

The logo for Seeking Alpha, with the text 'Seeking Alpha' in white and a gold Greek letter alpha symbol to the right, all on a dark red background.

Tucows Q1 2007 Earnings Call Transcript

Question-and-Answer Session

Operator

Thank you. Ladies and gentlemen, we will now conduct the question and answer session. (Operator Instructions). One moment for your first question. Your first question comes from Thanos Moschopoulos of BMO Capital Market. Please go ahead.

Thanos Moschopoulos - BMO Capital Market

Hi good afternoon.

Elliot Noss

Hi, Thanos.

Thanos Moschopoulos - BMO Capital Market

Hi, Elliot. It's regarding the Nitido relationship. I just want to dig down a bit more there. Is this one-time licensing fee you're paying? Is this subject to the volumes you are doing? How does that work?

Elliot Noss

This is a one-time licensing fee as well as a small ongoing royalty.

Thanos Moschopoulos - BMO Capital Market

Okay. Not significant enough there, really have to worry about it from a margin perspective?

Elliot Noss

No, it doesn't impact our go-to-marketability at all.

Thanos Moschopoulos - BMO Capital Market

Okay. And could you actually spell Nitido? I was having difficulty --

Elliot Noss

Nitido. It's actually a Spanish word.

Thanos Moschopoulos - BMO Capital Market

Okay. And just to clarify. You said the integration there is complete and you're not going to market with that combined offering?

Elliot Noss

That's right. In the month of May, that will be coming up.

Thanos Moschopoulos - BMO Capital Market

Okay. Any specific features that will -- so this is being on par with some of the other services or are there specific features that would perhaps take you ahead of those, in your view?

Elliot Noss

First and most importantly, I think it's a fantastic webmail experience. We've now started to use that webmail internally on top of the new infrastructure we built. And, I would tell you that the early kitchen table tests are extremely positive.

In terms of going beyond, some of the things that you've seen from a lot of the big folks, that I generally mentioned, I do think that there is really interesting treatment of video and image files that, it's a matter of taste but it's better than anything that I've seen. I look forward to showing you some of that. But I think that really, where we want to step out and differentiate is now over the coming quarters where our view of webmail as desktop will really start to become more evident.

Thanos Moschopoulos - BMO Capital Market

Okay. On the NetIdentity side, you said that the customer attention there has been good. Can we assume over 80% range or --?

Copyright © 2008 CNET Networks, Inc. All Rights Reserved.