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Insight enterprises, Inc. Q1 2009 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions) Your first question comes from Matthew Sheerin - Thomas Weisel Partners.

Matthew Sheerin - Thomas Weisel Partners

Rich, your commentary on the demand front, it sounds like you are talking about more stabilized order trends in March and that continuing into April and certainly several competitors and distributors have said the same thing. Are you seeing a return to seasonality in most of your businesses or just kind of flat here and you're not sure yet whether there's real seasonal trends kicking in?

Rich Fennessy

I think it just flattened out in March and turned into April. Now I think there are going to be seasonal trends relative to aspects of the business. For example our software business, which as you know, has a stronger seasonal second quarter and fourth quarter versus what we would see typically in the first quarter and third quarter.

Matthew Sheerin - Thomas Weisel Partners

And it sounds like your expectations for hardware are still subdued.

Rich Fennessy

Yes, I think the hardware demand environment throughout the year, our expectation right now will be relatively flat from what we're seeing in March and April. I don't think it's got the trend downward that we saw in April and February. My point was that we see that now leveling off and our expectation is that it play out roughly flat from what we saw in March and April throughout the rest of the year.

Matthew Sheerin - Thomas Weisel Partners

And then, in terms of your guidance for the year, which I appreciate is probably hard to do at this point, you gave us sort of bottom line expectations, but what do you need to do whether the revenue range, gross margin, op ex kind of range to get to that \$.80 to \$0.87?

Rich Fennessy

As you said, obviously it is challenging to give guidance in the environment that we've been in over the last several quarters, but in the interest of transparency to our investors we felt it important to give

our best view based on the factors that we see today inside of our business as well as the market in total, so hence the guidance that was laid out there, which is as you know, is relatively consistent with the guidance, it's actually pretty much the exact same, as the guidance on our last call.

And obviously what we've seen since the last call is a much softer January and February so hence we had to get very aggressive from a cost action perspective to go offset that to still be able to maintain the guidance that we put out there.

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