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SupportSoft Inc. Q3 2008 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator instructions) Our first question comes from the line of Jon Maietta of Needham & Company. Please proceed.

Jon Maietta – Needham & Company

Josh, the first question I had was with regard to the Office Depot rollout, and may be too early, but how much does Office Depot's store performance, sales performance in each store? How strongly does that correlate to what you're seeing with Tech Depot, or do you not just have enough data points at this point?

Josh Pickus

I don't have a lot of insights to the correlation between overall sales per store and Tech Depot services performance. What I do know is that across the chain, as OD indicated in their call earlier this morning, the Tech Depot services is a very real bright spot and for that reason, it's getting a lot of attention and we're very encouraged by that.

Jon Maietta – Needham & Company

Got it, okay and then in their call this morning, they also mentioned rolling out Tech Depot to Europe. I think it was France and Germany. How could that potentially impact you as you move into 2009?

Josh Pickus

We think that will add to the opportunity for Office Depot. We are going to do the international piece with them. We were hoping to do that on the last call and since then that's firmed up. Exactly what countries they go into when is still a bit under discussion within OD and the other thing to note is much of what they do internationally they do through online sales.

In fact, when they talk about Tech Depot for Europe, they're often talking about an online presence they have that's been very effective for them. So we do expect to do that. We're very excited about the way in which that can expand the opportunity and we expect it to begin to become present in the beginning of 2009, but not in Q4 of this year.

Jon Maietta – Needham & Company

Got you, okay; and just the last question Josh, on the enterprise side; what are you seeing there in terms of demand from the DSP community?

Josh Pickus

The DSP community so far, appears to be taking very hard looks at all their spending, but in the end, going on and proceeding with purchases that you would have expected them to make. It's a funny quarter to give guidance in, because so far in the quarter, things have been fairly encouraging and things are moving in the way I would hope they would.

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