

The logo for Seeking Alpha, with the text 'Seeking Alpha' in white and a gold Greek letter alpha symbol to the right, all on a dark red background.

## Aruba Networks, Inc. F3Q09 (Qtr End 04/30/09) Earnings Call Transcript

### Question-and-Answer Session

---

#### Operator

(Operator Instructions) Your first question comes from Mark Sue – RBC Capital Markets.

#### Mark Sue – RBC Capital Markets

Maybe some further comments on the month of May which followed a strong April, maybe comments just on overall pipeline and how you feel deal sizes and closure rates and also whether or not we should expect a return to normal linearity for the July quarter?

#### Dominic P. Orr

As we pick up momentum in April in terms of bookings we also picked up momentum in terms of the building of the pipeline and off our pipeline if you could recall about a year ago kind of understanding the softness of the enterprise market coming, we announced that we were going to focus our market development and lead generation effort in to the government, healthcare and education market. I'm actually very happy to report that part of the strength for April and also in our pipeline is a significant increase of such opportunities.

All in all we have very strong momentum in terms of our pipeline and obviously we're going to moderate it with the caution that is applicable for the general macroeconomic environment where the procurement cycle could be lengthened and procurement can come in phases and all that.

#### Mark Sue – RBC Capital Markets

Dominic maybe if you could share with us the moving parts whether it relates to whether you might come in at the low end of your guidance or the high end? Also, the thought that you're tightening the range, what are you pointing to there in terms of how we should be thinking about the guidance going forward?

#### Dominic P. Orr

The way I am thinking about the pipeline is that I feel the government, healthcare, education deals worldwide we have a better handle on the closing dates. On the other market segments we're focusing on design wins and that would be whatever times that the procurement ends when the project lands, when the budget is there is really somewhat beyond our control. The tightening of the ranges is somewhat reflective of our rapidly increased proportion of the government, healthcare, education sector, the pipeline in those sectors.

**Operator**

Your next question comes from Jeffrey Kvaal – Barclays Capital Market.

**Jeffrey Kvaal – Barclays Capital Market**

Dominic of the enterprise based checks or networking checks that we've had over the course of the past few months, you folks are the first to really indicate that you've seen a bit of an uptick in the market. Why do you suppose that is? Is it a function of markets or is it your particular product set? Any thoughts that you may be able to share would be helpful.

Copyright © 2009 CBS Interactive, Inc. All Rights Reserved.