Conference Call Transcript

SYMCA - Symantec Financial Analyst Day

Event Date/Time: May 26, 2011 / 02:00PM GMT
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PRESENTATION

Bill Robbins - Symantec Corporation - EVP, Worldwide Sales and Services

Good morning. As we talked about last year, we are clearly seeing a change in the IT environments, what our customers are looking for, what their needs are, and how they are responding to our solutions.
And as we have evolved over the past 12 months, what we see is a continuation of the space where environments are getting more complex, there is absolutely more inter connectivity, there is new platforms, there is mobilization, virtualization, Cloud.

The threat landscape continues to evolve. It continues to become more onerous. You heard Enrique talk about that a little bit earlier. There are more attacks, they are more advanced, they are more persistent. They are more stealthy. It is creating a whole new set of challenges, and at the same time information is exploding.

We are absolutely seeing tremendous information growth, people were estimating that it was going to grow 30%, 40% last year. It grew 60% last year. So it is still growing at an almost exponential rate, and that is creating challenges for companies to secure and manage that information, and to do it in a very cost-effective scalable way.

So, great opportunities out there for them to leverage new technologies, to become more efficient, to drive productivity and competitiveness in their business, but it is also creating challenges and that is where we can help.

So, what are customers looking for? They want multi-environment integrated solutions. They are looking for a fewer number of vendors to work with and to provide these integrated solutions. They want scalable solutions. They realize they need to be able to scale up and scale down and adapt very rapidly to the changing environment that is out there. They got to be able to reduce operational cost. So, that has to be a key driver in anything you take to your customers today.

And they want solutions that optimize technology while securing and protecting information. So get good use out of the technology, allow them and enable them to use technologies like Cloud, virtualization, mobility, but do it in a way that their information is well protected and that their identities are managed and secure as well.

So that is the environment that we have seen -- that we have transitioned to over the past couple of years and where we find ourselves today. And we clearly feel like we're starting from a position of strength.

When we go out and talk to our customers we have a broad portfolio that is very well regarded, whether it is on the security side, whether it is on the data center side, whether it is Gartner, IDC, Forrester, we're going up over the portfolio that is bringing instant credibility when we sit down and talk with a CIO, or VP of infrastructure. And we have earned a seat at that table given the quality of our products and the strength of our solutions.

Now bottom point there, we are not 99% of the Fortune 500, we are not 10 out of 10 banks use us, we are 100% of the Fortune 500 utilizes Symantec technology. So, we like our position quite a bit.

Now last year we have talked about some of the things that we were going to focus on, and this is a bit of a report card -- a bit of a scorecard how did we do. We said we were going to target specific competitors, and absolutely we are winning in the enterprise against McAfee, against EMC, against CommVault. We set out to do that, and we clearly saw market share gains in the enterprise against these customers -- or against these competitors.

We said we were going to focus on new license. We're going to grow new business, and focus on new license, and whether it was DLP, NetBackup, Backup Exec, encryption, we saw new license growth across those products. And as James mentioned, we are also seeing new business that is not reflected as license because it is more maintenance oriented, it is more term based oriented, and we are seeing that show up in our trust services, and in our SaaS environment, our dot cloud environment.

As both James and Enrique mentioned, we are seeing growth there in the endpoint security business for enterprise, and we've also seen stabilization of our [SMG] portfolio across our entire business.

So we're pretty pleased with the response that we are seeing from our customers with new products like App HA and VirtualStore. Those absolutely are resonating and they are solving the key critical problem as customers want to move more applications -- more business critical applications into virtualized environments.

We also saw on a per head count basis the highest productivity per head, and we saw the lowest expense to billings and expense to bookings -- either metric -- ratio that we have seen in the last six years. And I'll have a slide on that, and we will talk about that in a minute -- obviously a point of interest for you.
Focus areas. We said we are going to drive US Federal, we're going to drive the healthcare vertical, and we are going to drive China, and we're going to focus on SMB. And we had record years in US Federal -- actually US public sector we had a record year, inclusive of US Federal. So, both US Federal and US public sector record years.

Great, great year in our healthcare business. We saw strong, strong, strong growth in our solutions going into the healthcare business. They have money to spend. They have problems that are absolutely aligned with the solutions that we can bring forward. And our decision three years ago to really focus on those vertical is paying dividends.

And in China, we continued to grow and build on that team we have in place there, and we saw terrific growth in China and that momentum is something we expect to continue.

And as both Enrique, James and Angela talked about before me, while we think we made strides in SMB, there is clearly more work to do there. And so we're really excited about the opportunity to put our SMB focus underneath Rowan, and he will talk about that later. But that gives us a great, great team that has been very focused on this market segment, and we think we will see some better results as we go forward with this new structure.

So, what about FY ’12? What are we looking to do? Three kind of overarching principles, deliver top line growth, simplify the experience and focus on needs of the market. Now underneath those, how are we going to do it? So, delivering top line growth, again consistent with what Enrique said, we are going to energize our core business. We have to monetize our vision.

You will hear us talk about our vision of being able to secure and manage identities, to protect information, and secure and manage information, and to do that while we take advantage of some of the key mega-trends out there, whether it is Cloud, mobility, virtualization, this explosion of information that our customers are faced with.

We want to make sure that our vision is aligned, so that we not only have a great vision but the execution to follow it, and ultimately monetize that opportunity.

We are going to continue to be focused on growing new license. Our sales force has no doubt that gaining market share, growing license, growing revenue streams, for our dot cloud services, for our trust services business, that show up again on the maintenance side. So it is license and new business, new footprint. They know that is important, and that directly impacts their compensation. So, we are maniacally focused on gaining that market share.

Simplifying the experience, this goes to getting more effective and getting more productive. Operational improvement, how can we do things better, make it easier for our customers, back into us, for our partners, and also for our employees so that we are spending less time doing things that are internally focused and more time doing things that are externally focused.

We have tweaked our coverage model a little bit. We will always look back at the past year and say what are the things we have learnt from that we need to double down on, now what are the things that we have looked at and said, we could do a little bit better. So, we have made some modest changes to our coverage model. I will talk about that in a second.

But we are doing things to make sure that as we learn, as we acquire new technologies, as we see new opportunities, we are always going to make small tweaks within the coverage model.

And last, partner optimization. You heard us talk about the move towards Partner Led Consulting last year, to really looking at how do we build out a much stronger partner ecosystem that is going to allow us to get scale into markets or market segments and regions, where quite frankly we are just throwing direct resources at it, is neither going to be effective nor efficient, and we made a lot of progress in this space.

So our partner net promoter scores are up substantially. We look at the amount of business that is being generated through new partners, the amount of activity that is being generated.

We are very pleased with how that has gone, and we will continue to leverage that as we go into FY ’12 and beyond. Focusing on the market needs, small business, and Rowan will talk about that in more detail later. Public sector continues to be a big opportunity for us and we will stay focused there, particularly in the Federal space.
Our commercial verticals, whether it is in the Telco space globally, whether it is healthcare, these are all markets, smart grid technologies, these are all things that we know we can put more focus on – or in some cases continue the focus we have, in other cases put more dedicated focus on and we're going to see the results.

So we will continue the success we have seen in the commercial verticals. And then emerging markets, and of course it is the BRICs, I mean, it is Brazil, China and India and Russia, but it is also other markets. We are seeing opportunity in some of the eastern European markets, and some of the Middle Eastern markets, parts of Latin America, parts of southern Asia, where we have good presence today.

And while the markets may not be as big as the conventional, the BRICs, they are definitely markets where we can increase our penetration, and there is opportunity there. So, we will continue to focus on that as well. And that means we are going to always be looking to intelligently reallocate our resources and our coverage, and our investment of what we have to spend to where it is going to give us the biggest rate of return.

Now underpinning all of these across the Company, certainly within the sales and services organization, but across the Company, are aligned execution, winning across market segments and continuing to have a very, very aggressive focus on meeting the competition.

So to deliver on these objectives, when I look at aligned execution, we have already made some changes coming into this year. So the dot cloud sales organization that was part of the dot cloud business unit has now moved over into the sales organization. We are completely aligned. We are going out to do account management and territory mapping together, and that is allowing us to spread the floor to be both more efficient, but also be more effective. And we expect to see, with good results last year, even accelerate due to this change.

We have got clear messaging both internally and externally around our vision. And it is key that we make sure that people know the role that Symantec can play in assisting them with the challenges that they have. So we are going to continue to be focused very much on enablement, enablement of our internal team, and enablement of our partners, and education and awareness of our customer base on what it is that Symantec is doing to help them solve these problems.

And then operational efficiency, whether it is things like our customer life cycle project that James alluded to a bit earlier, when he was talking about improvements in our SMB systems. Again, making it easier for our customers to do business with us, and making it more efficient it is something that we are going to continue to drive.

Winning across market segments. We saw great success last year in the large enterprise, I think the economy certainly -- the economic recovery has certainly started in that segment, and we were able to execute very well against it, and we will continue to stay focused in this space.

Leveraging partner momentum in the public sector and in the enterprise space, those 1000 to 5000 range of customers. It is something that we will continue to do, and we see that is not only going to help us on the top line, but it is going to make us more effective from an expense to billings ratio, so it is making us more productive on the bottom line as well.

And then once again, prioritizing cross company focus on SMB. That is a key area for us. It is a good market, and it's one that we think we can do better in. So, we will be very focused there as well.

And then on beating the competition, some questions came up about McAfee. We will absolutely capitalize on the disruption that we are seeing in the marketplace there. We already have. It is accelerating. And we're pretty optimistic about what this year is going to bring when we go head-to-head against McAfee.

We are shifting coverage resources around to gain share in data protection. We had a really strong year last year in data protection, whether it was NetBackup, Backup Exec, archiving through Enterprise Vault. And the team is extremely excited and thrilled about the Clearwell acquisition. We see the synergies there. We know we're going to have a big year with that technology.

So, we tweaked our model just a bit to make sure that we have got the right focus across all market segments, to win in the data protection space. So that is more of a building on our strength, and making sure that we continue to take that momentum we have and even accelerate it into FY '12.

And then there is always ankle biters out there, and we got to aggressively hit back at them. A lot of that is in the SMB space, and that is what I think a very focused across Symantec led by what Rowan is going to do, but we are absolutely going to take no prisoners when we're out there competing in some of these smaller companies.
And we absolutely believe that with the changes we have put in place and the -- the changes we put in place last year, combined with the changes that we are putting in place this year, we're going to see improvements in that market segment.

Now the money slide - right -- in all senses of the word is this one. This is what James was talking about earlier. And if you were to go back even to FY '08, the percentage would be even higher. It is up north of 28% -- or, excuse me, FY '07. It is north of 28%. And what this shows is how I look at and measure productivity.

Fully get the expense to revenue, and makes perfect sense, and that is a valid metric. But I want to know what is going on in my organization for the activity of the period that we're in. And the activity of the period we are in while revenue is certainly a proxy, a more exact proxy of that is going to be more billings activity.

And what this shows is that we have consistently dropped this, and when I stood up here in front of you last year we said we were going to improve it again in FY '11, but we are also going to start focusing more on improving it by driving the top line up, while still being conscious of the expense line.

And that is where I believe we are today. Without a doubt, someone asked this question, what is going to happen to this line next year? The little red line and those little red triangles is going to move further down. They will absolutely move further down.

And we're going to do that with a combination of maintaining the billings activity on the top line, seeing the continued acceleration there, but we are also going to be very, very focused on how we manage the bottom line via expense management. And I'm very confident that we are on the right trajectory, and that number is going to move to a place that we like even more for FY '12.

So in summary, when I took across the sales force right now, what are we feeling, what are we seeing? There is a tremendous amount of confidence in our vision, in our strategy, and a belief in Symantec.

Now I think I showed you guys this little yellow bracelet last year that I wear it says believe. We handed these out a couple of years ago at a sales conference, and I would tell you that the amount of people on our team that believe that Symantec is the place to be where they want to build a career is higher than it has ever been.

Our voluntary attrition across our sales force coming into Q1 is the lowest. I can't even find a comparable number. And what that tells me is people are psyched up about their success last year, and they believe in the opportunity that is in front of them for FY '12, and that is going to bode very, very well for our results.

We have practiced and practiced and practiced and preached and preached rigor and discipline into our organization. We have gone from where I talked to many of you in one on ones and in group sessions, from being a lot looser then we should have been three, four, five years ago, to putting in place something called the Symantec Way to Win, where we absolutely know what is expected of every single person, every single day.

The district managers know what they need to do, an account manager needs what they need to do, an SE knows, a specialist knows, the channel knows. We know how to leverage the partner. And we are very clearly measuring and monitoring and doing a full feedback loop into the activities of our sales organization to ensure that we are not going to get surprises by finding out six months down the road that we didn't have enough activity in the pipeline.

We will know if there is a problem upfront, and we are taking steps to correct it. And I think that is clearly reflected in the level of execution you have seen certainly over the last three quarters.

Aggressive and accountable performance -- that is the culture we want. I really believe sales organizations are culture driven. They got to believe in the company, they got to believe in themselves, they have got to believe in their team, they got to believe in their partners, they got to believe in the products.

And when they do that that just absolutely spins up excitement into a frenzy, and you get bookings and billings activity like we saw in the last half of last year. That is a self fulfilling prophecy when you got a sales organization that believes that they are going to win.

We will continue to focus on sales execution, whether it is across the SMB market, the integration of the SaaS, the dot cloud team into our organization that is key built for the near term and for long term success. We've stated that we see a big opportunity in Cloud, and we continue to
grow in that space. Having that alignment is going to help us not only this year, but it is setting the stage for the next three to five years at Symantec as well.

And then, last but not least, and I'd be remiss if I didn't put this one up here, we're going to continue to focus on productivity. We're going to continue to drive more revenue per head, and we're going to continue to drive more revenue for every dollar that we invest into the organization.

So in summary, last year was a turning point. I would say Q4 was an absolute inflection point, or -- it was the exclamation point. And FY '12 is going to be a continuation of the success that you have seen with the execution of not just the sales organization, but across Symantec as a whole.

So with that, I would like to invite Angela up on the stage with me, and we will take any questions that you might have regarding sales, services or strategy.

**QUESTION AND ANSWER**

**Rob Owens - Pacific Crest Securities - Analyst**

Hi, it is Rob Owens with Pacific Crest.

**Bill Robbins - Symantec Corporation - EVP, Worldwide Sales and Services**

Hi, Rob.

**Rob Owens - Pacific Crest Securities - Analyst**

For three years, five years, both Symantec and McAfee have talked about the SMB market and the missed opportunity, is there something fundamentally flawed in that market? You guys have gone through several changes, you rearchitected SEP for mid-market a couple of years ago.

And why are you still not seeing success? And what is going to happen under the slide saying we're going to refocus on it to really get that market moving?

**Bill Robbins - Symantec Corporation - EVP, Worldwide Sales and Services**

Yes, that is a great question, and look it is a fundamentally different market than the enterprise and the large enterprise, or even then the mid-market. I mean, when you look at customers small business, 100 or below -- kind of SMB that 250 range, they just buy differently than customers in the 750, 1000, 5000 range.

So there is a couple of things, one thing is clearly product functionality. You got to have the right product in the right place. We are generally doing pretty well with our Backup Exec technology. As you alluded to we rolled out SEP that wasn't a great fit, so about 18 months ago, almost two years ago we rolled out our SEP small business edition.

We have seen some uptake on that, but quite frankly it has been bit of an uphill battle. It is a great product. And we haven't done our job as a sales and marketing organization of making sure that that market segment can clearly look at that product and separate it from what they may have thought of SEP previous to the small business edition.

So, product fit matters. Rowan will talk about the importance of dot cloud in that space. Being able to offer managed services -- software as a service to that market segment is key. So we have seen that market segment shift in terms of how they are wanting to buy and acquire technology.

So I think it is a very fair question and one to call out, and clearly we have to do a lot more than show you a slide. We have to show proof in the numbers. And all I can tell you is I do believe given the quality of our products, the fit of our products today and getting a single executive within Symantec who wakes up every single morning, and that is all they are focused on, is how do I drive demand?
How do I drive awareness? How do I drive partner enablement? How do I make sure that my products are packaged, and have the right fit and features and functionality for that market segment will absolutely make a difference?

We have proven it when we go out and execute in the large enterprise and enterprise. We have proven it in the 500 and up space, where we're clearly doing well. In this market, I think it is fair to call us out and say you haven't proven it. What I will tell you is when we stand up on stage 12 months from now, I think we will be able to tell you a different story.

Angela Tucci - Symantec Corporation - Chief Strategy Officer

And I want to say that a portion of that market doesn't even have IT. So the buying criteria is very different. So especially in the S part of the SMB market, the channel enablement is very important, and the business value proposition, not a technology message, but a business value prop is essential, and that is some of the change we are making as well.

Brad Zelnick - Macquarie Capital - Analyst

Hey, Bill, Brad Zelnick.

Bill Robbins - Symantec Corporation - EVP, Worldwide Sales and Services

Hi, Brad.

Brad Zelnick - Macquarie Capital - Analyst

I just wanted to ask the different levers to driving expense to billings, and where do you see the greatest opportunities? And also if you can talk about that a little bit from a perspective of direct versus indirect.

Bill Robbins - Symantec Corporation - EVP, Worldwide Sales and Services

Sure. So two big levers, and one clearly is on the bookings side, on the billing side and ultimately on the revenue side. And we are going to be very focused on making sure that we maintain that. What you saw over the last three quarters -- I've had questions on it, you'll say well is it sustainable? I think there is three factors to it. There is overall market economy, there is our product quality bit, and there is the execution of our sales organization. Clearly can't control what happens in the overall economy, but the other two we absolutely can control and they are clearly sustainable. So I like our ability to drive that top line number better than what we have done, again maybe going back two, three, four, five years ago.

The other side of it of course is cost. It is, how much are we spending? Two ways that we can get more effective on that, one is utilization of our partner network. That absolutely drives a lower cost model for Symantec to get greater reach and scale into market segments or territories that we don't have as good a penetration as we ultimately believe we can, and that we like to have.

So, we are going to leverage the partner resources, when and where it makes sense. And not double up and play bunch ball by throwing a bunch of Symantec on top of it, we are going to focus more on enabling the partner, making sure that they can go after and confidently and competently take our technology into our customers. And that will have an impact on driving revenue at a lower overall direct cost to Symantec.

And then, look, the last thing is just how it is going to be on -- as we bring in companies through integration, you saw a big part of James's number and kind of the increase in the slide and you saw it on my slide just now as well, is when we do an acquisition there is -- I won't say always, but typically we are in a situation where buying a company that has a higher expense to billings, expense to revenue ratio then we do from a sales perspective.

And as we integrate those companies together, and as we get more efficiency out of them by figuring out what portion of that sales team we need to keep in a specialist model, but how quickly can we integrate the technology into the broader sales force that reduces our cost structure as well.
So that integration and the success of integration matters, not just on the top line, where we saw clearly the trust services through VeriSign and on the encryption stuff this past year, and (inaudible), getting the top line going -- getting that what [flywheel] affect matters, but getting the expense out of the equation is something that we are very focused on as well.

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**John Difucci - JPMorgan - Analyst**

Hey, Bill, John Difucci from JPMorgan. Sort of a follow up to Brad there, you said you are going to focus on productivity, said you are going to drive revenue, and you said you would drive incremental revenue at a lower cost for Symantec. Are you held accountable yourself in -- your reviews with Enrique's to driving any P&L responsibility, not just driving revenue, but income in your --?

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**Bill Robbins - Symantec Corporation - EVP, Worldwide Sales and Services**

I am absolutely held to the margin of the Company.

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**John Difucci - JPMorgan - Analyst**

Okay, good. You also said earlier you're focusing on new license. How much cost lift do you see (inaudible), but also grant operations prior to getting the sales -- how much confidence do you see in the sales organization, when they are actually renewing maintenance, but also signing new licenses with the same customer?

Because it seems to me that there could be an allocation issue -- right -- when that sort of happens. And if you give up - you guys are doing some good things. You clearly are. And we see it in the numbers, but at the same time do you start to give that golden egg, that maintenance that's real profit that's driven longer-term, right?

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**Bill Robbins - Symantec Corporation - EVP, Worldwide Sales and Services**

So, I guess this is your Dr. Jekyll and Mr. Hyde, because I would agree with you, and I think that is in conflict maybe to where you are trying to drive with James on the whole thing about paying maintenance.

Because what I have seen is a guy who has run operations and comp plans and commissions, and kind of had to take the customer interest as my primary focus to a guy -- who went to the sales, and now kind of got it all, is that is the reason that we want the sales organization, particularly in our larger customers to know that they have responsibility for that total revenue, the total wallet share out of that customer.

Where we run into a conflict isn't where they look at and say, okay, in my quota, I have got a $4 million new business number, and a $1 billion maintenance number, where you run into conflict -- and I lived this back in the Veritas days, is when you say all you have got is a new business number, don't worry at all about that maintenance renewal, and so they don't -- salespeople tend to do what you pay them to do.

So they focus solely on that new business number, and you see the maintenance number struggle because there is competition out there, and if you are not careful your sales force will look and say, well, they are smart. Can I somehow turn those maintenance calls into new business, and it is a slight of hand versus adding real shareholder value.

So by keeping them -- they have direct ownership of both of those numbers -- and incent them differently, there is definitely an incentive on the new business side, and they know that is what is going to dictate their success, but to making sure that they can't simply ignore that golden goose as you called it is something that we want to make sure they continue to be focused on. And we find that actually (inaudible) that reduces the conflict to the greatest extent possible.

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**John Difucci - JPMorgan - Analyst**

Also what it does is a higher cost versus companies like Oracle (inaudible) most companies, where it is really a finance function like under James, where he has collections people do it. And once -- theoretically anyway, even with the storage business, I think once a company is using that you're talking enterprises, for the most part.

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Once an enterprise is using that and that technology, you don't really have to sell a renewal. I mean, you do, but it is not a big sales function, and sales people get more -- well, the reality of the situation is sales people get paid more than finance people usually.

**Bill Robbins - Symantec Corporation - EVP, Worldwide Sales and Services**

Look, I would love to -- we can continue the dialogue and look at the numbers, I think what James was trying to point out is if you include the renewal in their -- someone is making $200,000 a year and you deduct their OT, and you include that in their quota, then it effectively lowers their overall rate.

And the math of it works out actually in some ways better for you as a corporation, because you have spread their OT over a broader revenue stream, and you are expecting them to bring it in.

I think your point is valid that you have to make sure that they don't get sucked up and spend a lot of their time. And that is slightly different issue. That is a resource allocation issue; that is making sure that they work as effectively to drive that business as possible, but completely separating them out we find that isn't the right thing.

And I will tell you I go into customers on the storage and availability side, as well as on the security side, and when they are looking to replace a competitor, a lot of times is because -- say, look, the last time I really had my rep in here was two, three years ago when they did the deal. I haven't really seen him since.

And a lot of times we are able to get down so far down the path in and take out before the competitor even realizes what is going on, but it is clearly to our advantage. So, different ways of looking at it, but I'm comfortable with the model we have in place.

**John Difucci - JPMorgan - Analyst**

Also, Bill, it is important to know what you do as specialists. So when you think about specialists, they are only focused on new business.

**Bill Robbins - Symantec Corporation - EVP, Worldwide Sales and Services**

Right, yes. So, specialist -- like our specialist team is only focused on new business. So we're not trying to say, look everybody is on the maintenance stream, but the account manager the person who has that relationship, we want them responsible for every dollar coming out of that customer into Symantec.

**Angela Tucci - Symantec Corporation - Chief Strategy Officer**

We ran out of time.

**Bill Robbins - Symantec Corporation - EVP, Worldwide Sales and Services**

Any other questions? I see one back here. One more - I see one kind of middle.

**Unidentified Audience Member**

Hi, thank you. Enrique and Angela were talking a lot about the growth drivers ahead of the business virtualization, Cloud, mobile and whatnot. Can you help us better understand how those drivers are going to translate into the segments that James is showing to us?

I mean, endpoint virtualization management was down 3% year-over-year, so there is obviously some [gives and takes], but where are these line items should we be seeing the growth in mobile per se, or are they both in Cloud?

**Angela Tucci - Symantec Corporation - Chief Strategy Officer**
So, I think if you look at the segments, you are hitting upon a key area of where the adoption curve varies. So if you take consumer of course, mobile is the trend for the consumer, and consumerization. If you go to virtualization, virtualization in the big enterprise is extremely prevalent, and there are only about a third of the ways to virtualizing their infrastructure.

So the enterprise numbers should reflect more of a drive towards virtualization, and then in Cloud, small business and mid-sized businesses are moving to the Cloud even more so, so the dot cloud initiative that we have is where you will see that ticking on strong.

And then cross-pollination will effectively happen going from left to right with consumer in mobile going into the enterprise, and virtualization working its way into small business and handhelds going forward.

Unidentified Audience Member

(inaudible) when you are frequently talking about what was more so on management and authentication in mobile, it seems like more of an enterprise focus. So I guess it's two questions, one is from an enterprise perspective where do we see the growth in mobile? What are the products you guys have focused on that today, and where do we see it in segments?

And on the consumer side, is that a driver today or is that something on a going forward basis? And if it today, is that in the other services line or where do you see that?

Angela Tucci - Symantec Corporation - Chief Strategy Officer

So, taking the enterprise piece. Absolutely, mobile device management is something that we do today and extending it across heterogeneous platforms. The thing, though, that I believe enterprises are really going to pay for is where we're taking mobility, and that is really protecting the information. That is the user authentication, and the data security. So in that case, that is the future path and I think that is where you really see the monetization of mobility.

In consumer, on the other hand, that is being adopted, Norton Mobile Security is the piece that, for instance, when I talked about Deutsche Telecom and talked about Toshiba, that is what they are taking into their customer base, so they are pushing through the channel partners.

Unidentified Audience Member

Just to be clear, mobile management, is that part of endpoint management virtualization in terms of the segment?

Angela Tucci - Symantec Corporation - Chief Strategy Officer

Yes.

Unidentified Audience Member

Okay.

Bill Robbins - Symantec Corporation - EVP, Worldwide Sales and Services

All right. Well, thank you very much for your time and for your questions. I am disappointed nobody asked me the specific question around McAfee because I had a terrific analogy related to a shark smelling blood in the water and what happens. And I will have to share that at a later date, but use your imagination.

Angela Tucci - Symantec Corporation - Chief Strategy Officer

Well done.
Thank you, guys. Okay, so right now what we're going to do is we are going to take a 15 minute break. What we have outside are box lunches. We are going to invite you to bring those back in, so we're going to have a working lunch session for the next customer panel. So we will break for 15 minutes, and we'll see you back in here shortly.

Thanks so much.

(Break)