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NIC Inc. Q4 2007 Earnings Call Transcript

Question-and-Answer Session

Operator

Thank you. (Operator Instructions) One moment please for the first question. Our first questions comes from the line of Paul Kaump with Northland Securities. Please go ahead.

Paul Kaump

Good afternoon ladies and gentleman and Harry congratulations on your appointment.

Harry H. Herington

Thank you Paul.

Paul Kaump

Couple questions for you. Non-DMV growth on same state basis look liked it slipped back a little bit from the run rate you were realizing in the first three quarters. Is there anything specific going on there or is it just a nuance of the business, something seasonal? The second question then is what should we be expecting for fiscal 2008 for non-DMV?

Harry H. Herington

I will take the first part and I'll let Steve handle the second part. It's seasonal, as we've stated previously fourth quarter, when you look at our business you have to look at the number of business days there are. And fourth quarter with Thanksgiving, with Christmas, with New Years, and the other holidays it's just there's not as many business days so it's just a seasonal thing we see every year. And for the second part of the question I'll send that to Steve.

Stephen M. Kovzan

Sure Paul. You know in terms of next year. This year we had a spectacular year in terms of same state revenue growth and if you might recall, I think we ended up the year up 15%. And you might recall that we were the beneficiary of some price increases in the DMV side of the house that went into place in late 2006 that positively impacted us throughout the year. We don't expect that same level of impact on the same state basis. More specifically to your question in terms of non-state DMV growth yes I think you'll see much stronger growth in 2008 than what you saw certainly in the 25% plus range in 2008.

Paul Kaump

Okay and in your prepared remarks Harry you mentioned 1700 unique egov services. If I recall that number you used was 2000 or in excess of 2000. Did you guys lose some applications or are you counting them differently?

Harry H. Herington

We're counting them differently. What we're looking at is sometimes you'll have a licensing application and you might have difference versions of the same licensing application that serve different purposes and just for consistency we've tried to move some of those together.

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