

The logo for Seeking Alpha, with the text 'Seeking Alpha' in white and a Greek letter alpha (α) in orange, all on a dark red background.

PLATO Learning F2Q09 (Qtr End 4/30/09) Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions) Our first question comes from the line of Bob Evans with Craig Hallum Capital. Please go ahead.

Bob Evans - Craig Hallum Capital

Good afternoon, everyone and congratulations on a nice quarter. First, I'm sorry if I missed this but could you give the large deal breakdown? I think you typically give greater than \$100,000.

Robert J. Rueckl

Yeah, we do. Let me just grab it here -- we did 25 deals in Q2 of this year versus 15 in Q2 of last year.

Bob Evans - Craig Hallum Capital

Greater than \$100,000?

Robert J. Rueckl

Over \$100,000 -- the average value this year was \$232,000. The average value in Q2 of last year was \$208,000.

Bob Evans - Craig Hallum Capital

Okay, great. And I think you said the term on your average term right now is 27 months, is that correct?

Robert J. Rueckl

It went up to 27 months in the quarter. We saw a larger number of longer term deals this quarter than --

Bob Evans - Craig Hallum Capital

That seems like a pretty significant increase in one quarter. Is that -- I mean, can you give us more color as to why the increase? I mean, it's good news but I'm just wondering -- you know, a little more color.

Robert J. Rueckl

Increase in the number of deals or the --

Bob Evans - Craig Hallum Capital

Well, no, the term.

Robert J. Rueckl

The term.

Bob Evans - Craig Hallum Capital

Increase in the term from 21 to 27 months.

Vincent P. Riera

I actually think it was a reaction to schools not spending in the first half of the year. While we're on our second quarter, they are still in their same budget year, so one of the trends that we saw was school districts taking longer in their buying cycle when they made the decision to move forward with our product, they committed to a longer amount of time.

Bob Evans - Craig Hallum Capital

Okay. Okay, and can you comment more a little bit on the budget environment? My understanding is the title one funding is nearly double. I know special ed is higher. Can you give us a little bit more color on what the numbers are and what's that done to kind of administrator attitudes in terms of buying your product?

Vincent P. Riera

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