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## Edgewater Technology, Inc. Q3 2009 Earnings Call Transcript

### Question-and-Answer Session

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(Operator Instructions) We'll go first to Arnie Ursaner from CJS Securities.

**Arnie Ursaner - CJS Securities**

Quick question. First the growth rate year-over-year in EPM and in classic or technology and can you also give us those numbers sequentially please?

**Shirley Singleton**

Year-over-year growth rate of EPM and tech on sequential?

**Tim Oakes**

On sequential. I mean, we really haven't highlighted individual growth. What we've done is we referred to the concentration of our service revenue in the 10-Q and in the filings in terms of what the percentage of service revenue mix is attributable to each one.

**Shirley Singleton**

I think in total overall service revenue, we obviously had a decline. EPM has not grown in the double-digit manner it has in the past and tech consulting is obviously retracted to the point of percentage that Tim mentioned earlier on overall service revenue.

**Arnie Ursaner - CJS Securities**

Probably back into the from the numbers you gave last year?

**Shirley Singleton**

Yes.

**Arnie Ursaner - CJS Securities**

My second question Shirley, one of the things I've sensed in our conversations with you is that customers are shifting a little more to targeting mass customization around a set of more basic products and data. Are you in fact seeing that and how is it impacting your business?

**Shirley Singleton**

You bring up an excellent point. The original Edgewater business, the way to think about it from a need analogy is that Dave Clancey actually mentioned to me at one point was, in the old days you'd go to a tailor and he'd measure you up and he'd do a template and a suit made for you would be totally custom.

These days, when you go buy a suit; you go to men's warehouse. There are certain sizes but there is no specific tailoring. You pick out a suit and then you have it tailored. That's what's happening in tech consulting. The original Edgewater did custom tailoring. What we're doing now is looking at what products out there are gaining traction that people can use as a starter kit, if you will a framework to launch quicker into a solution and then customizing around the edges.

**Arnie Ursaner - CJS Securities**

I have got a question if I may, the contracts you are signing, for quite a while you've seen this being changed or reduced or people trying to lower cost especially. Even in the last call you had mentioned you are starting to see a little bit, a few of them or more of them being executed as proposed. Is that still happening?

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