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Informatica Q1 2009 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions). Our first question comes from the line of Tom Ernst of Deutsche Bank.

Thomas Ernst - Deutsche Bank

Good afternoon. Thank you for taking my question, apologize for the background noise.

Sohaib Abbasi

Hi, Tom.

Earl Fry

Hi, Tom.

Thomas Ernst - Deutsche Bank

You've talked here about lately last few quarters about a high level of the business coming from repeat customers, and you've also told us about your focus on integration competency centers and helping the customers organize those.

How... do you have a sense for how much of the customers' purchases or the key customers' purchases are in fact by extra competency centers versus how many are kind of new projects by divisional units that are sort of a new engagement each time?

Sohaib Abbasi

Thanks for the question, Tom. We have enjoyed a very high percent our business coming from existing customers and that is a great testament to the success that they have already obtained with Informatica in a variety of projects. Our customers are increasingly using Informatica for operational data integration projects in these days typically associated with operational efficiency. I sighted one of the examples, Amtrak that is driving operational efficiencies by modernizing their systems. They are using Informatica. There are several such other examples.

Given the macro economic environment, our customers are making decisions to standardize on Informatica, but typically they are also looking at specific projects that need to be funded that are very time critical. And as we've commented in the past and it's reflected in some of the very large deal metrics, there were fewer deals of over \$1 million and yet we had a record number of first quarter

deals over \$300,000 and that is a measure that our customers are using it selectively for specific projects that are associated with their top business imperatives.

Thank you, Tom.

Earl Fry

And you see Tom, as the increased usage of Informatica outside of the core warehousing market; and those trends, in specific, continue to be very strong, kind of up into the right. So I think that's another indicator of how customers are continuing to standardize around our integration technology.

Operator

Your next question comes from the line of Tom Roderick, Thomas Weisel Partners.

Tom Roderick - Thomas Weisel Partners

Thanks and good afternoon. Sohaib and Earl, I was hoping you could perhaps add some commentary around the linearity and the flow of business throughout the quarter. So in other words, did you see the environment improve as you got into the back of the quarter and were closed rates consistent with your expectations? And then if you could just add some commentary around the pipeline, it seems like you're getting more bullish on the business in North America and Latin America. So just some commentary on the pipeline would be helpful? Thank you.

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