

# Corning profit rises in 3Q, but misses view

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In this Oct. 28, 2010 photo, a sales person at a Best Buy store demonstrates a Motorola Droid that uses Corning Inc., Gorilla (R) Glass in Buffalo, N.Y. Corning Inc. said Monday, Nov. 1, 2010, its profit jumped 22 percent in the third quarter but it missed Wall Street expectations on lower sales of glass for flat-panel televisions.(AP Photo/David Duprey)

(AP) -- Corning Inc. said Monday its profit jumped 22 percent in the third quarter but it missed Wall Street expectations on lower sales of glass for flat-panel televisions.

The world's largest maker of liquid-crystal-display glass said Monday its [net income](#) rose to \$785 million, or 50 cents per share, in the July-September period. That's up from \$643 million, or 41 cents, a year

earlier.

Excluding one-time items, however, adjusted earnings amounted to 51 cents a share - a penny short of Wall Street expectations.

Sales rose 8 percent to \$1.6 billion from \$1.48 billion. Analysts surveyed by Thomson Reuters expected revenue of \$1.61 billion.

Its shares fell 48 cents, or 2.6 percent, to \$17.80 in pre-market trading.

Sales in its display technologies segment fell 5 percent to \$643 million from \$679 million in last year's third quarter. LCD glass is Corning's biggest business by far, and the company commands nearly two-thirds of that market globally.

The glass pioneer had warned in September that LCD glass volume might slip about 5 percent from an unusually high plateau in the second quarter. But volume was down 8 percent as some Asian panel makers moderated production to avoid an inventory buildup.

Chief Executive Wendell Weeks that "while our LCD glass business adjusted with the supply chain correction that occurred in the third quarter, global retail demand for LCD products continued to show year-over-year growth in all markets other than televisions in the U.S."

DisplaySearch, a market-research firm based in Austin, Texas, estimates that 188 million LCD-TVs will be shipped worldwide in 2010, up 29 percent from 2009. But in North America, shipments are expected to edge up just 3.2 percent to 38.5 million in 2010.

Based in the western New York town of the same name, Corning also makes auto-pollution filters and is the world's largest producer of [optical fiber](#) and cable. It employs 24,500 people.

Propelled by Gorilla glass, a highly durable and nearly scratch-resistant cover glass now used in more than 200 consumer devices from cell phones to tablet computers, specialty materials sales surged 77 percent to \$159 million in the quarter.

Environmental technologies sales jumped 25 percent to \$208 million from \$167 million, driven by gains for auto-pollution filters.

Sales in Corning's telecommunications unit rose 3 percent to \$464 million on higher demand for fiber-to-the-home products in North America.

Life-sciences sales were unchanged at \$125 million, reflecting Corning's acquisition of Axygen BioScience Inc. as it shifts beyond a heavy focus on display glass. It bought the maker of plastic labware and liquid handling products for research labs for about \$400 million in September.

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