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Stamps.com Q4 2007 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions) We will go to George Sutton at Craig-Hallum Capital Group.

George Sutton – Craig-Hallum Capital Group

I wanted to specifically focus on a couple of things you said earlier in the call. On the multi-user capability you mentioned that you would begin to aggressively market that and on the enterprise business you mentioned that you were going to ramp efforts. Can you just quantify in terms of dollars or in terms of people involved how exactly you're going to be focused on growing those segments.

Kenneth McBride

Sure. In terms of multi-user, as we mentioned during the prepared remarks it's really kind of a couple of things. One, is within our existing base to the extent that there's multi-user candidates out there that are using the single-user capability, we're obviously going to be out there marketing aggressively to get them to move up to the higher price point, more capable multi-user product. Traditionally, we haven't had this capability so we believe that most of the customers that have come into our service and outgrown us from a user perspective have moved on so we're not exactly sure how to quantify the possibility of the up sell. But, the second thing is just in terms of looking at the overall market size we do believe the multi-user single location, multi-location small businesses are a significant number that we haven't been able to really address previously. If you kind of look at some of the market data we've sort of expressed that we think there is sort of 18 going to 25 million in total locations out there that are now candidates versus what our previous capability offered.

George Sutton – Craig-Hallum Capital Group

There was no sense in terms of number of sales people, quotas, anything like that you could provide?

Kenneth McBride

Yeah. I mean on the enterprise, we're working and continue to aggressively pursue on both the marketing as well as the sales front. We were pleased with our results in 2007 on how that worked and we're going to be doing a lot of changes and improvements to the products here in 2008, we mentioned those during the prepared remarks. With version 1.0 coming out this quarter of enterprise where it's really kind of our first true ability to provide a command and control system for an administrator for a enterprise situation. We'll also be offering a lot of additional payment options that we don't offer today and then more capabilities in the second half of the year scheduled with version

2.0 of enterprise. So, we have a lot of stuff coming out this year that we think will help lift the sales effort on enterprise overall.

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