NEWARK, NY -- IEC Electronics' fiscal first-quarter net profits plunged 75% to $239,000 on problems with a customer ramp and a broad-based softening in demand.

Revenue for the period ended Dec. 28 fell 2.7% year-over-year to $33 million. Gross profit decreased to 14.3%, down 190 basis points from the prior year period.

The year-ago net income of $948,000 included $571,000 associated with the clawback arising from the company's acquisition of **Southern California Braiding** in December 2010.

On a Feb. 5 conference call with analysts, chairman and chief executive Barry Gilbert described the EMS company's first quarter results as "not good."

The results were affected by softening demand in the medical, industrial and communications sectors of about $8.3 million and an unexpected, major design delay in a new telecom customer product ramp. Those issues are now resolved, and IEC expects to recover the lost volume and then some over the balance of the year, Gilbert said, adding that the program could be worth as much as $10 million in revenue in fiscal 2013. The company's military and aerospace sales were up 65% or $4.7 million and compared favorably with previous periods.

During the quarter, IEC consolidated its cable operation in its Newark facility. The move from the Victor, NY, facility will save $200,000 in rent per year.

IEC lowered its fiscal 2013 growth forecast to 6% to 9% from 9% to 14%, citing continuing softness in the industrial sector.