

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

## Forrester Research Q3 2008 Earnings Call Transcript

### Question-and-Answer Session

---

#### Operator

(Operator Instructions). Your first question comes from the line of Laura Lederman – William Blair & Company.

#### Laura Lederman – William Blair & Company

I wanted to start off by asking about any signs of economic weakness that you've detected, any vertical markets, any geographies? We're hearing from the Microsofts and the [SAP]s of the world. Obviously they're a lot larger than you are and very, you know, selling different products and services that you do. But did you detect any signs at all even at the end of September when things got so strained for a lot of companies?

#### Charles Rutstein

Couple comments, I'll give you generally here. First off, we did not see material differences in any of the segments in which we play, nor any of the vertical industries in which we play. So despite what we saw on the news, what all of us read, there was no material difference in the performance, for example, in the financial services sector, for us versus others.

I will say it is a more challenging environment from a sales perspective. We continue to see longer sale cycles than we saw certainly a year ago. We see a requirement for more signatures than we saw a year ago. We're seeking to run the business to accommodate that need, building larger pipelines, with larger coverage, for example. But ultimately what we're seeking to do, of course, is drive relevance, as George noted, both in good times and in bad. So the research that we're writing hopefully is meeting with receptive ears.

#### Laura Lederman – William Blair & Company

You mentioned that the sales cycles are longer versus a year ago. What about sequentially?

#### Charles Rutstein

I think only modest change if any in the quarter or versus Q2.

#### Laura Lederman – William Blair & Company

Okay, moving along, can you talk a little bit about pricing? You mentioned sales cycle a little longer. Are your customers any more price sensitive or are they pretty much not balking at all? In other words, what I'm trying to get at is discounting.

**Charles Rutstein**

Yes. I would say discount rates have not materially moved either, either sequentially or year on year. You may recall, [Laura], that we did not do a price increase at mid-year this year. We are in the midst of perhaps one of the biggest looks at pricing and packaging that we've done in many years. And as we said on the last call we anticipate making some changes there in 2009. We are focused on discounting, which I think it's at the heart of your question, and I think we're making good progress there.

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