

It's China first, India 2nd for global CEOs

Bosses of 1410 world companies see China and India as greatest competitive threat to others

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Davos

A majority of the world's

chief executive officers plan to invest in China over the next three years to win customers in the world's fastest-growing major economy, a survey by PricewaterhouseCoopers LLP showed.

Fifty-five per cent of business leaders said they plan to do business in China between now and 2009, the report released on Wednesday at the World Economic Forum in Davos, Switzerland, showed. Thirty-six per cent said

they plan to invest more in India while 33 per cent cited Brazil as an investment destination.

The survey shows "a much more optimistic view looking globally around the world", PricewaterhouseCoopers CEO Samuel A DiPiazza Jr said in a televised interview.

CEOs are "focused on accessing new markets. India and China are at the top of the list," he said.

"Overwhelmingly, CEOs said their focus was not on outsourcing or offshoring or just pro-

ducing at lower costs. A large majority said it was about winning

market access." PricewaterhouseCoopers surveyed 1,410 executives

in 45 countries in the final quarter of 2005. Seventy-one per cent of respondents said their company plans to do business in at least one of the BRICs countries (Brazil, Russia, India and China) over the next three years.

The CEOs also saw China (52 per cent) and India (28 per cent) as the greatest competitive threats to other mar-



kets. They saw China leading in reducing costs and increasing capacity. India, with its relatively low labour cost, outpaces Brazil and Russia as a cost-reducing destination. It also comes out on top in availability of a highly skilled talent pool.

To achieve their strategic objectives in BRICs countries, the CEOs thought forming alliances was priority, followed by opening new offices, developing unique products, outsourcing, mergers & acquisitions, and offshoring.

—Bloomberg, with Priya Ranjan Dash in New Delhi