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## I2 Technologies Q4 2008 Earnings Call Transcript

### Question-and-Answer Session

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**Operator**

(Operator's Instructions) Our first question will come from the line of Mr. James Friedman. Please go ahead.

**James Friedman – Susquehanna Financial**

Hi, and thank you for taking my question. Maybe it was just me or others on the call, but I couldn't get on until late. Jack, could I trouble to at least repeat what you had said with regard to the kind of extraordinary impact to the bookings number? I guess one was economic and one was obviously M&A related?

**Jackson L. Wilson, Jr.**

I'm not exactly sure what you're asking. There were two factors, I think, on our bookings that I related to. One is our view that there was some deferral of our customers waiting to see what a joint product plan would like from a JDA/i2 organization. And the second was the macroeconomic factors that begin to bear in our customers in the second half of '08.

**James Friedman – Susquehanna Financial**

And being that one of those is no longer at issue, but the other is kind of persistent, how would you decompose those relative to the kind of fundamental business that you're on?

**Jackson L. Wilson, Jr.**

Well, I think obviously as this quarter goes by, I mean I did report — you may have missed, I did report a rather significant booking early in January of a customer we have been working with and was deferring its decision through Q3, Q4. That is one data point that is a referral that does come in post the clarification with where we are with JDA.

The other overhang that we have a much harder time getting a read on is the impact on all of our customers from the economic situation they're in. They're all in a cost containment mode, they're all in a convert their CapEx to OpEx, and they're in a cost reduction mode across the board.

So for us, that is the biggest overhang. It's hard to judge. We'll know more as we go through Q1 how much of the deferred demand we actually see in bookings in Q1 and we couldn't predict that at this point.

**James Friedman – Susquehanna Financial**

Okay. I apologize to have had to ask you to repeat that. And then with regard to the use of funds for the company, and this part I did hear — you had alluded first to potentially reinvesting in the product portfolio of the company. Could you share with us what types of products you think customers are looking for?

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