



For Immediate Release

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Global ICT Spending Tops \$3.5 Trillion *Industry Experiences Subdued Spending Growth*

Kuala Lumpur, Malaysia – The global marketplace for information and communications technology (ICT) will exceed \$3.7 trillion this year and will top \$4 trillion by 2011, according to *Digital Planet 2008*, a study released by the World Information Technology and Services Alliance (WITSA) on the first day of its World Congress for Information Technology.

Slowing economies in developed countries will lead ICT spending into a period of slower growth through 2011. However, strong demand in 2007 will spill over into 2008, resulting in annual growth of 10.3% in both years, down from a peak level of 12.3 percent in 2004. Growth in overall ICT spending is projected to decline to 3.6 percent by 2011.

WITSA's semi-annual World Congress opened Monday in Kuala Lumpur, Malaysia, bringing together several thousand industry leaders in the premier global gathering for ICT.

“Global demand for ICT is growing; it remains a lifeline for economic growth across all industries and in all economies,” said WITSA Chairman George Newstrom. “It remains critical for the private and public sectors around the world to work together to address the business and policy issues that collectively impact the ICT market. WITSA’s focus on trade policy, Internet governance, and other policy priorities is key to meeting our shared goal.”

Among other key findings of this year’s *Digital Planet* report:

- In spending by country, the top 10 ICT spending countries are, in descending order: the United States, Japan, China, Germany, United Kingdom, France, Italy, Brazil, Canada, and Spain.
- In 2008, China jumps to third place from fifth place in 2006, surpassing Germany and the United Kingdom with spending of \$327 billion.
- The Americas will grow the slowest of the three broad regions charted in *Digital Planet*, at 4.0 percent annually between 2007 and 2011, while ICT spending in the Asia-Pacific region and the Europe, Africa and the Middle East region will grow annually at 10.5 percent and 5.0 percent, respectively.

- The communications technology sector of the ICT industry continues to dominate ICT spending, comprising more than 57 percent, or \$1.9 trillion of all ICT spending in 2007;
- The consumer market comprised nearly 29 percent of ICT products and services in 2007, with \$993.8 billion in spending, while spending by business and government accounted for 71 percent, or \$2.4 trillion.
- Among 14 vertical industries, the communications sector led spending at \$403.6 billion, or 11.5 percent, followed by financial services, at \$334.5 billion, or 9.5 percent.

WITSA produces *Digital Planet* biennially, using data provided by Global Insight. The report covers the world's 75 largest ICT buying nations in six regions. ICT spending is measured at the national level, by 14 industry segments plus consumer spending, and by four technology categories. A copy of the executive summary is available at the following link: http://www.witsa.org/kl08/DigitalPlanet2008ExecSummary_cover.pdf. Report tables are available at http://www.witsa.org/kl08/DigitalPlanet2008_ReportTables.pdf and country tables at http://www.witsa.org/kl08/DigitalPlanet2008_CountryTables.pdf.

About Global Insight

Global Insight, Inc. (<http://www.globalinsight.com/>) is a privately held company that brought together the two most respected economic information companies in the world, DRI and WEFA. Global Insight provides the most comprehensive economic and financial information available on countries, regions and industries, using a unique combination of expertise, models, data and software within a common analytical framework to support planning and decision-making. Through the world's first same-day analysis and risk assessment service, Global Insight provides immediate insightful analysis of market conditions and key events around the world, covering economic, political, and operational factors. The company has over 3,800 clients in industry, finance, and government with revenues in excess of \$105 million, over 675 employees and 25 offices in 14 countries covering North and South America, Europe, Africa, the Middle East, and Asia.

About WITSA

The World Information Technology and Services Alliance (WITSA) is a consortium of nearly 70 information technology (IT) industry associations from economies around the world. WITSA members represent over 90 percent of the world IT market. As the global voice of the IT industry, WITSA is dedicated to advocating policies that advance the industry's growth and development; facilitating international trade and investment in IT products and services; strengthening WITSA's national industry associations through the sharing of knowledge, experience, and critical information; providing members with a vast network of contacts in nearly every geographic region of the world; hosting the World Congress on IT, the premier industry sponsored global IT event; hosting the Global Public Policy Conference; and hosting the Global Information Security Summit.

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