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## Extreme Networks F3Q09 (Qtr End 3/29/09) Earnings Call Transcript

### Question-and-Answer Session

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**Operator**

Thank you, sir. (Operator Instructions). And our first question comes from the line of Rohit Chopra from Wedbush Morgan Securities. Please go ahead.

**Unidentified Analyst**

Hi Karen, hi Mark. This is Sanjit (ph) for Rohit Chopra.

**Mark Canepa**

Hi, how are you doing?

**Unidentified Analyst**

Very good thanks. Let's talk first about Europe and what's going on there. I think Eastern Telco was an area of strength. And can just may be maybe talk about what the dynamics for Eastern European service providers?

**Mark Canepa**

Sure. Well Eastern Europe is not at monolithic block and certainly, as you know with the capital flow is flowing from Eastern Europe to west -- back into Western Europe. There is certainly some pressure on the Eastern European companies in general to raise sufficient capital.

However, our current incumbence are continuing with their network deployments. I spoke about of T-Com Croatia for example, they were one of the recipients of the BlackDiamond 20K product and so we are actually very excited about augmenting their network deployment.

I personally went and visited exaggerate (ph) Croatia Telecom just last month and had a very positive meeting with them. So, a number of them are continuing our business, for example in Russia, there's a lot of deployments even that are taking place there. So, in our base, obviously people are careful, but we see continuation of the business. That said, we're being cautious and we know that even our customers aren't totally immune from the overall environment. And so, we continue to watch this thing carefully and see how the situation in Eastern Europe develops.

**Unidentified Analyst**

Got it. A couple of more questions. I think in your prepared remarks, you talked about may be some pricing pressure or intensifying competitive environment.

**Mark Canepa**

Yeah.

**Unidentified Analyst**

Well -- is that coming from larger players or there is more with smaller guys?

**Mark Canepa**

Well, if you look at any particular deal, most of the time there is not a smaller player that's competing against us. The competition is really would be with Cisco. And so it's a function of the dynamics of -- is there an account that there are big deal for Cisco to want it to save it or not and things of that nature.

But in general, we see the customers themselves are -- their budgets are being cut, and they're much more careful and so in general, you have to look at the overall environment that's taking place out there and how we need to respond to it. Certainly, we're out there with competitive products and we want to be successful with our customers and so where necessary, we get aggressive to win the business.

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