

## Telecommunications Equipment (TEL)

### Overview

Telecommunications Data Table (\$ millions)

	2006	2007	2008
Total Market Size	1,512.0	1,587.6	1,667.0
Total Local Production	2,007.3	2,107.7	2,213.1
Total Exports (from Austria)	1,005.2	1,055.5	1,108.3
Total Imports (into Austria)	509.9	535.4	562.2
Imports from the U.S.	47.4	49.8	52.3

2007 exchange rate: 1 EUR = \$ 1.37

Note: The above statistics are unofficial estimates.

Source: FEEI, Statistic Austria and IDC Austria

The Austrian telecommunications equipment market in Austria is an open, well developed, and highly competitive market. Major worldwide telecom equipment suppliers such as Siemens, Motorola, Ericsson, Nokia, Alcatel, Philips, and Cisco Systems have dominant positions.

The market totaled \$1.5 billion in 2006, an increase of about 7.1 percent over 2005. The fastest growing sector in the last few years was the end-user equipment market, which was led by growth in sales of mobile telephone sets. The U.S. market share was 9.3 percent in 2006.

Manufacturers of communications equipment reported a decline in production by 2.2 percent in 2006. Increases in production in recent years have derived from strong investment in wireless communications. Investment activity by fixed network operators was modest. Exports by Austrian producers to the EU once again increased, as did exports to Eastern Europe. Given the demand for additional development of infrastructure (for broadband communications, for example), the sector anticipates continuing increases in investment.

In 2006, production of telecommunication equipment and devices declined by 2.2 percent and ran counter to the overall industry trend. However, the production value over a longer period is still at a high level. The domestic market declined significantly in 2006 as the major investment by mobile telephone companies of recent years no longer applied. The trend in the export segment was more positive and exports to EFTA countries increased by 24.7 percent, while the economic boom in Asia led to an increase in exports of 18.5 percent. The present level of orders points towards a stable business performance in 2007.

The Austrian market for enterprise infrastructure and network access equipment is expected to increase to \$376.0 million in 2007, from \$373.0 million in 2006.

Sales of broadband equipment amounted to \$36.7 million in 2006. A total of 1.2 million broadband households were registered in 2006, which is expected to increase by approximately 16.7 percent in 2007.

### Best Products/Services

Growth segments over the next two years will be enterprise converged voice equipment, dedicated content equipment, and wireless LAN equipment. With the expansion of the broadband sector, investment in network infrastructure will be needed. Best prospects in this area are optical fiber, power line, radio networks (W-LAN), and cable television networks (CATV).

### Opportunities

No information on special projects or opportunities is currently available.

### Resources

Web resources:

<http://www.feei.at> - The Association of the Austrian Electrical and Electronics Industry (FEEI)

<http://www.idc.com/austria> - IDC Austria

[http:// www.statistik.at](http://www.statistik.at) - Statistik Austria

Contact:

Ingeborg Doblinger, Commercial Specialist, Commercial Service, Vienna, Austria  
Email: [ingeborg.doblinger@mail.doc.gov](mailto:ingeborg.doblinger@mail.doc.gov)