senior Research Analyst*

Okay. Great. Last question on the balance sheet. You have kind of a good leverage ratio. You're going to generate some cash. What's sort of your uses of cash? And is buyback still part of the thinking here?

F. Nicholas Grasberger - *Harsco Corporation - Chairman President & CEO*

Yes, I think so. Just again, in order of priority, capital allocation, we look first to new growth contracts in Environmental. They are traditionally 20-plus percent return on capital, and we think our allocation methodology there is quite good. And so that would be the first use of, let's say, capital beyond maintenance capital spending. Technically, we talked about adding on to the Clean Earth platform through acquisition. We're very intent on doing that. The Clean Earth team has proven quite adaptive creating value from acquisitions in the past, and we would expect to continue that and I would say even larger acquisitions in that space than what Clean Earth has executed in the past.

There are some opportunities for technology-related bolt-on acquisitions in both Environmental and in Rail, and then I think I'd turn to share repurchase and debt reductions. So the program we have in place, the repurchase program, has been -- we've been somewhat quiet this year, I think understandably, given the transactions that we've been very focused on. But we certainly do expect over time to return capital to shareholders through that program.

Operator

You have a follow-up question from the line of Jeff Hammond of KeyBanc.

Jeffrey David Hammond - *KeyBanc Capital Markets Inc., Research Division - MD & Equity Research Analyst*

Just a few follow-ups here. One, can you give us -- it looks like you had contract exists as a negative. Can you just give us the net contract wins versus exits this quarter?

Peter Francis Minan - *Harsco Corporation - Senior VP & CFO*

Yes. I can answer that, Nick. The net effect on revenue for the quarter was essentially 0. So the revenue gain and revenue losses was offset roughly $10 million each way. The effect on operating income is just a slight negative, about $1 million. For the full year, we expect that trend to kind of continue, Jeff. The net change in revenue is going to be essentially 0. We expect to see a positive increase in operating income. It's ranging from like $3 million to $5 million for the full year from the trend.

Jeffrey David Hammond - *KeyBanc Capital Markets Inc., Research Division - MD & Equity Research Analyst*

Okay. And then can you give us amortization by segment for 2Q and on a full year basis as we kind of start to model this on an EBITA or cash EPS basis?

Peter Francis Minan - *Harsco Corporation - Senior VP & CFO*

Yes. We can get that to you right off the call, if it's okay, Jeff. We're going to break it to you. We'll give that to you by division and by phasing.

Jeffrey David Hammond - *KeyBanc Capital Markets Inc., Research Division - MD & Equity Research Analyst*

Okay. Great. And then just -- I want to look out to 2020 a little bit, and I know that's early. But you made some comments, Nick, on Clean Earth, so I think we covered that. Just kind of give us your -- what you're seeing from a quoting pipeline activity for Rail out to 2020. And then just with I think some announcements on new contracts in steel, some of the slower ramp, how should we be thinking about net contract wins into 2020 and kind of growth for that business?

F. Nicholas Grasberger - *Harsco Corporation - Chairman President & CEO*

Well, Jeff, we certainly expect pretty solid revenue and profit growth in both segments in 2020. Clearly in Environmental, we would expect a net positive impact of contract wins versus exits, and that number could be, probably should be larger than it has been in the past given the pipeline that we're looking at now.

Rail also has a very positive outlook, both in its core markets as well as outside the U.S. We've talked before about the SBB contract. I think we fully expect that successful technology to be leveraged in other markets. And so as you know, we typically execute our long-range planning process in the fall, and we can likely give you more color on 2020 in 2 or 3 months.

Jeffrey David Hammond - *KeyBanc Capital Markets Inc., Research Division - MD & Equity Research Analyst*

Okay. Great. And then just last one. I mean Clean Earth, Dave, clearly from your slide decks, they've been pretty acquisitive and I think the management team is staying on. How quickly do you think that team can --, flex your balance sheet and actually do deals in the pipeline? Or do you need some time to digest?

David Scott Martin - *Harsco Corporation - Director of IR*

That's a good question. And I fully believe that the team is ready to execute additional transactions. The integration activities are mostly oriented towards the administrative functions. And there's actually a quite large pipeline of businesses that we think would be attractive bolt-ons to Clean Earth that either are available or we expect to be available in the coming months. So I think you will in the next 6 to 12 months certainly see further activity from us in terms of acquisitions on the Clean Earth platform.

Operator

I would now like to turn the call back to Mr. Martin.

David Scott Martin - *Harsco Corporation - Director of IR*

Thank you, Nora, and thank you, everyone, for joining this call. A replay will be available later today through August 14, and the replay details are included in our earnings release. Also, please contact me with any follow-up questions.

Again, we appreciate your interest in Harsco and look forward to speaking with you in the future. Have a great day.

Operator

This concludes today's conference call. You may now all disconnect.