

North American Companies Falling Behind New Competitive World Order in IT and Telecom, Study Finds.

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MONTREAL, PQ. – Significantly increased competition is emerging in the global technology and telecommunications industries although most U.S. and Canadian ICT firms are failing to keep pace with the changes, according to a new study conducted by research and analysis firm Balanced Viewpoint. More than 65% of the more than 150 U.S. and Canadian executives surveyed for the study stated that their executive teams had no formal plan in place to manage these emerging competitive pressures.

The study, titled “The Calm Before the Storm”, was conducted in late 2005 and early 2006. Its findings were announced today in Montreal at the Balanced Viewpoint 2007 Forum on Global Competitiveness. The study indicates that North American executives are acutely aware of the dynamics of increasing global competition with more than 80 percent of survey respondents saying they expect competition in their industry to intensify in the next two years. Less than one percent anticipate a decline in competition.

The study underscores the impact of a dramatic global economic realignment, featuring China and India as important new centers of competition. Many North American executives point to China as significant a source of competition over the next two years as other North American companies.

"North American companies risk falling behind global forces that are fundamentally altering the competitive landscape in the technology and telecommunications industries," said Peter Lindfield, Managing Director of Balanced Viewpoint. "American and Canadian executives clearly feel the pressure of global changes in the supply chain and sourcing investment with many rating their efforts to respond as fair to good. This is not adequate to the challenge. Too many organizations are complacent in putting in place the policies, practices and processes required to adequately assess, execute and measure their progress in this increasingly intense competitive environment."

The report also questions the low priority executives place on managing operational complexity and optimizing capital deployment as requirements for competitive success. Both of these factors will have an enormous impact on organizations' ability to expand and grow, the report says.

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About Balanced Viewpoint

Founded in 2005, Balanced Viewpoint is a provider of research and analysis on the global information telecommunications industries and delivers thought leadership and actionable advice to enable its clients to make more informed business and technology decisions with a specific focus on emerging global challenges and risks. Balanced Viewpoint is a privately owned firm with professionals operating out of Canada and the U.S. For more information about Balanced Viewpoint, visit www.balancedviewpoint.com.