



"Small Means Big"

ZAGADA



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Philippines IT & BPO Services Executive Report 2008 Published by Zagada Institute Region's Leading Research Analytics Firm

New Research from Zagada Institute Focuses on 20 Detail Domestic & International Suppliers Analysis, 20 City Capability Analysis With Actionable Costs and Demographic Insights – Compliments its existing Mexico, Brazil and India IT Reports.

MIAMI & CORAL GABLES, Fla.-(May 29, 2008) - Zagada Institute announces the publication of its Philippines IT & BPO Services Executive Report 2008: "A Competitive Asia-Pacific Alternative." This executive report format is the fourth of its concise global IT reports series, which include India, Mexico and Brazil already, published. While BPO data is included the analysis significantly focuses on the US\$5.2 billion Philippines IT sector, projected to grow 38.6 percent in 2008.

The Zagada Philippines IT & BPO Services Executive Report 2008 offers strategic guidance and detailed decision making cost, demographic and supplier analysis to corporate buyers, investors and sourcing executives about how to compare and evaluate Tier 1 and Tier 2 cities such as the Metro Manila area, Metro Cebu and Metro Davao. Tier 3 sites such as Eastwood City; Mandaluyong, Matalpa, Pasig and Pampanga are also assessed. The report presents data on a total of 20 cities. Tier 1 and Tier 2 cities represent over 70% of IT productivity in the Philippines.

Twenty domestic and international vendors operating in these established and emerging city-states are analyzed and presented graphically. Local vendors analyzed include Aktus, MicroSourcing, Somersault, BiPO – Digital, Infinite, Teledevelopment, Advanced Contact Solutions, Cebu Global, Teleservices, BPO Global Concepts and VoiceVille. International vendors evaluated include, Fujitsu, HSBC EDP, ICT, ePLDT, NCO, PeopleSupport, Sitel, Telecech, NCO and Convergys.

The report highlights that after India, the Philippines is the second largest supplier of IT & BPO outsourcing talent serving U.S corporate customers. Its base of 40,000 outsourcing professionals in 2000 grew to 300,000 in 2007 and will exceed 400,000 by the end of 2008. Zagada projects that the Philippines IT & BPO talent base will exceed 500,000 by 2010. The report analyses the city-by-city demographic distribution of the 400,000 annual graduates coming from its 1029 IT schools, technical colleges, universities and institutes.

Despite its competitive wage costs, strong English-ready professional, U.S. cultural alignment, and relatively stable market friendly economy, Zagada finds, however, that the country faces a number of internal and external challenges. The key challenges include relatively high levels of software piracy and intellectual property costs, moderately high natural disaster and political risk. Consistency in electrical power reliability is strong in its leading Metros but reliability standards varying across emerging cities.

The report summarizes that the Philippines, however, will continue to effectively use its BPO export service success to build its IT outsourcing competitive positioning.



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Companies are invited to purchase the Philippines report online at www.Zagada.com. Email enquiries should be sent to PHIL@zagada.com.

Companies interested in subscribing to Zagada's complete report series are invited to contact Zagada directly at 786 348 7531 or 305 529 9028 to reach our South Florida office, or send emails to Subscribe@zagada.com.

About Zagada Institute

The Zagada Institute is the research arm of Zagada Markets

About Zagada Markets

Zagada is a boutique business development analytics firm. The company provides research, indexes, proprietary rating and tailor-made advisory services on countries, cities and service suppliers to corporations. Zagada is the developer and publisher with its joint venture partner Waagstein Research of the Zagada Waagstein Global Outsourcing 100 Index (ZAWA100), which is the first global equity index benchmark on service globalization (outsourcing). The company principally serves the corporate buy-side and is totally focused on delivering sourcing analytics on the global outsourcing sector. Please visit *Zagada* at www.zagada.com.