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## Sourcefire, Inc. Q2 2008 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator Instructions) Our first question comes from Nick Selby - The 451 Group.

#### Nick Selby - The 451 Group

I just have a question, if you could break out a little more specifically the cost of the transition. Am I looking at, was it \$386,000 plus \$450,000? I am looking now at transition cost and I see some other higher numbers.

#### Todd Headley

The \$450,000 is an expense that you are going to see in our Q3 results. The \$386,000 to get to our adjusted net loss is a result of costs incurred during Q2 in the transition from Wayne to John. So those are mutually exclusive.

#### Nick Selby - The 451 Group

And then, during the first six months, I know, I am trying to get a total to date.

#### Todd Headley

Total to date in the first quarter, I believe we had expenses of somewhere around \$350,000 due to the transition, mostly associated with the severance package for our former CEO.

#### Operator

Our next question comes from Matt Hedberg - RBC Capital Markets.

#### Matt Hedberg - RBC Capital Markets

First of all, congratulations, John, on your first few weeks there on the job and I guess the first question for you is, given Citrix's channel strategy and program and obviously well regarded, obviously you guys announced the new EMEA channel program. Is there anything else that you are going to be targeting here over the next several quarters to sort of from the lessons learned at Citrix?

#### John Burris

I think there is a huge upside here to leverage our channel partners that we have and the ones that we are going to recruit. I think there is a big difference in fulfilling and value-added selling and we want to really concentrate on knowledge transfer to our partners to really get them to be able to do an end-to-end transaction by themselves without any support from Sourcefire that is truly leveraged. Tom McDonough and I are going to concentrate on really trying to focus on leverage with our partners. And there is nothing wrong with partner fulfilling but if you can get them to be comfortable

and really invest in your Company and sell the product themselves, I mean, it is amazing what can happen.

And so, we are going to really concentrate, particularly outside the U.S., where we are really just scratching the surfaces, really just getting started, building more of that kind of model here. And I have a lot of background on that. I have got a lot of experience of what not to do so we are going to be really careful about what we are going to do here and not give up any of the gains that we already have with the go-to-market that we have right now.

**Matt Hedberg - RBC Capital Markets**

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