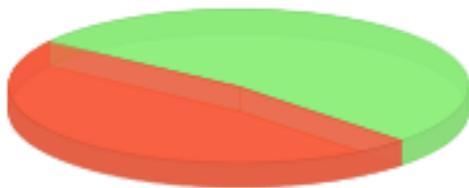


Pulse of the Industry Spring 2009 Conference CEEdMA Europe

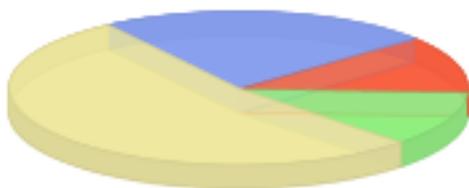
What is your company type?



| | | | |
|--------------|------------|---------------------------|------------|
| 1 - Software | 52.94% (9) | 2 - Software and Hardware | 47.06% (8) |
| 3 - Hardware | 0% (0) | | |

Mean: 1.47
Response: 17

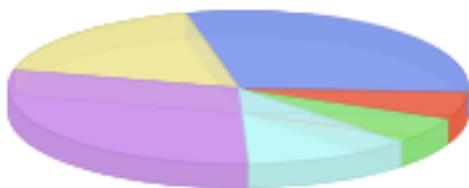
What was your company's approximate annual revenue in the last financial year worldwide?



| | | | |
|-----------------------------|------------|-------------------------------|------------|
| 1 - Less than \$100M | 11.76% (2) | 2 - Between \$100M and \$500M | 11.76% (2) |
| 3 - Between \$500M and \$1B | 23.53% (4) | 4 - More than \$1B | 52.94% (9) |

Mean: 3.18
Response: 17

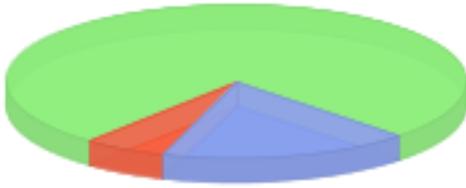
How many full-time employees does your company have worldwide?



| | | | |
|-------------------------------|------------|------------------------------|------------|
| 1 - Less than 100 | 5.88% (1) | 2 - Between 101 and 1,000 | 5.88% (1) |
| 3 - Between 1,001 and 5,000 | 29.41% (5) | 4 - Between 5,001 and 10,000 | 17.65% (3) |
| 5 - Between 10,001 and 50,000 | 29.41% (5) | 6 - More than 50,000 | 11.76% (2) |

Mean: 3.94
Response: 17

Which of the following best describes your education organisation's primary business model?

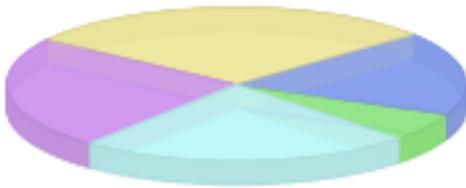


| | | | |
|--|-------------|---|-----------|
| 1 - Profit Center (expectation is to make a profit - may have a margin target to achieve) | 76.47% (13) | 2 - Cost Recovery (expectation is to sell enough training to at least break even on expenses) | 5.88% (1) |
| 3 - Cost Center (expectation is to provide non-education revenue benefits - for example better trained employees and partners) | 17.65% (3) | 4 - Other | 0% (0) |

Mean: 1.41

Response: 17

What is the annual education revenue in your chosen geography?

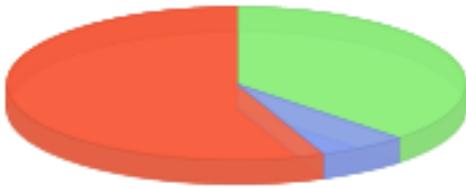


| | | | |
|-----------------------|------------|-----------------------|------------|
| 1 - Less than \$1.0M | 5.88% (1) | 2 - \$1.0M - \$2.9M | 0% (0) |
| 3 - \$3.0M - \$4.9M | 17.65% (3) | 4 - \$5.0M - \$9.9M | 29.41% (5) |
| 5 - \$10.0M - \$19.9M | 23.53% (4) | 6 - More than \$20.0M | 23.53% (4) |

Mean: 4.35

Response: 17

Comparing this financial year to the last in your chosen geography, is your education organization training:



| | | | |
|--------------------|-----------|--------------------|------------|
| 1 - More students | 37.5% (6) | 2 - Fewer students | 56.25% (9) |
| 3 - About the same | 6.25% (1) | | |

Mean: 1.69

Response: 16

Comparing this financial year to the last in your chosen geography, is your education organization revenue:



| | | | |
|--------------------|------------|--|-------------|
| 1 - Up | 29.41% (5) | 2 - Down | 58.82% (10) |
| 3 - About the same | 11.76% (2) | 4 - Not applicable (we don't measure it) | 0% (0) |

Mean: 1.82
Response: 17

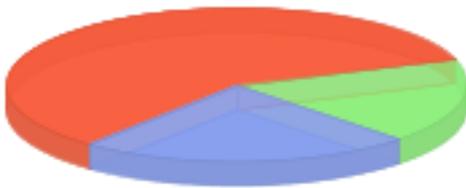
Comparing this financial year to the last in your chosen geography, is your education organization margin:



| | | | |
|--------------------|------------|--|------------|
| 1 - Up | 41.18% (7) | 2 - Down | 35.29% (6) |
| 3 - About the same | 23.53% (4) | 4 - Not applicable (we don't measure it) | 0% (0) |

Mean: 1.82
Response: 17

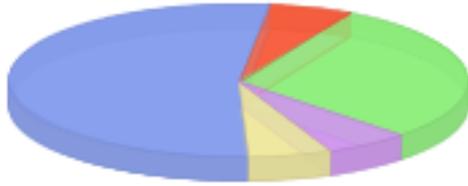
Comparing this financial year to the last in your chosen geography, is your education headcount (full-time direct employees only):



| | | | |
|--------------------|------------|----------|-------------|
| 1 - Up | 17.65% (3) | 2 - Down | 58.82% (10) |
| 3 - About the same | 23.53% (4) | | |

Mean: 2.06
Response: 17

Comparing this financial year to the last in your chosen geography, how much non-traditional training (CBT, online, virtual classroom, self-directed, and so on) are you delivering?



| | | | |
|--|------------|--|-----------|
| 1 - More | 29.41% (5) | 2 - Less | 5.88% (1) |
| 3 - About the same | 52.94% (9) | 4 - All (100% of our training is delivered this way) | 5.88% (1) |
| 5 - Not applicable (we do traditional classroom training only) | 5.88% (1) | | |

Mean: 2.53

Response: 17

What is the biggest challenge you are facing at the moment?

- 1 Driving to achieve our financial goals in an extremely difficult economic climate and now with the added element of being acquired.
- 2 Cost Cutting, Reductions in force, having to very quickly adapt to new situations/challenges.
- 3 filling our classrooms
managing the P&L during recession
getting the sales persons mindset to attach training to product sales and support contracts
- 4 Cost ... vs Revenue
Driving business/revenue in current economic climate (just harder!)
- 5 changing how we deliver class room training to improve learning outcomes
- 6 shrinking operating budgets and resources, with increasing expected performance levels to "beat the economic crisis"
- 7 Customer cutbacks on training, travel and subsistence.
- 8 Finding ways to minimize the impact of the Global Economic situation on my Revenue Plan
- 9 Budget and staffing cuts in customer base
- 10 - longer sales cycles in bigger edu deals
- edu budgets are smaller than a year ago
- slight move from public courses to more onsite
- 11 Engaging with the sales team and getting them to sell more training, both as a stand alone sale and, more importantly, increasing the attachment of training to product sales.
- 12 Economic climate - budget and travel freezes. Slow down in new license sales.
- 13 Targeting and identifying potential customers with our training offerings.
- 14 A declining sheduled business with Customers cutting back on training
- 15 Sales traction. Not achieving top line targets.
- 16 Customers seem happy to accept lower value offerings in return for cheaper costs - not good for a vendor training provider!
Customers are generally delaying or cancelling business critical projects, with a knock on affect to training. Projects are needing quick return on investment, nobody is investing in the future.
- 17 Maintaining good chargeable utilisation with need for new product development at same time.
- 18 doibng even more with even less . having to increase margin even more where there is nothing left ot cut out.
- 19 expansion into emerging countries (Russia, UAE, India)
- 20 Company re-org
Economic climate
- 21 The current economic climate has meant that there is a reluctance to spend "non-essential" money. In terms of our training business this is resulting in a marked decrease in "walk-in" business to the public schedule. As this tends to be a good, and normally dependable revenue stream based on the need of the installed base to retrain it leaves a challenge in terms of immedeate booking targets.

A longer term effect is that we will hae to re-establish this revenue stream again which means it may have a longer term impact than just the current economy.
- 22 Customers/Clients seeing/understanding value and benefit of Learning and Education whilst budgets are tight and people are being laid off.
- 23 Lower public class sizes (customers have no travel budget), but some increased desire for onsite and bespoke training.

There is interest in virtual classes and the idea of training from your desktop but low uptake. Clients conscious of costs and learning/education still fall behinds other company commitments

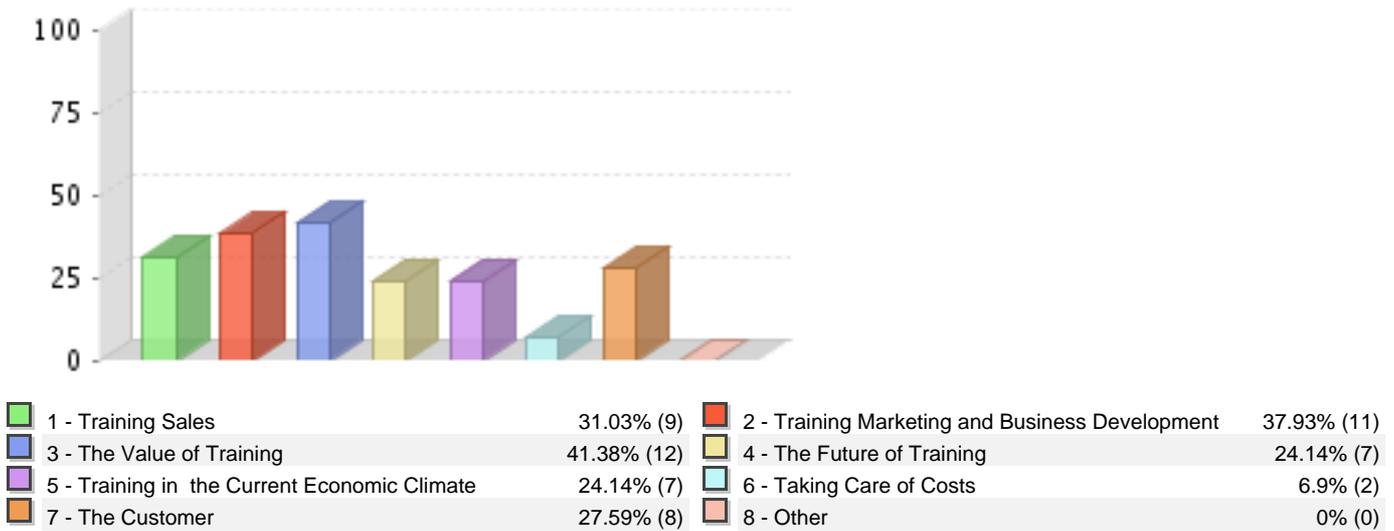
Reduction in staff at clients reduces immediate need for training

Projects put on hold or cancelled due to economic conditions, plus fewer license sales means less training required in new projects

More and more clients are self training rather than using external resources
- 24 Convincing more training organisations to try virtual learning solutions.

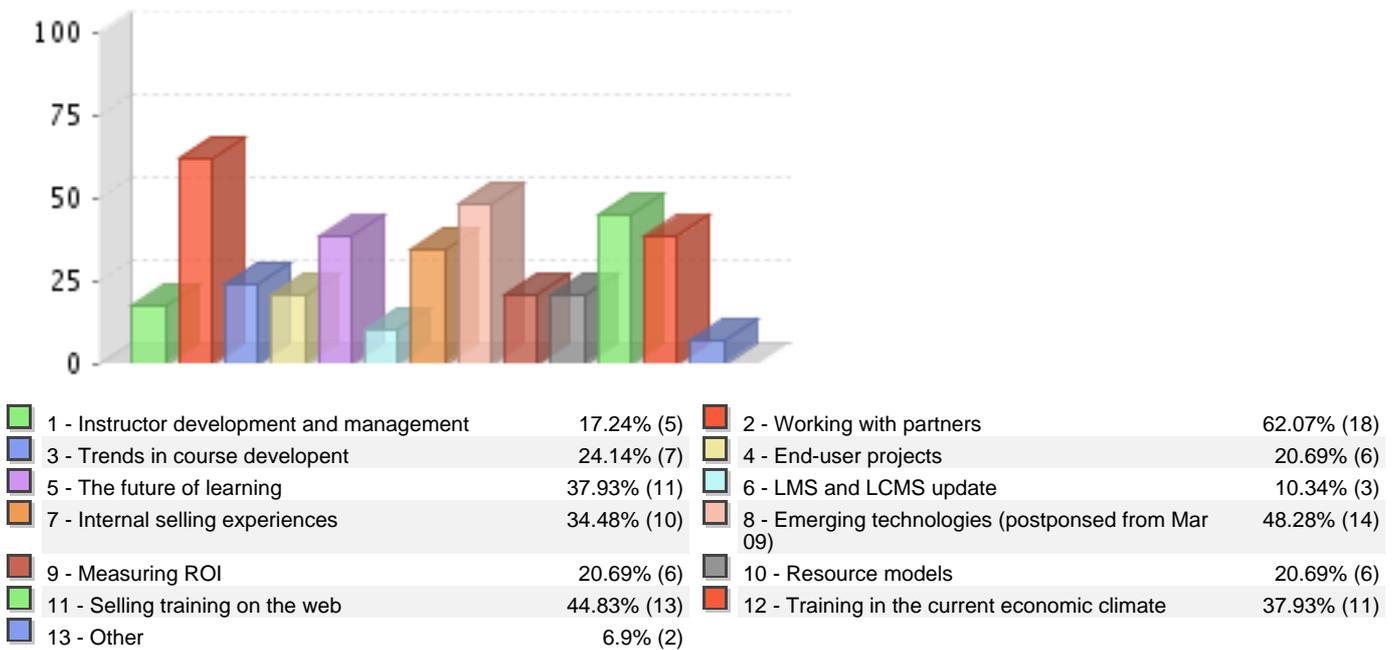
- 25 getting customers to buy professional services i.e. workflow and training on the back of purchases which are budget-restricted. They'd rather have the kit without any implementation or training, than less kit with implementation and training.
- 26 Getting Engagement - it's like the shutters have come down and as a consequence hard to even open a dialogue, let alone pursue business.
- 27 Getting the right training to the right people to make a difference to the business. Generally a travel issue for the students
- 28 "Siege mentality" of customers concerned with the recession and cutting back on all training.

As we plan to have conferences in Nov 09 and May 10, please choose two themes from those listed.



Response: 29

As we plan to have four workshops in Jun, Sep, Jan and Mar, please choose four topics from those listed.



Response: 29