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## SupportSoft Inc. Q4 2008 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator Instructions) We'll take our first question from John Maietta – Needham & Company.

#### Jon Maietta – Needham & Company

Josh, just to be clear, the goal is to kind of work toward profitability in the Consumer business over the course of '09 or it's to actually achieve it at some point?

#### Josh Pickus

We do not expect the Consumer business overall to be profitable in 2009. Our real focus is on significant improvements in gross margin in the Consumer business, and we do expect to achieve those improvements and to get into positive territory on gross margin, but we're not saying anything about getting to full profitability for Consumer in 2009.

#### Jon Maietta – Needham & Company

Okay, and then so it sounds like volumes picked up quite a bit on the consumer side. Could you maybe grade yourself as to how you think you guys executed in terms of delivering that service?

#### Josh Pickus

Yes, I would say that I'm really beginning to see the kind of improvements that we've been working to for a while. They're not fully visible yet, but we're really beginning to see them, and I'm seeing two distinct things; number one, in the technology area we have automated increasing parts of the simple services, what we call factory skews, and we are steadily reducing the handle time for those skews.

We are not all the way to our target, but I have a lot of confidence that over the course of this year, through that technology innovation, we're going to meet and then beat our scope handle times in those services.

The second thing I'm seeing is that we've really got a full and expert call center management team in place, and they've now had a few months to really work with the agents to begin to drive productivity improvements, and much of this is quite straightforward. It's setting baselines and making sure everybody on the team knows where they stand with respect to them. It's optimizing staffing so that supervisors and agents have better communication.

It's a hundred things of that nature and what I'm really beginning to see is that the overall productivity in any period, whether it's an hour, a day or a week, of the agents, is improving. So again, we're not all the way there, but there's really detectable increase and I believe we'll see more and that's why I'm confident in saying that we're going to get our gross margin from the negative territory it's been in, to the positive territory it needs to be to drive the ultimate profitability of the business.

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