

IT Sector Holding Steady

By Rachel Nielsen

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Information-technology spending in Russia by consumers, private businesses and the government amounted to \$32 billion last year. **Maxim Stulov**

The country's appetite for high-technology gadgets, software and services has been robust over the first half of this year, a top analyst for research firm IDC said.

"The past six months have been a lot stronger than we were expecting," Robert Farish, IDC's regional director for Russia and the CIS, said on the sidelines of a news conference Tuesday.

Farish attributed the health of the market partly to the strength of Russia's macroeconomics.

"The IT market tends to follow [gross domestic product], which follows the oil market," he said.

In addition, though the firm had expected a dip in state information-technology spending as the government changed hands this spring, that decrease didn't occur, "maybe because there wasn't really a change in government," Farish said.

IT spending in Russia by consumers, private businesses and the government amounted to \$32 billion last year, according to IDC estimates. The firm is forecasting \$35.5 billion in IT spending for 2012.

Farish said that so far this year, the market has been buoyed by continued big spending by the state on electronic-government initiatives and by ongoing corporate demand for software.

The market's potential was underscored at the news conference, held by IBM to trumpet regional expansion plans.

The U.S. computing and IT-services giant said it is nearly doubling its number of offices in Russia and the CIS this year, from 12 to 22, with the additional locations to open this month.

It is planning to invest \$6 million this year to expand its operations in the regions and will set up shop in smaller cities in Ukraine and, potentially, Kazakhstan and Uzbekistan.

The money will go toward regional staff's salaries, office space, equipment, marketing and service centers, Kirill Kornilyev, IBM's general director for Russia and the CIS, said Tuesday.

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