

**Everest Research Institute Anticipates  
Remote Infrastructure Management Outsourcing (RIMO) Market  
Growth to Exceed US \$8 billion Over Next Five Years**  
*Institute's new ITO research group to release in-depth ITO analyses in 2007*

**DALLAS, February 7, 2007** — The Remote Infrastructure Management Outsourcing (RIMO) market is likely to exceed US \$8 billion over the next five years, according to a new report released today by the Everest Research Institute.

The RIMO market, an emerging Infrastructure Outsourcing (IO) model, is growing at approximately 60 percent annually. According to the *Infrastructure Outsourcing Roadmap* report, 75 percent of this growth is attributed to renewals of pilot contracts with significant scope increases with the remaining 25 percent is attributed to new deals. The *Roadmap* report also provides insights into the benefits of RIMO for buyers, such as enhanced flexibility in IT asset ownership arrangements and increased control over IT service delivery, as well as discusses suppliers' challenges in meeting these new trend demands. The report is the first of a series of four studies to be released this quarter by the Institute's newly formed ITO Research Group, established to analyze the ever-changing ITO marketplace in greater depth and provide actionable insights into its future evolution.

"While the Infrastructure Outsourcing market appears calm on the surface and is growing in line with the overall IT industry," said Ross Tisnovsky, Vice President, ITO Research Group, "there are significant structural changes in the market itself that are driven by emergence of new technologies in infrastructure and fundamental changes in the IT asset ownership dynamics."

The report series will progressively build the picture of the IO market trends and dynamics through analyses of the effects on key market stakeholders relative to four key market developments: (1) arrival of the labor arbitrage in the IO market; (2) changes in the asset ownership dynamics; (3) emergence of new business models in IO; and (4) emerging global locations for offshore infrastructure management delivery.

The first report, *Infrastructure Outsourcing Roadmap*, revisits the IO market history and reviews the prevalent business models in this market (traditional outsourcing, managed services and RIMO). After an examination of the fundamental drivers of the new models, such as RIMO, the study describes the entry of the offshore suppliers and their approaches to the market's growth. The report also discusses the economic rationale behind traditional and RIMO models of service delivery, defines the impact of labor arbitrage, and offers a balanced view of the growth prospects and next steps for the market constituents.

Following the *Roadmap* report, forthcoming reports this quarter from the Institute's ITO Research Group are:

- **"Asset-light Outsourcing Model"** will offer insights into one of the most important drivers of changes in the IO market – the IT asset ownership trends in an infrastructure outsourcing deal. The report will cover the historical reasons for asset ownership transfer in the IO deals and changes in the ITO landscape, which have prompted buyers to reconsider their asset ownership strategies. This report will also examine the decoupling of asset control from asset ownership requirement through remote management tools, the emergence of third-party financing alternatives, and looming changes in accounting that will further decrease the benefit of asset ownership transfer.
- **"Growth of Infrastructure Management Outsourcing"** will predict growth scenarios for RIMO market and outline effects on the overall IO market. The report's findings will be gleaned from an analysis of key market forces shaping the IMO

marketplace that determine IMO growth prospects, as well as an outline of the Institute's growth model for the RIMO space that incorporates the effects of key market forces and defines a mathematical model of key signing and renewal dynamics in the RIMO market.

- **“Selecting a Location for Remote Infrastructure Management Service Delivery”** will provide a high-level view of the emerging global locations for offshore infrastructure management service delivery and identify the most attractive cities in pre-selected geographies by utilizing the Institute's proprietary location selection methodology.

For additional information and samples from both the *Infrastructure Outsourcing Roadmap* and *Asset-light Outsourcing Model* reports, please visit [www.outsourcing-center.com](http://www.outsourcing-center.com) and select the link, *Information Technology Outsourcing (ITO) Infrastructure Outsourcing Roadmap* or *ITO Market Update: Asset-light Outsourcing Model*, respectively. You may also call 214-451-3110.

### **About Everest Research Institute**

**Everest Research Institute** ([www.everestresearchinstitute.com](http://www.everestresearchinstitute.com)) serves as a central source of independent and objective strategic intelligence, analysis, and actionable insight for leading corporations, service providers, and investors in the global outsourcing and offshoring marketplace. The Institute addresses both business process and information technology sourcing topics, providing the global outsourcing and offshoring community with information that empowers highly productive, sustainable sourcing strategies and relationships. The Institute's distinguished Board of Advisors, senior executives and thought leaders oversee the Institute's research agenda to ensure that it fully supports the business needs of corporations, service providers and investors.

Everest Research Institute members receive access to unparalleled analytical and advisory services, including access to Everest analysts, in-depth reports on major outsourcing and offshoring topics, white papers on market-shaping events, and webinars designed to provide insight and information about important market trends. The Institute's wealth of knowledge and experience provides members with unique perspectives into today's marketplace and the competitive edge required to take advantage of emerging opportunities.

Everest Research Institute is the research arm of the Everest Group ([www.everestgrp.com](http://www.everestgrp.com)), a global consulting firm that assists corporations in developing and implementing leading-edge sourcing strategies. Since 1991, Everest Group has served as the trusted business advisor for hundreds of IT and business process outsourcing transactions worldwide.

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