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Perot Systems Corp. Q2 2008 Earnings Call Transcript

Question-and-Answer Session

Operator

This concludes the formal portion of the conference call a question-and-answer session will now be conducted. [Operator Instructions].

The first question is from Rod Bourgeois with Stanford Bernstein.

Rod Bourgeois

Yes, Rod Bourgeois here. Hey good morning.

Peter Altabef

Good morning.

Rod Bourgeois

A two part question on the demand front, so it sounds like you're experiencing solid add on work it looks like you've actually had growth in that add on work category, I was wondering if you could give us some specifics on what is helping growth in your add on work, and specifically in the commercial and in the healthcare units that would be very helpful. And then the second part of the question on demand is, can you just give us an update on what's happening in the larger outsourcing deal pipeline in the healthcare vertical, is that starting - is that continuing to look a little better or we still in a bit of an uncertainty particularly as we approach the election? So, first add on work, and second large deal healthcare market?

Peter Altabef

On the add on work question Rod, that is one obviously for the last two quarters has been consistent issue about project work. I would say to you that add on work is broadbased, there are some areas where I wish it was stronger, for instance, on the add on work in healthcare consulting in particular there is not as much work there as I would have expected and we would have hoped, and I think that is an area where the economy is hitting some of the healthcare providers in their discretionary patterns, other than in healthcare consulting, I think the add on work that we've had has been pretty broad based.

With respect to the pipeline and looking at it and seeing where its headed, your second question, I would say it is also changing, I would tell its changing for the positive so that the last quarters we have been pretty cautious for instance about the healthcare pipeline. I think the healthcare pipeline

is looking better than it has in the last two quarters, it is certainly than it has been, many more deals, more life stage deal, more activity, and as I mentioned in my remarks that activity is really across the board whether that's in some larger deal work, the small-to-medium hospital work, the physician work, the international work as well as the government work that we've got really is broad-based, I wish we have been selected for some work internationally in the Mideast which is continuing to expand our international footprint and we are very excited about those opportunities.

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