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## Synchronoss Technologies Q1 2009 Earnings Call Transcript

### Question-and-Answer Session

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**Operator**

(Operator Instructions). And your first question comes from the line of Tom Roderick with Thomas Weisel Partners. Please proceed.

**Unidentified Analyst**

Sure. Hey guys this is Gordon Hodge (ph) on line for Tom. Nice job on the quarter, first of all.

**Lawrence Irving**

Hey Gord (ph). How are you?

**Unidentified Analyst**

Good, good how are you guys?

**Stephen Waldis**

Good-good.

**Unidentified Analyst**

I had a question with regards to some of these newer devices, these OEM relationships in particular. With regards to Brightpoint how are you really able to penetrate in their carrier that you don't have no prior relationship with T-Mobile would be a good example of that. If you don't have the infrastructure there can talk about; a, how you get in there, how much work is required and what the initial margin for the product (ph) might look like?

**Stephen Waldis**

Sure. Let me try and answer the first part of the section. In terms of the Brightpoint relationship what has been successful for us is they provide obviously the complete outsource logistics for all these devices. And so by working with Brightpoint we're able to establish relationships directly into the service providers that they support today.

And, once we do that it's very similar to an arrangement that standardizes the process of transaction management through these channels. And, so the nice part about that relationship is not only does that help us get to a lot of these devices on an indirect level, but it also allow us to be able to do a

repeatable transaction that has a tendency to be automated a lot higher out of the gate. So obviously in the long term that has a positive margin contribution.

**Unidentified Analyst**

Okay. And, that makes perfect sense actually. And then with regards to some of these other these, sort of these two new providers you're going to market with, where you might not have a previous relationship with the provider. How do you -- what's the margin profile like in that example?

**Stephen Waldis**

Well, there is if there is a degree of on-boarding of these new devices where you essentially are working with that device manufacturer to get their particular device connected into your platform. But, I think again once you get through the typical on-boarding process, the margin profile again has an opportunity for us, because when you look at these device guides they don't necessarily one of the value they would bring to the table is they would write they'd like to write one interface, into their either the system or their online channel and allow Synchronoss to manage that flow across multiple carriers, and that's really the big benefit for them.

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