

# German tech sector bullish before giant IT fair

February 28 2011, by Richard Carter

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Fair visitors crowd the halls of the world's biggest high-tech fair, the CeBIT on March 2, 2010 in the northern German city of Hanover. Germany's high-tech sector is expected to register solid growth this year and next, creating thousands of jobs, its chief lobby group said ahead of this year's CeBIT.

Germany's high-tech sector is expected to register solid growth this year and next, creating thousands of jobs, its chief lobby group said Monday ahead of the giant CeBIT trade fair.

The sector, the second-biggest in Europe's top economy, will expand by two percent in 2011 and 2012, the BITKOM industry organisation said as it unveiled new forecasts.

"The good [economic climate](#) and a great deal of innovation is driving demand in the high-tech sector sky-high," said BITKOM President

August-Wilhelm Scheer at a news conference.

BITKOM also forecast that 10,000 [new jobs](#) would be created in the sector in 2011, with every two out of three high-tech firms expecting to hire this year.

Worldwide, the IT sector is set to grow by 4.4 percent in 2011 and by 5.3 percent in 2012, buoyed by a double-digit expansion in China, Russia, India and Brazil, BITKOM said.

One of the main drivers for growth in the sector is poised to be "cloud computing" -- the idea of storing data online rather than physically on users' machines -- Scheer said.

He forecast that sales in cloud computing services would register heady annual growth rates of 50 percent until 2015, where the technology will comprise 10 percent of the entire German IT sector.

Cloud computing, the main topic of this year's [CeBIT](#), is "the mega-trend in the high-tech sector. It will completely change the IT sector," Scheer said.

However, one of the main factors that could slow growth in the sector is a lack of skilled employees. A BITKOM survey suggested that nearly two-thirds (59 percent) of firms said this could put a brake on business.

The BITKOM forecasts came one day before the CeBIT, the world's biggest high-tech fair, throws its doors open to the public with Turkey this year's guest of honour.

German Chancellor [Angela Merkel](#) and Turkish Prime Minister Recep Tayyip Erdogan were due to speak later Monday in an official opening ceremony before touring the exhibition early Tuesday.

More than 4,200 tech firms from 70 countries are expected to attend this year's CeBIT with many of the big names that stayed away during the global financial crisis returning to Germany.

Google, IBM, SAP, Microsoft, HP and Dell are among the top companies setting up their stalls in Hanover, northern [Germany](#), for the five-day event that is likely to attract around 350,000 people.

However, the CeBIT is still some distance from recovering the glory of its heyday. At the height of the dot-com boom, more than 8,000 firms set up shop at the show.

As always, the expo will also showcase the latest weird and wonderful gadgets to delight the technology geeks.

Highlights this year include robots that can play table-tennis and recite Shakespeare and an "intelligent sensor suit," a full body tracksuit that monitors athletes' movements and enables them to improve training routines.

The fair runs until March 5.

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Citation: German tech sector bullish before giant IT fair (2011, February 28) retrieved 27 April 2024 from <https://phys.org/news/2011-02-german-tech-sector-bullish-giant.html>

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