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InnerWorkings Q3 2007 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions) And we will take our first question today from George Sutton, Craig-Hallum.

George Sutton - Craig-Hallum Capital

Hi, guys. Nice quarter. My first question is for Eric. Eric, obviously when you bought Brown+Partners there were some very good national brands that you were able to bring in, where you would do the work for their headquarters business. I'm curious if that would also be the case for the Dallas and Minneapolis acquisitions, and if you can give us any sense there?

Eric Belcher

The short answer is yes, it is the case in both Dallas and Minneapolis. Those are markets that have a substantial number of Fortune 1000 clients in the environs and the two companies that we've now partnered with in those two markets due to work on behalf of large Fortune 1000 clients. So, as with Philadelphia, yes, the plan is to help those companies in Dallas and Minneapolis growth with our combined resources.

George Sutton - Craig-Hallum Capital

Now you mentioned that won five new enterprise accounts, could you discuss quality, size, depth and breadth of those wins? Obviously, all enterprises are equal.

Steve Zuccarini

No. This is Steve, George. You are absolutely right. The five, as I mentioned two of them were conversions from transactional. So we quadrupled the base business on both of those, as we talked about the size of these deals in the early years were in the \$1 million to \$3 million range. Now they're venturing anywhere from \$4 million to \$10 million range. So, again we don't get into specific numbers, but we are starting to see much larger opportunities on the horizon with these new enterprise engagements.

George Sutton - Craig-Hallum Capital

Lastly, using your own numbers, you talk about the \$130 billion to \$140 billion size market. Are you seeing much of an increase in anyone coming up with a competitive plan that you would view as someone you compete with regularly?

Steve Zuccarini

As we mentioned, we still primarily compete with printers who have direct sales forces. I have mentioned to most of you that there is another company that's come in Europe called Williams Lea. But really, there is no one out there that has the full suite of services in the procurement technology that we bring in the market today.

George Sutton - Craig-Hallum Capital

Thanks guys. Nice quarter.

Steve Zuccarini

Thank you.

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