

Channel set for double boost from government

Report predicts increase in project spending and that VARs and integrators will be heavily involved

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Central government will give a double boost to the channel this year by raising budgets and increasingly using resellers and integrators for IT projects, according to IDC.

The report, *Western European Government Sector, 2005, IT Spending Plans and Channel Selection*, which covered France, Germany, Italy, Spain and the UK, found that 22 per cent of central governments plan to increase their spending on new projects this year, compared with last year.

IDC also found that resellers and system integrators (SIs) will be playing the largest role in implementing these new IT projects, with 34 per cent indicating that they intend to use the channel.

THE SURVEY'S KEY FINDINGS

- 22 per cent of governments will increase spending on new initiatives.
- 10 per cent will increase spending on maintenance and upgrades.
- Over a third will use SIs and consultants, with 30 per cent of software purchases coming through SIs.
- 28 per cent of central and 18 per cent of local governments will increase IT upgrades from external vendors.

Source: IDC

Massimiliano Claps, public sector program manager at IDC vertical markets, said: "The survey showed that SIs are the preferred channel for more traditional vendors. The reason for this is the long-term advantages that SIs offer, both in terms of technical ability and the project management skills."

The survey also showed that when selecting their IT providers, central

governments look for low cost of ownership and the technical skills of the provider.

Claps said that if larger vendors want to secure a share of the increased budgets for this year, then it would be wise to build "partner ecosystems that put them in the right channel".

Robert May, managing director at VAR Ramsac, told CRN: "SIs will be looking for these kinds of deals. It is mainly local governments that are working with SIs, as they are more flexible and can often move much quicker."

Gordon Davies, commercial director at Compusys, claimed it was about time that governments started using more specialist providers.

"A number of projects have failed when working with larger SIs. SMEs and solution integrators enable the job to be done efficiently and on time," he claimed.

CRN Channel links 2137546, 2137725