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## Dell to expand in India, Europe

**World's largest PC maker to hire 1,200 for call center in Punjab and build plant in Eastern Europe.**

March 21, 2005: 7:07 AM EST

**MOHALI, India, (Reuters) - Dell Inc., the world's largest personal computer maker, said Monday it would push deeper into low-cost countries by hiring another 1,200 staff for a call center in India and building a factory in Eastern Europe.**

Michael Dell, Texas-based [Dell's \(Research\)](#) 40-year-old founder and chairman, opened the company's third Indian call center Monday in the northern state of Punjab.

Dell, the world's 18th richest man with a personal wealth estimated at \$16 billion by Forbes magazine, said he expected the new center to have about 1,500 employees in a year compared with just 300 now.

The company employs more than 7,000 people in India, its largest workforce outside the United States.

"I think India will also represent a great market for us. The business is expanding at a very rapid rate," Dell told employees in the industrial township of Mohali. "Certainly the scale of India is pretty awe-inspiring."

Dell has one call center in the southern city of Hyderabad and another in India's technology capital, Bangalore, to handle customer care, offer technical support and for application development.

India's flourishing business process outsourcing (BPO) sector has become a magnet for global corporations such as [General Electric \(Research\)](#) and [American Express \(Research\)](#). The sector is expected to clock sales of \$5.7 billion in the year to March 31, a growth of 44 percent over the last fiscal year.

Heavy demand for outsourcing of services such as payroll processing and insurance claims has helped the industry grow at a compounded annual rate of 56 percent since 2000.

### Plant in Eastern Europe

Although Dell did not mention the exact investment plans for India, he said the computer company -- which competes with [Hewlett-Packard \(Research\)](#), [IBM \(Research\)](#), Fujitsu and

Toshiba -- had invested "tens of millions of dollars" in the country.

"Asia is a rapidly growing part of the world for us. We are also growing in Europe and the U.S.," Dell told reporters.

He added the firm would be setting up a second European computer making plant "somewhere in the eastern part of Europe," but declined to give the exact location.

The proposed move to set up a plant in Europe seems in part designed to shore up its business against Hewlett-Packard in one of the few big markets where it outpaces Dell in sales. Dell also lags HP in PC sales in Germany, China and India.

Dell makes computers in six locations and has thrived by adopting a contrarian strategy of manufacturing personal computers in the regions where they are sold, in contrast to most other PC makers that rely on Asia -- and China in particular -- to manufacture their products.

Dell said he expects the firm's growth in earnings per share in 2005 to exceed growth in sales and sees the company growing faster than the industry on the back of multiple business opportunities.

"Our EPS will grow faster than revenue. We see a multitude of growth opportunities for Dell, including new products, services, new geographies," he said.

"We expect to continue to grow faster than industry. Our growth is coming from enterprise customers, servers and storage devices. Our services business has been growing rapidly and our share of the PC segment and the printer market has been growing rapidly."

In January, Dell said he expected growth in the personal computer market to be in the 10 percent range.

For Dell's fiscal first quarter ending in April, the company said in February it expected a profit of 37 cents a share and sales growth of around 16 percent to \$13.4 billion.

But analysts expect a first-quarter profit of 36 cents a share on revenue of \$13.5 billion.

Dell hopes to generate about \$60 billion in revenue by the end of the year.

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