# CEOCFO
## Interviews & News!

**After doubling the size of their business over the past four years, Agile has just announced their newest release, Agile 9.2, which is the most comprehensive release in the company's history and will further establish their leadership in the market**
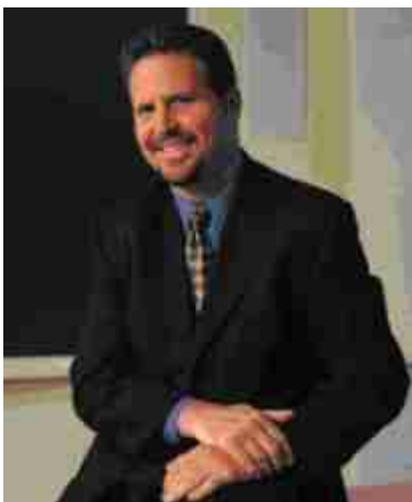
**Technology**
**Business Software & Services**
**(AGIL-NASDAQ)**

**Agile Software Corporation**

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**Jay B. Fulcher**
**President and CEO**

**BIO:**
Jay Fulcher is the president & chief ex-ecutive officer of Agile Software and a member of the Board of Directors. Mr. Fulcher has overall responsibility for company strategy and global operations. Prior to being named CEO, Mr. Fulcher served as president and chief operating officer, and was responsible for global operations including sales, marketing, product development, and customer care. During Mr. Fulcher's tenure, Agile has been the fastest growing PLM company in the industry, expanding the breadth of its solutions exponentially and increasing its customer base to over 11,000 custom-ers across multiple industries. Mr. Ful-cher's career spans nearly 20 years of senior and executive management roles at leading enterprise software companies including MSA, SAP, Red Pepper Soft-ware, and PeopleSoft. At PeopleSoft, Mr. Fulcher served as president of People-Soft's Products Division, and then as executive vice president of PeopleSoft Global Services, a $1+ billion enterprise with nearly 4,000 employees worldwide. Mr. Fulcher has helped to start, develop and grow numerous companies over the course of his career, and he currently sits on the board of several private compa-nies. Mr. Fulcher received a B.S. in Business Management from San Jose State University, where he currently sits on the Advisory Board for the College of Business.

## Company Profile:
Agile Software Corporation (NASDAQ: AGIL) helps companies drive profits, accelerate innovation, improve quality, enable globalization and ensure regula-tory compliance throughout the product lifecycle. With a broad suite of enterprise class PLM solutions and time-to-value focused implementations, Agile helps companies get the most from their prod-ucts. 3COM, Acer, Bayer, Broadcom, CooperVision, Dell Inc., Flextronics In-ternational, Foxconn, GE Medical Sys-tems, Harris, Heinz, Johnson & Johnson, Johnson Diversey, Lockheed Martin, McAfee, McDonald's, Micron, Philips, QUALCOMM, Sharp, Shell, Siemens and ZF are among the over 11,000 cus-tomers in the automotive, aerospace and defense, consumer packaged goods, elec-tronics, high tech, industrial products, and life sciences industries that have li-censed Agile solutions.

**Interview conducted by:**
**Lynn Fosse, Senior Editor**
**CEOCFOinterviews.com**

**CEOCFO:** Mr. Fulcher, what was your vision when you became CEO of Agile and where are you today?

**Mr. Fulcher:** "When I became CEO of Agile it was a natural transition as I was already president and COO for several years. My vision was to continue with the overall strategy, which is to be the pre-dominant leader in PLM (Product Lifecy-cle Management) specific to the markets we serve, primarily high-tech electronics, life sciences, and CPG. In addition, to bring the broadest value proposition to customers and to ensure that customers, as they deploy Agile products, that they are deriving the broadest, best possible business benefit. Agile has had a good longtime reputation for delivering exactly on that promise and the idea is to con-tinue that forward."

**CEOCFO:** Tell us about your flagship product.

**Mr. Fulcher:** "We just announced our

newest release, a solution called Agile 9.2 that is the most comprehensive release in our company's ten-year history. It further establishes our leadership in this market and 9.2 is in direct response to our customer's feedback. It focuses on a number of different things. It is a comprehensive set of applications that are designed to help customers drive profitability, accelerate the innovation in their company and of course innovation is such an issue now with so many companies. We help them improve quality, enable the globalization and ensure the regulatory compliance that they need throughout their product lifecycle. These are all applications that help companies tend to do that. In this last release, it has primarily been focused on the areas of greatly enhancing the user experience that our customers have with our products. We have embedded some decision support capability that enables companies to make better strategic and operational decisions about their products. We have helped them to better enable the product network because we have delivered a broad and rich set of new capabilities that allow companies to automate cross-functional processes and to promote the secure collaboration across their global operation and with their outsource partners. Lastly, in this release we have continued to be focused on providing an open standards based integration platform that allows companies to ensure that they are going to have the lowest cost of ownership and have an ability to maximize their existing IT investments as they deploy their Agile PLM platform."

**CEOCFO:** Are your applications customized for each client?

**Mr. Fulcher:** "Our applications are actually out-of-the-box ready and very specific around the industries that we serve. We have the best practices and business processes that are very specific to the industries that we deliver our product in. This allows our products to be highly configurable as they go into a high-tech electronics environment for example or into a medical device company. There-fore, the products themselves are built very much out-of-the-box and business-ready."

**CEOCFO:** How does what you have foster innovation?

**Mr. Fulcher:** "Innovation today comes in many forms particularly depending upon the industry. Agile has for a longtime been known as the dominant PLM provider to high-tech electronics. The kinds of things that are driving innovation in high-tech electronics companies are some of the same things we have been focused on for the last several years. One of them is that the product cycles in high-tech companies are very short, so companies

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now have to have a much more precise process by which they manage how products are developed within their companies. This would be from the point at which they are designed all the way through the point at which they are delivered to the customer. The other thing is the fact that generally these types of companies regardless of what industry within the broad term high-tech electronics, these companies are facing the challenge of global operation. Not only global operation from a perspective in terms of what that means inside their enterprise, but in terms of how they rely on partners and how they rely on other companies who are in their value chain. This product network idea meaning consortiums of companies that combine and partner together to provide innovation, continues to be a driving force around how companies are looking at the innovation process.

That is particularly true in high-tech and we find that to be a motivation across all of the industries that we serve."

**CEOCFO:** Tell me about the competitive landscape for you and why people are using agile.

**Mr. Fulcher:** "It has been an interesting process of running a small publicly traded software company that generally successfully competes with larger companies. We are a company that this year will do somewhere in the range of $130,000 in annual revenue and that will be as a result of doubling the size of the company over the last four years. In that process, it has also been a time when we have exponentially broadened and deepened our product line and service capabilities. I think the reason people do business with Agile is number one, we bring more than ten years of experience to the PLM market and we bring a great deal of domain expertise specifically to these kinds of applications as they are tailored very specifically to certain industries. Number two is the fact that our applications are business ready when they are highly configurable and why we are able to tailor them very specifically to a customer's need, they are not the type of applications that require a great deal of implementation and customization work. Therefore, our products go in much faster than most of our competitor's products, in fact we generally see our customers at even very large companies, getting business value from our products almost immediately. The reason people do business with Agile is really the domain expertise and the speed with which we drive value."

**CEOCFO:** Are companies convinced that you can take over more of the functioning?

**Mr. Fulcher:** "My view is that companies are looking to solve big business problems for themselves. I don't think they are looking for more technology or more enterprise software applications and in fact they are looking for fewer applications and more of a streamlined IT environment, given the fact that they have

constrained resources and fewer IT dollars than they've had in the past. Quite frankly, I think everyone is overburdened by the amount of technology that they have been trying to apply to the business over the last few years. At the same time, like some of the challenges that we just spoke of, companies are looking to solve pretty big business problems within their companies. They are looking to accelerate the way in which they are able to get new products to market. I think most companies over the last few years have rung all of the cost out of their business that they are able to. Therefore, they are very focused on the fact that the only way to grow their bottom line is by growing their top line. Accelerating the innovation process and getting new products to market faster is clearly top of mind. The other thing which is everyone's focus is the importance of continuing a company that is doing a great job with its customers whether that is through quality or better compliance or designing their products better with cost in mind - all things that heighten the value proposition to their end customer. The thing that most product companies are anxious about is to make sure they are differentiating themselves and doing a good job with their customers."

**CEOCFO:** What is the revenue model for you?
**Mr. Fulcher:** "We have a license revenue model. We license our products any number of ways based on how customers want to consume our software. We have an annual maintenance component to our relationship with our customers where they receive annual support for the software that they deployed. We also have and provide a fairly broad suite of service offerings to help customers not only implement our products, but also optimize their environment around Product Lifecycle Management."

**CEOCFO:** How is business?
**Mr. Fulcher:** "Business is pretty good. We are in a situation right now that we are in quiet period so I'm really not able to talk specifically about non-public information. This is a business category which is perceived more as a business

imperative today than ever before in the past. I think companies are viewing the value proposition around Product Lifecycle Management as a strategy for enabling some of the things that we've been talking about today. That connection is causing this particular business category of software to continue to grow and develop. Agile is excited to be positioned as a part of that process."

**CEOCFO:** What is ahead for you?
**Mr. Fulcher:** "We are certainly focused on driving scale into our business and continuing to grow our business profitably. We're going to continue to focus our efforts on the markets where we already have dominant market leadership, like in the areas of high tech electronics and life sciences. We are also going to invest in some emerging market opportunities where I think we have an early lead especially in a market like CPG, where the food and beverage component of CPG sets a huge opportunity for us. Beyond these industries, I think we want to continue to build on our reputation to build great software that drives industry leaving results for our customers. Our mandate is to grow and build the company. We want to continue to create that value for customers and that combination ultimately delivers value for our shareholders."

**CEOCFO:** How do you reach new customers?
**Mr. Fulcher:** "We reach new customers in a variety of ways probably in more ways than we ever have as a company before. One of the ways that we do that is to spend a lot of time with our customers around the development around our products, getting a lot of input from them very early on in the planning processes; we think about future releases for them. We also do a lot of work with customers on the back end of the process. Once we've actually implemented and deployed our software with customers and had a chance for them to drive some results form our products, we regularly and consistently do our due-diligence related to how well did that implementation go. We also try to find out how many of the goals and objectives that were built into the

value assessments at the front of the project were achieved at the back end of the product. Then we ultimately take a lot of that feedback as an opportunity for us to be able to improve products, services, the way engage customers, the way we provide some of these capabilities, etc. We are trying to touch customers at every part of the relationship from the time that they are prospects to the time that they have been a customer for many years. We continue to be very fortunate in that we have a great customer base that has been very loyal and anxious to work with Agile and provide opportunities to help improve our products. They have done that even in times where it would have been easy for them to continue to work with some of the other investments that they have in house, either with the large ERP or CAD investments that they have made. We have been excited about how customers continue to see so much value in working with Agile that is not available from those other alternatives. I think that is one of the keys to our success."

**CEOCFO:** In closing, why should potential investors be looking at Agile?
**Mr. Fulcher:** "This is a market that continues to get a lot of attention. For the most part, industry analysts continue to look at PLM as being the fastest growth category in enterprise software. Number one, this is an interesting product category that has a return on investment and a potential value proposition for customers, which is infinitely more interesting than the basic plumbing that goes with ERP or some of the more slow growing kinds of product categories. This is a high growth area that people are focused on. At the end of the day, Agile is a company that has absolutely come through on behalf of our customers. We have worked through some difficult times as a small company as we've been expanding our product line. As a result of that, we are now well positioned to deliver on a new period of growth for the company. Therefore, it is an exciting category with what we hope is going to be some growth to come and typically makes an interesting story for investors."

# agile

How Products
Become Profits™

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