

German IT market eyes 2014 growth but lags global pace

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(L to R) President of BITKOM Dieter Kempf, British Prime Minister David Cameron, German Chancellor Angela Merkel, State Premier of Lower Saxony Stephan Weil and Volkswagen CEO Martin Winterkorn pose on March 9, 2014 in Hanover

The German IT and communications sector is set to return to growth in 2014 driven by smartphones and tablet computers but still trail a booming global market, an industry lobby said Sunday.

On the eve of the world's biggest hi-tech fair, Germany's BITKOM said sales in IT, telecommunications and consumer electronics were due to increase 1.7 percent this year after a fall of 0.5 percent in 2013.

"The bottom line will see a plus again in 2014 but we see a divergence within the branch," said BITKOM president Dieter Kempf.

Europe's top economy is set for sales in the overall sector to reach 153.4 billion euros (\$212.8 billion) in 2014, with smartphones, tablets, software and services driving business, he said.

Globally, the IT and telecommunications sector is expected to jump 4.5 percent this year compared to 2013, to nearly 3.0 trillion euros, the German lobby group has said.

While the IT sector worldwide is set for 3.8-percent growth, in Germany it will lag slightly behind, weighed down by business in desktop computers and laptops, BITKOM said.

Tablet computers however are booming but "for many people will remain rather the second or third device and will not completely oust the PC and Notebook", Kempf said.

Within the telecommunications branch, Germany is eyeing only 0.4 percent growth with sinking revenues in data and other services, compared to 5.0 percent forecast globally, the lobby said.

The US is expected to continue to boast the biggest share of the global IT and [telecommunications](#) market at 27 percent, with the European Union at 21 percent, according to BITKOM figures.

Brazil, Russia, India and China—known as the BRIC nations—are set to grow the fastest, with India leading the way, followed by China and

Brazil.

The publication of the BITKOM forecasts is traditionally the first event of the CeBIT high-tech fair which will be inaugurated by Chancellor Angela Merkel and British Prime Minister David Cameron later Sunday.

Britain is the CeBIT's partner country this year at the five-day event, focused on the theme of "datability", the ability to use vast amounts of data quickly and responsibly.

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