



# NEWS RELEASE

FOR IMMEDIATE RELEASE

CONTACT: Tom Greaves (tom@daratech.com)

PHONE: (+1) 617.354.2339

Ref: 2002 GIS

255 Bent Street  
Cambridge, Massachusetts  
02141-2001  
USA

Tel. (+1) 617.354.2339  
FAX (+1) 617.354.7822  
E-mail daratech@daratech.com  
www.daratech.com

GIS SOFTWARE GROWTH A DYNAMIC 14.3%;  
WORLDWIDE SOFTWARE REVENUE HITS \$1.1 BILLION IN 2001

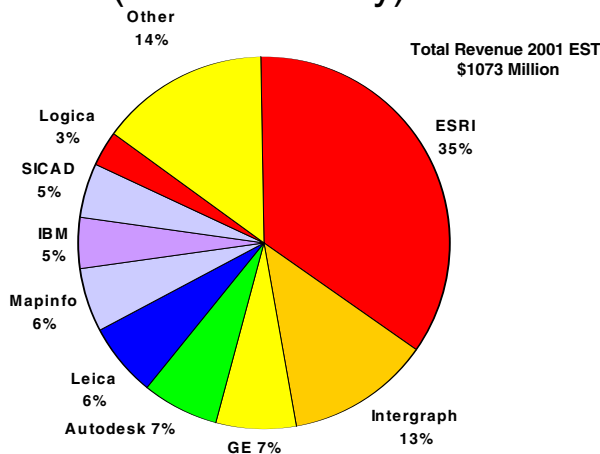
ESRI, INTERGRAPH LEAD SOFTWARE MARKET; GE NETWORK SOLUTIONS,  
AUTODESK, LEICA GEOSYSTEMS, MAPINFO ADVANCE

TOTAL GIS FRONT-END BUSINESS TOPS \$7.7 BILLION;  
GIS-RELATED SERVICES REACH \$5.4 BILLION;  
GIS DRIVES \$799 MILLION IN HARDWARE SALES

Cambridge, MA, November 6, 2002 — Worldwide GIS software revenue reached \$1.1 billion in 2001, an outstanding growth of 14.3% over the previous year, according to a just-published market study by Daratech, Inc., a Cambridge, MA-based market research and technology assessment firm. The largest market for GIS software was the utilities industry, which accounted for 21% of all software revenue, followed closely by state and local governments, the telecommunications industry, and organizations involved in earth resources management.

Moreover, GIS software sales drove more than \$7.7 billion in total user spending on software and related hardware and services. Indeed, services contributed a whopping \$5.4 billion,

## 2001 Worldwide GIS Revenue (Software Only)



including \$5 billion from non-core-business vendors—companies that do not develop GIS applications software products. Much the largest single component of the GIS economy, services include consultative offerings such as needs analysis and process re-engineering, as well as IT-related services such as systems integration, implementation, customization, commissioning and data conversion.

Leading the market in software revenues were Environmental Systems Research Institute, Inc. (ESRI, Redlands, CA) and Intergraph Corporation (Huntsville, AL). Together, the two companies accounted for nearly half (47.1%) of the industry's total software revenues.

ESRI strengthened its position as the number one GIS software provider and generated more than one-third of all software revenue in the industry. A pioneer of the industry, ESRI today has over one million seats of its technology installed worldwide in a wide range of industry markets including federal, state and local governments; earth resources; electric, water and gas utilities; oil and gas exploration and production; education; and marketing and sales.

Intergraph, the second-largest GIS software provider, is one of the industry's longest-established providers. Intergraph today has a number of vertical business units that provide significant GIS and related solutions and services. One of these, called Mapping and GIS Solutions, provides geospatial solutions to government, commercial and international markets. Another Intergraph business unit, Utilities and Communications, provides information systems for managing geospatial resources that deliver goods and services to consumers, such as those owned and operated by electric and gas utilities, pipelines, water companies, and communications providers.

Other software leaders in 2001 included GE Network Solutions (Atlanta, GA), Autodesk, Inc. (San Rafael, CA), Leica Geosystems GIS and Mapping Division (Atlanta, GA) and MapInfo Corporation (Troy, NY).

GE Network Solutions, by Daratech's estimate the third-largest industry participant on the basis of software revenues, creates, markets and delivers network design and management software products to the utility, communication and public systems sectors globally. The company's success in GIS is founded on its well-regarded Smallworld solutions for spatial resource planning, or SRP. By helping organizations understand such things as where and how their facilities and customers are located, GE Network Solutions provides enterprise-wide support for its customers' essential business processes.

Autodesk, another major participant, has over the past few years built an impressive presence in the GIS industry, and today offers a broad, powerful family of offerings that span customer organizations from field offices to back offices with enterprise, desktop, Internet and mobile applications. Offering end-to-end solutions for mapping, GIS, civil engineering and infrastructure management, all from a single vendor, Autodesk bases its differentiation on providing systems for bringing GIS and CAD professionals together, integrating their data, collaborating on projects, and distributing their digital data throughout their organizations.

Leica Geosystems, also a major player, is best known for its systems that provide high-accuracy 3D spatial data capture, visualization and modeling. The company's strategy for customers in surveying, engineering, construction, GIS, mapping, industry, defense and other areas is to offer total solutions designed to provide quality, efficiency and safety.

MapInfo's success is built on developing, marketing and supporting location-based solutions for the

customer relationship management (CRM) market. Intriguingly, MapInfo does not position itself as a GIS solutions provider, but instead as offering solutions that help enterprises gain business advantage by becoming more effective in acquiring, retaining and maximizing the value of their customer relationships.

Daratech's new report on the GIS industry, titled Geographic Information Systems: Markets and Opportunities 2003, identifies business opportunities, analyzes current and future markets for GIS technology, explores today's successful GIS product and marketing strategies, features in-depth profiles of six leading players in today's market, and provides a detailed reference to 30 GIS vendors and over 200 products. GIS Markets and Opportunities 2003 is available from Daratech for \$4,950. To order the report or get more information, visit [www.daratech.com](http://www.daratech.com) or contact Daratech, Inc., 255 Bent Street, Cambridge, MA 02141, USA; tel. (+1) 617.354.2339; fax (+1) 617.354.7822; e-mail to:[sales@daratech.com](mailto:sales@daratech.com).

###

[NOTE TO EDITORS: This release is revised and updated on an ongoing basis to reflect changing market conditions. Also, while Daratech adheres to the highest standards of care and due diligence in gathering and reporting information, it is impossible to guarantee that inaccurate, incomplete or ambiguous statements were not inadvertently included in this release. Before publishing this release, please phone Daratech at (+1) 617.354.2339 to be sure you are working with the latest version, and to receive any corrections or amplifications that have been made since this release was issued.]