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SupportSoft Inc. Q2 2008 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instruction). Your first question comes from the line of Jon Maietta from Needham & Company. You may proceed.

Jon Maietta - Needham & Company

Thanks very much. Josh, I was wondering if you could help us with the partners that you signed pilots with the two retailers. Could you help us in terms of maybe number of stores, some metrics to help us kind of gauge size?

Josh Pickus

Sure. What I can tell you is that both of them sell more PCs than Office Depot does, so we think that they are meaningful. I don't want to provide any more color, that would allow them to be identified, because both partners have indicated to us pretty plainly that until we're in market they don't want it discussed, but we do see both of them in terms of their potential as being major opportunities.

Jon Maietta - Needham & Company

Got you. That's helpful. Okay. And then you had mentioned significantly increase in the number of at home agents. Could you help us there, are you looking for double the number of agents or --?

Josh Pickus

I don't know if we'll quite get to double, but we do think the increase will be substantial. There are two things going on. One is the Office Depot rollout is continuing, and those volumes are going up quite significantly, so there is a substantial amount of addition that we need to do for that. In addition, the two pilots require staffing, and there are a number of things that were not quite announceable today, that could require us to staff up. So I don't want to give a specific number other than to say we do expect a meaningful increase from where we are today over the course of this quarter.

Jon Maietta - Needham & Company

Okay. And then just the final question. Given that it is a challenging economic environment, could you talk about maybe the economy's impact on the Enterprise business, could you just talk about expecting consistent performance in Q3, but any change in pipeline activity or anything like that on the Enterprise side?

Josh Pickus

I'm pleased to say that, so far this year, we really haven't seen it. Q2 was not a particularly non-linear quarter. In fact, it was a little bit better in terms of linearity than we were used to. Q3 has started off with some important business done early in the quarter. So there's always risk in a business that depends on perpetual license, but we're not seeing any degradation, and I can't really comment on the future because, as you well know, it's a pretty changing environment out there, but so far, so good.

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