

The logo for Seeking Alpha, with the text 'Seeking Alpha' in white and a Greek letter alpha (α) in orange, all on a dark red background.

Acme Packet, Inc. Q4 2008 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions) Your first call comes from Paul Silverstein – Credit Suisse.

Paul Silverstein – Credit Suisse

Andy, I appreciate the annual guidance. Can you tell us what you're expecting for the first quarter in terms of a base for your view of the year?

Andy Ory

There is seasonality in our business. I think the way we're looking at the first quarter is roughly flat.

Paul Silverstein – Credit Suisse

That's informed by what you're hearing from your customers, your pipeline, just your general sense? How much visibility do you have right now?

Andy Ory

You know that we embarked on a program. On August 7 call we talked about wanting to try and build visibility into our business and I do feel that we've been able to do that to some extent. I think we did also sit down and talk to our entire field sales organization one by one in the middle of January and asked them to give us a pretty exhaustive review.

They then went out and began selling activity in the second half of January and we feel this is a reasonable target for the company to have.

Paul Silverstein – Credit Suisse

Just to clarify, right now the numbers aren't far different from what March '08 and December '08. When you say flat you obviously say flat over December.

Andy Ory

That's correct.

Paul Silverstein – Credit Suisse

You gave us some nice information in terms of your \$1 million, over \$10 million, but can you tell us, if you looked at your top five, ten customers, I don't know how you want to cut the data, but can you give us some sense for how much of the revenues generated. You broke out your 10% customers but give us some sense for what the top five or top ten would be as a percentage of total.

Andy Ory

You're asking the top five end user customers?

Paul Silverstein – Credit Suisse

Top five, top ten, whatever you want to give us.

Andy Ory

Let me say this. It does get a little confusing because we break out Alcatel Lucent and Nokia Siemens as our two greater than 10% customers and Sprint, and Spring is really the only end user customer represented there.

Some people do ask about customer concentration. One of the things we wanted to do is show you the breadth of customers we dealt with, our end user customers in Q4 and throughout the year because we really think that we don't have significant customer concentration.

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