



ITEA ARTEMIS-IA HIGH-LEVEL VISION 2030 OPPORTUNITIES FOR EUROPE

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ITEA ARTEMIS-IA HIGH-LEVEL VISION

2030

OPPORTUNITIES FOR EUROPE

The impact of software innovation on revenue and jobs

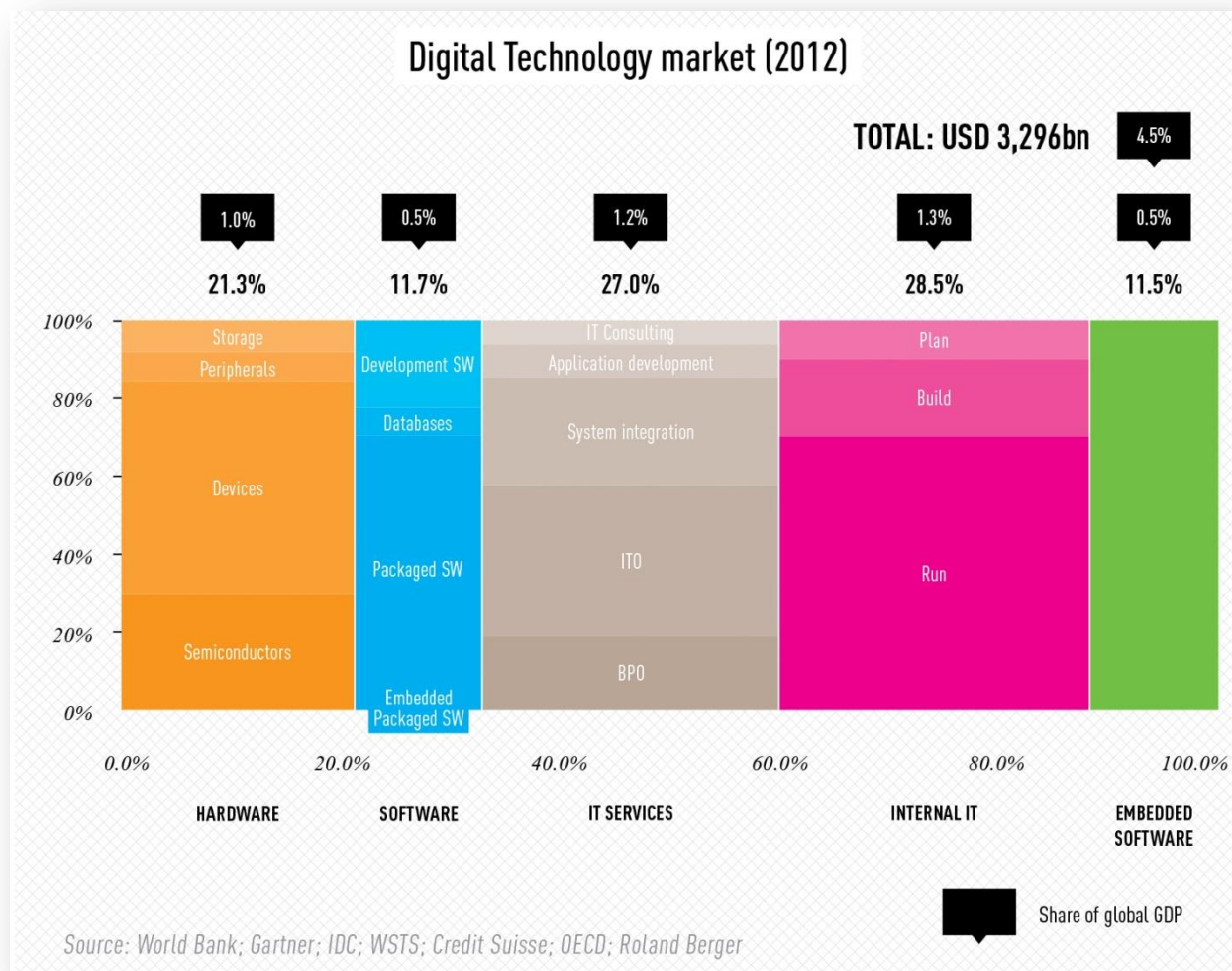


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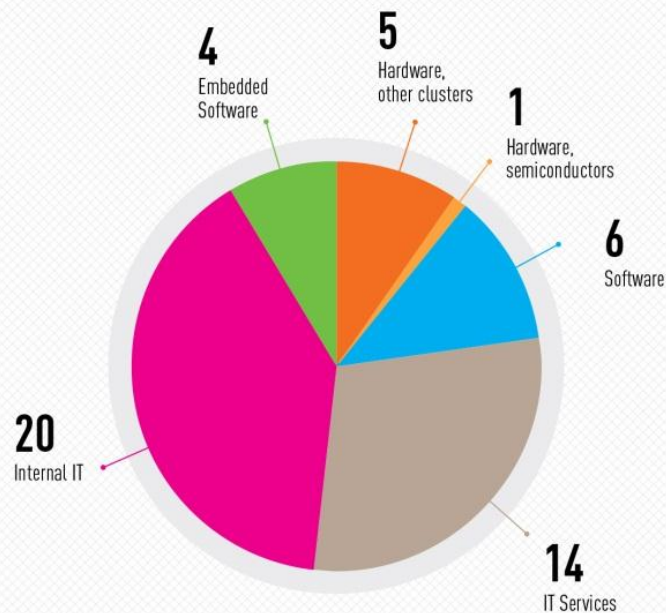
THE GLOBAL MARKET OF DIGITAL TECHNOLOGY IS 3300B\$ OF WHICH 2600B\$ ARE IN SOFTWARE INNOVATION





THE GLOBAL NUMBER OF JOBS IN DIGITAL TECHNOLOGY IS 50M WITH 9.1M IN EUROPE, OF WHICH 8.9M ARE IN SOFTWARE INNOVATION

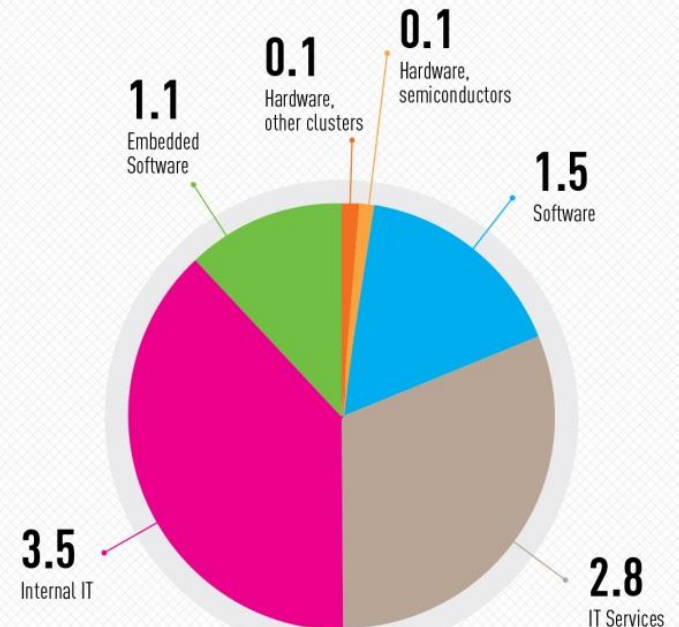
Direct job creation - Global (2012, m jobs)



Number of jobs in global Digital Technology: ~50 m

Source: OECD; Roland Berger

Direct job creation - Europe (2012, m jobs)

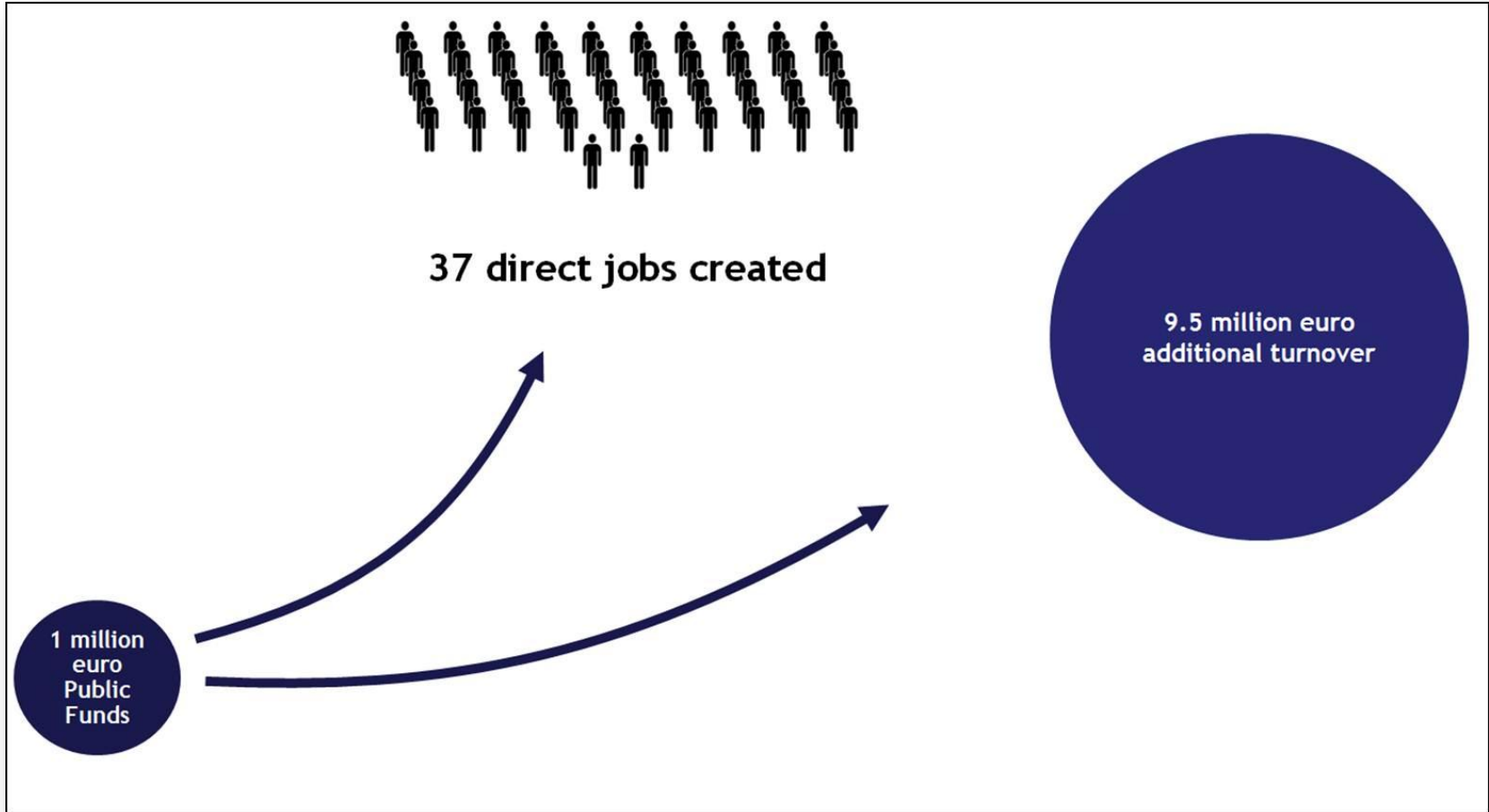


Number of jobs in European Digital Technology: 9.1 m

Source: EU; IDC; Destatis; Roland Berger



ITEA 3 CREATES 11 BILLION € REVENUE AND 44.000 JOBS



Source: EUREKA

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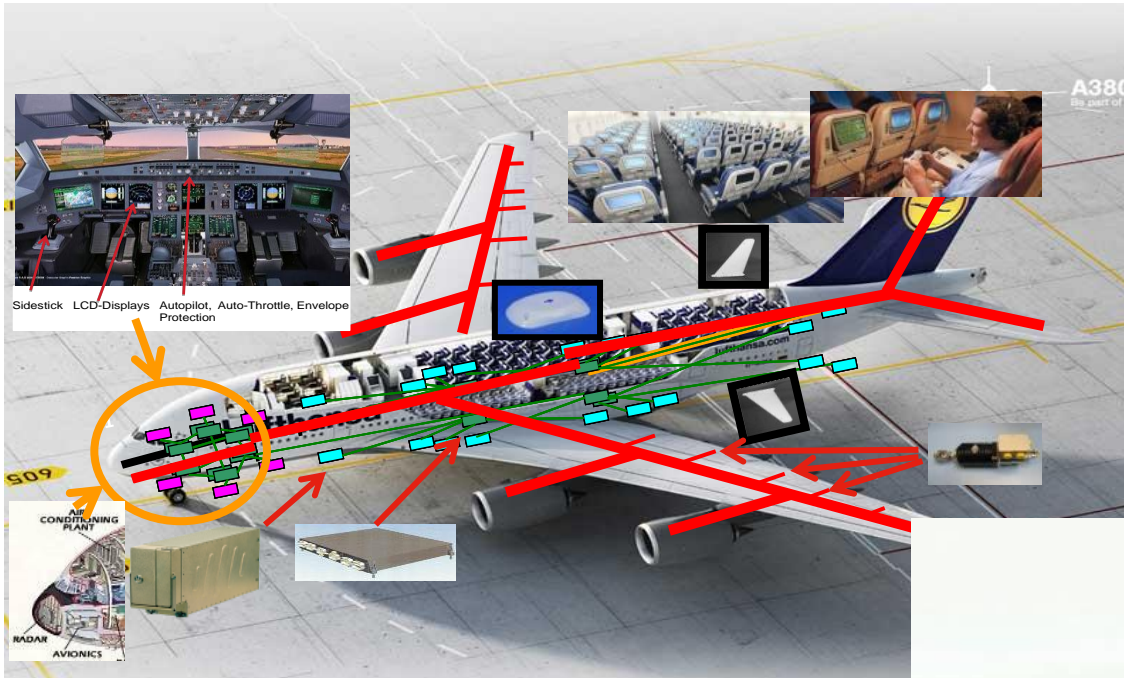
IN DIGITAL CINEMA, €1 MILLION
OF FUNDING CONTRIBUTED TO
GENERATING 350 JOBS FOR BARCO



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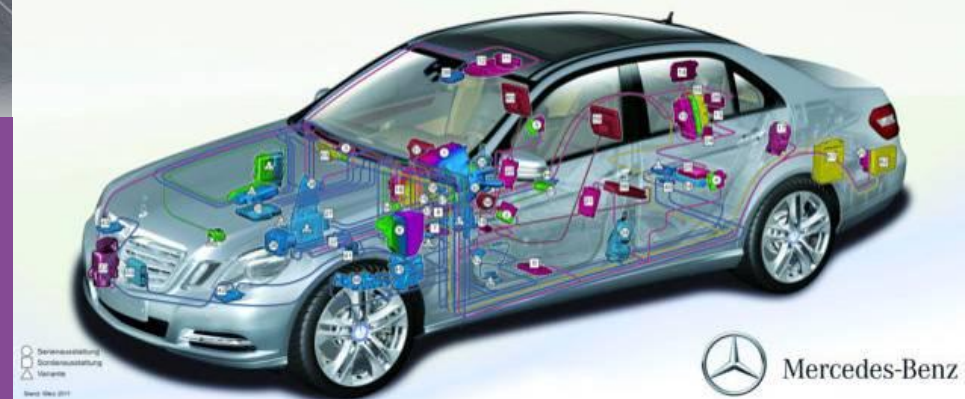
EMBEDDED DIGITAL TECHNOLOGY: SOCIETY & MARKET



Increase of Embedded Systems is required for

- mastering complexity
- meeting environmental challenges
- competitiveness
- cost efficiency

The impact will increase

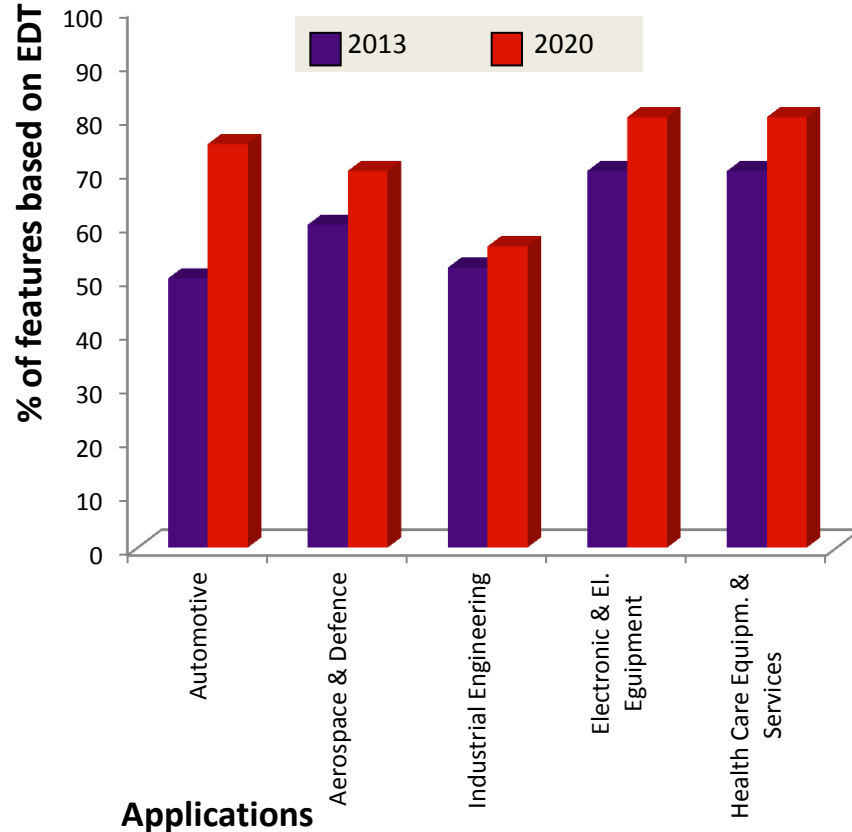


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KEY FEATURES BY EMBEDDED DIGITAL TECHNOLOGY

Key selling features of products are determined by EDT

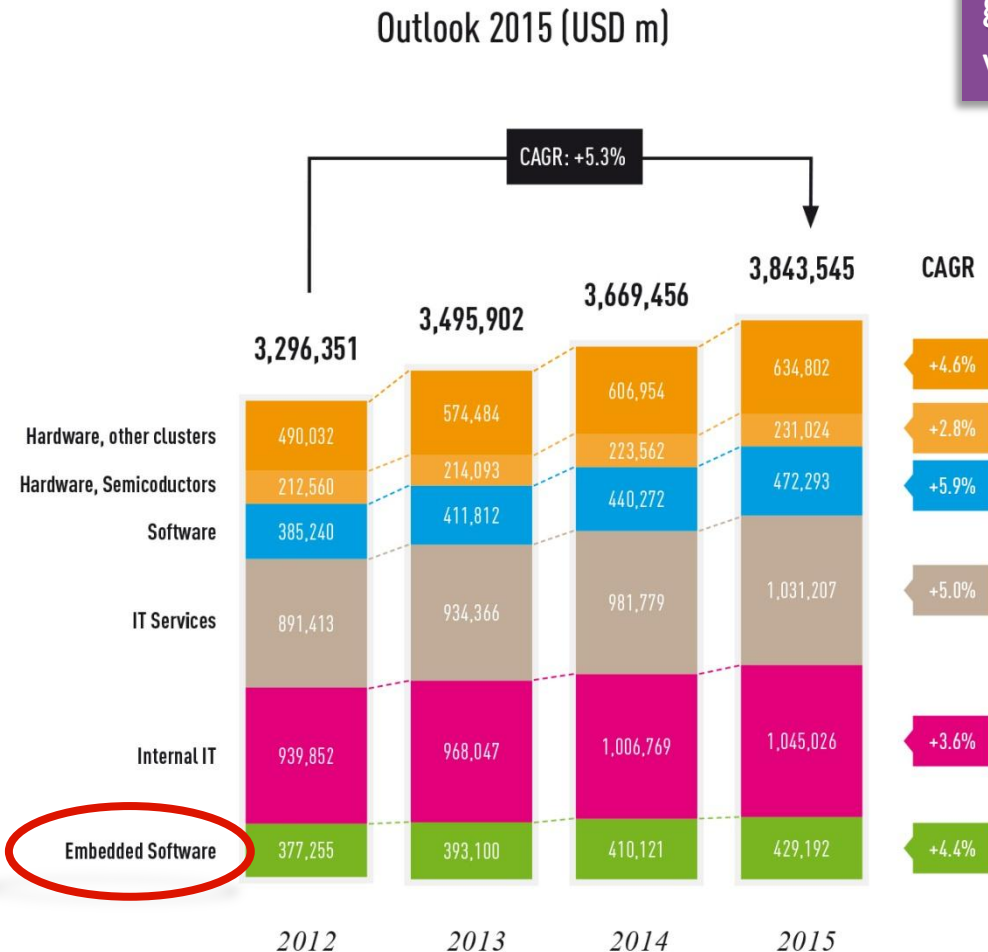


- Embedded Systems and Cyber Physical Systems are becoming integral part of all new technical systems and services, even if not recognised by their users!
- EDT is determining the key performance features of new products and services.
- Future mainstream ICT will be embedded!
- The new features will determine competitiveness !



ECONOMICAL IMPACT: GROWTH

Digital Technology is expected to grow at 5.3%, reaching a global value of USD 3,843 bn in 2015



Key assumptions

- > Overall sector growth primarily driven by software & IT services
- > Software market growing across all segments – ongoing increase of digitalization in business
- > Hardware sales profiting from strong growth in table penetration
- > Internal IT growing at slower pace due to talent gap and increasing outsourcing volumes
- > R&D spending increasing in line with global GDP

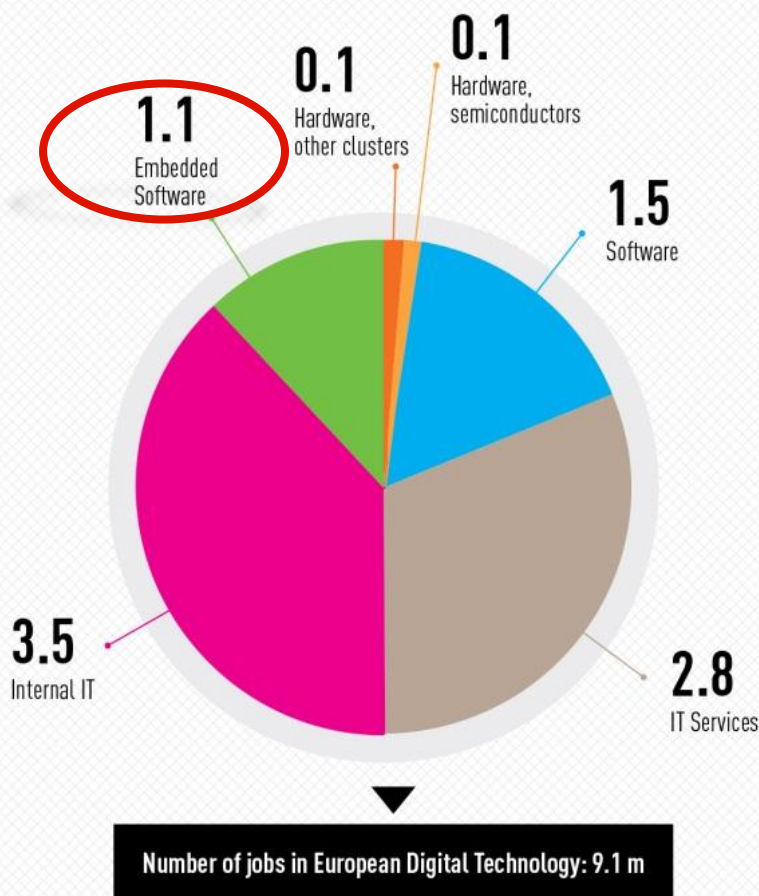
Source: Gartner; IDC; WSTS; Credit Suisse; OECD; Roland Berger

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DIRECT JOB CREATION IN EUROPE (2012 IN MIO JOBS)

Direct job creation – Europe (2012, m jobs)



Source: EU; IDC; Destatis; Roland Berger

Key assumptions

- > Broad definition of IT specialist applied; excluding management overhead, sales and support functions
- > Total number of jobs estimated by share of Digital Technology employees relative to European workforce
- > Split by clusters based on available workforce sizing of hardware cluster and global market size share for other clusters
- > definition of European market does not include Turkey

5% growth per year “creates”
ca. 450.000 jobs per year

► ca. 50.000 for ES/CPS / year

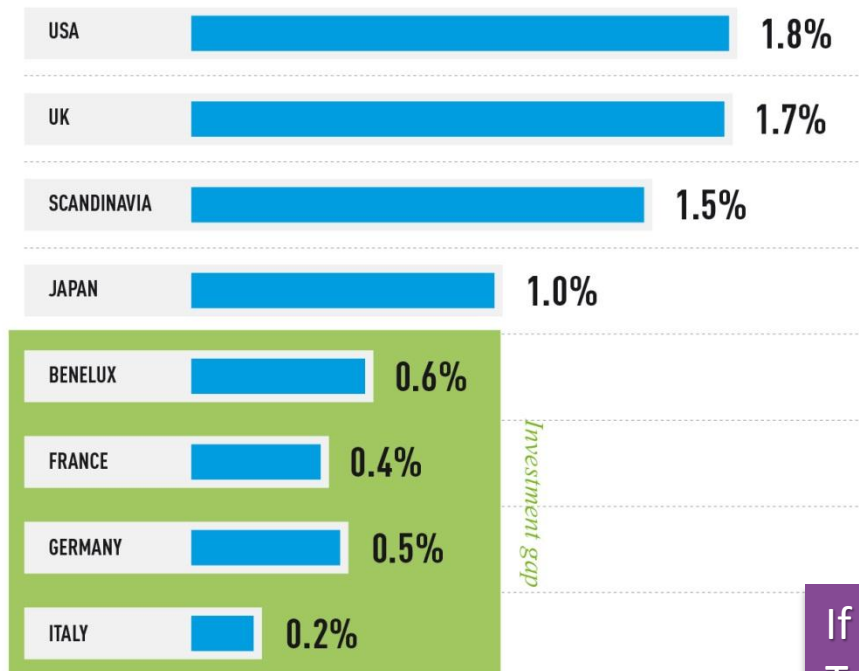
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INTERNATIONAL POSITIONING

Impact of Digital Technology on factor productivity

Productivity growth by Digital Technology



Source: Oxford Economics; Roland Berger

Comments

- > Investments in Digital Technology allow the economy to realize a so-called “ICT dividend”, through increase in factor productivity
- > Key drivers for productivity gains from Digital Technology are investments and intangible factors such as improved process design and easier access to information
- > Strong differences in size of Digital Technology between countries resulting in large gaps in productivity gains

If Europe would increase investments in Digital Technology to the same % of GDP as the US, economies would grow by 5% per year




ITEA 3 IN A NUTSHELL

- Software innovation is our business
- Seizing the high ground is our passion
- Happiness is our spirit

In a joint action of industry and public authorities let us double the investment in ITEA





ARTEMIS' PRIORITIES FOR THE FUTURE

- Boost current EU strenghts
- Innovate to unlock new business potential
- Opportunities to recover positions





COMMON CONCLUSION

With the arguments presented in this updated Vision 2030, ARTEMIS Industry Association and ITEA collectively request a doubling of the investment in software innovation to keep Europe on par with the rest of the world in sustaining the benefits of Digital Technology for European economy and society.

European economy and society.

world in sustaining the benefits of Digital Technology for



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