

BC High Tech CEO's Optimistic About the Economic Outlook and the High tech Sector

While the current assessment of the economy is negative, high tech CEO's express confidence towards the future of BC's economy overall, and are even more bullish towards the high tech sector.

Vancouver, August 2, 2001 - Despite the economic doom and gloom reports coming out of the high tech sector, BC's high tech CEO's are extremely bullish on the future of the high tech industry in BC and in Canada, and of their own company in particular. While ratings of the current state of the economy and of the high tech sector are far more subdued, a dramatic turnaround is anticipated within the next 12 months. This according to the preliminary results of the **"2001 Technology CEO Outlook Survey"** jointly sponsored by Ipsos-Reid and the BC TIA (BC Technology Industries Association).

Ipsos-Reid surveyed 157 CEO's within the high tech sector of BC in June and July of 2001, and results will be made public within the next few weeks. A preliminary look at the numbers paints a picture of high tech optimism.

When asked about the current state of the overall economy, the majority (54%) of CEO's rate the current state of the BC economy as either 'very poor' (17%) or 'poor' (37%), and only 9% rate the current status as 'good'. The view towards the Canadian economy is much more positive, with nearly one-half saying that the economy is either 'good' (42%) or 'very good' (4%), while less than 5% say that the current state is poor.

Ratings of the current status of the high tech economy in BC versus Canada are also dramatically different. High tech CEO's view the Canadian high tech sector rather favourably, with 42% providing ratings of either 'good' or 'very good', compared to only 24% for the BC high tech sector. In fact, about the same proportion hold a negative view towards the BC high tech sector, with 23% providing ratings of either 'poor' or 'very poor'.

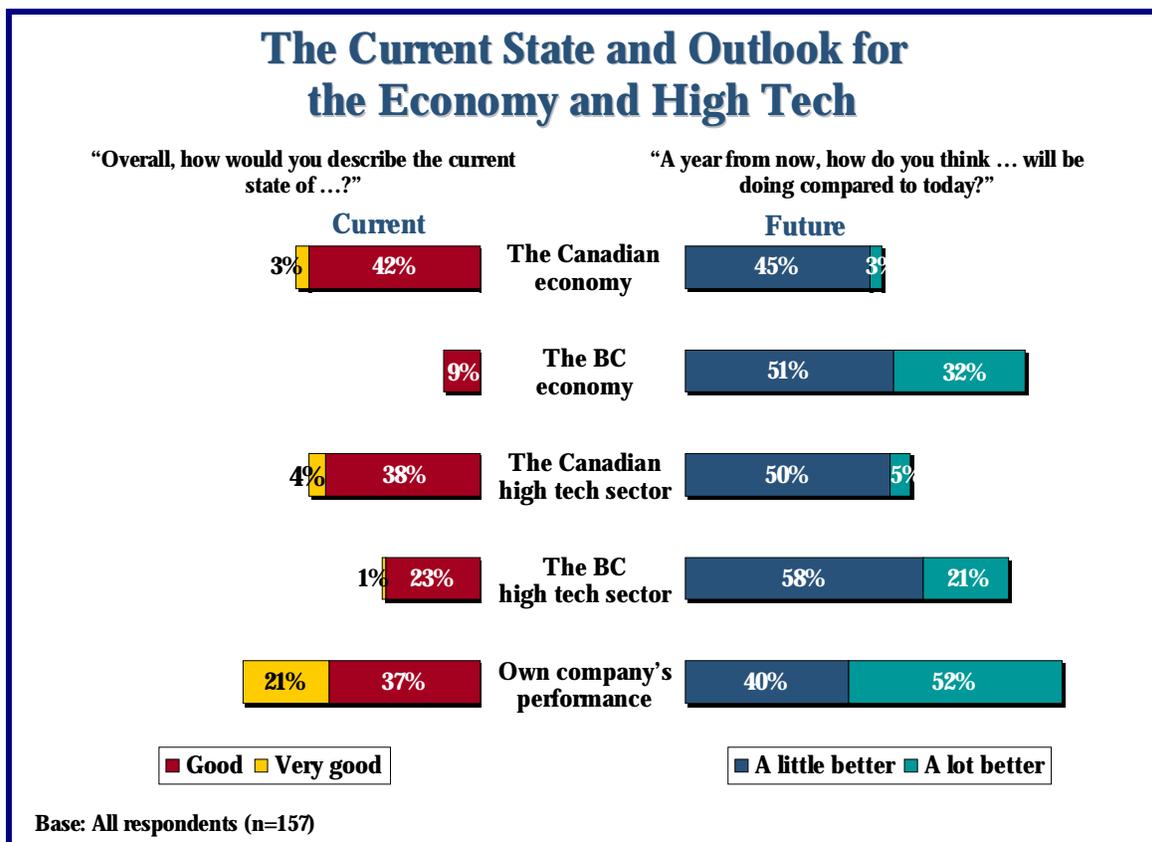
"Current market sentiment has been battered relentlessly in the face of the dot-com fallout, and the general malaise of the high tech sector " says Steve Mossop, senior vice-president and managing director of Ipsos-Reid's Vancouver office. "BC has faced the brunt of the decline in economic confidence among high-level decision-makers, and our polling among the general public indicates the same."

The good news is that optimism levels increase dramatically when a one-year time horizon is considered. In fact, this turnaround is even more pronounced in BC for the economy overall, as well as the high tech sector. Furthermore, CEO's are extremely confident about their own company's current and future business prospects.

The vast majority (83%) of CEO's say that the economy in BC will either be doing a 'little better' (51%) or 'a lot better' (32%) than it is today. Views towards the high tech sector are even more bullish, with 79% saying the sector will do 'a little better' (58%) or 'a lot better' (21%). Outlooks for the Canadian economy and the Canadian high tech sector are more reserved, with about one-half saying the outlook for each is better one year from now.

When it comes to their individual company, high tech CEO's are extremely optimistic, even more so than the industry itself. For example, 58% rate their own company's business activities as either 'good' (37%) or 'very good' (21%). In addition, 92% of CEO's expect that their company will be doing better one year from now (40% a little better, 52% a lot better).

"The results from the study clearly indicate the belief in the underlying strength of BC's high tech sector and the positive impact that the recent changes brought about by the new provincial government will have on the industry" Says George Hunter, Executive Director of the BC TIA.



There are virtually no differences between CEO's of large high tech companies (over

100 employees), and those representing smaller firms' (21-100 and less than 20 employees)

Other topics to be released once the survey results have been fully processed include an assessment of concerns facing high tech companies and the barriers to doing business in BC. In addition, assessments of future performance of companies in terms of growth in the areas of investment, employment, R&D, staffing, and profitability levels will also be made available.

The "BC TIA High tech CEO Outlook Survey" is the largest survey of its kind in BC. The results are based on a self-complete survey of 362 high tech CEO's in the province. A total of 157 completes were achieved, for a very positive response rate of 43%. Respondents were given the option to complete the survey via fax (of which 51 choose to do so), or online via our secure website (106). Data was collected from May 22 to July 5.

CEO's represented in this study include both BC TIA members and non-members, and the universe was compiled through a combination of the BC TIA membership list and high tech industry lists available through various public sources.

These data are statistically weighted to reflect the actual distribution of CEO's among large, medium and small companies based on the principle of 'one CEO, one vote'.

The CEO's surveyed represent companies with 15,500 employees in BC. On a total revenue basis, the sample represents a combined \$500 million of business in BC in British Columbia in the year 2000.

With a sample of 157, and with a finite population correction factor applied, one can say with 95% certainty that the overall results are within a maximum of ± 5.9 percentage points of what they would have been had the entire population of CEO's been surveyed. The margin of error will be higher for sub-groupings of the survey population.

Established in 1979, **Ipsos-Reid** is Canada's leading market research and public opinion company. Its is best known for the Angus Reid Express Poll, the most widely quoted source of public opinion in the country. Founded by Dr. Angus Reid, Ipsos-Reid has conducted extensive market and social research in 80 countries and in 40 languages, and serves clients around the world through more than 300-professionals and 1,000 data collection staff in eleven offices. The company is a member of the Paris-based Ipsos Group, ranked among the top ten research companies in the world.



For more information, contact:

George Hunter, Executive Director,
BC Technology Industries Association

t: 604.683-6159

e: ghunter@bctia.org

w: www.bctia.org

Or

Steve Mossop, Senior Vice President,
Ipsos-Reid Vancouver

t: 604.893-1609

e: steve.mossop@ipsos-reid.com

w: www.ipsos-reid.com