



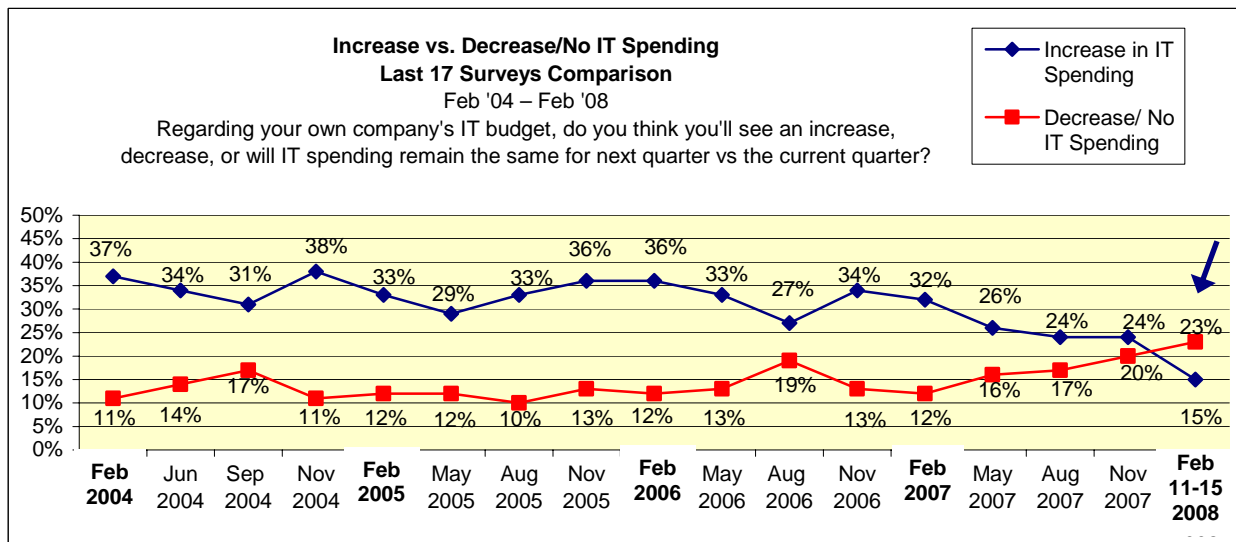
ChangeWave Research Report: Corporate IT Spending Goes Negative

New Survey Confirms US Business Spending Has Entered a Recession

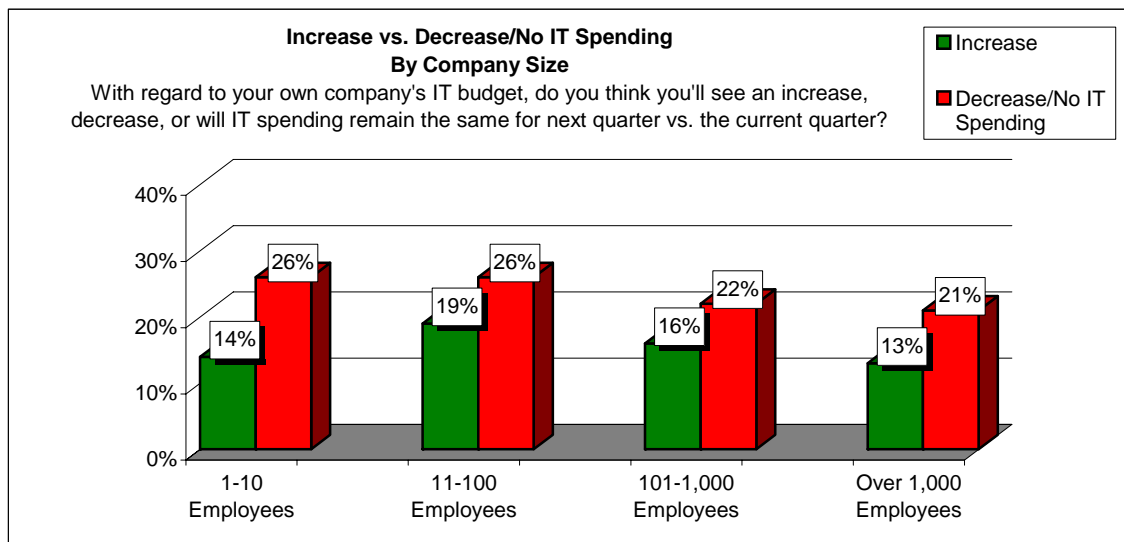
Overview: ChangeWave's latest corporate IT spending survey points to a negative growth rate for 2nd Quarter 2008 – and confirms U.S. business spending has already entered into a recession. A total of 2,013 respondents involved with IT spending in their organization participated in the survey, conducted February 11-15, 2008.

2Q 2008 IT Spending: Nearly one-in-four respondents (23%) say their company's IT spending will decrease (or there will be no spending at all) in the 2nd Quarter – 3-pts worse than the previous ChangeWave survey in November 2007. Only 15% say spending will increase – an unprecedented 9-pt drop from previously.

A Picture of Negative Growth: As seen below, the percentage projecting decreased IT spending for 2nd Quarter 2008 is far greater than the percentage projecting an increase.

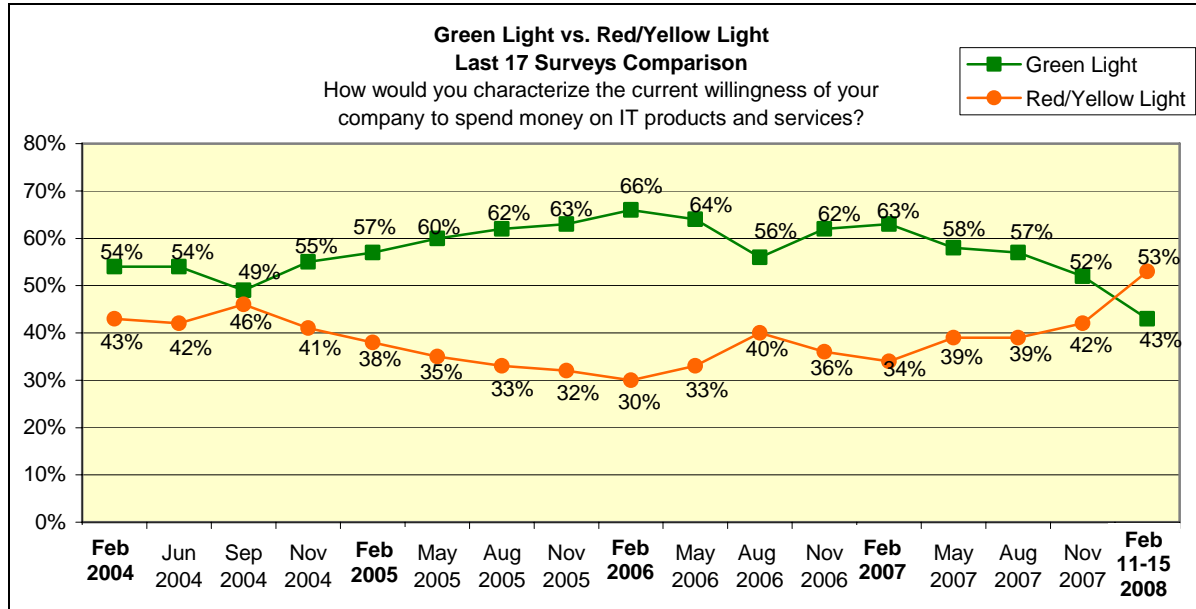


Importantly, the projected spending decrease is across companies of all sizes.



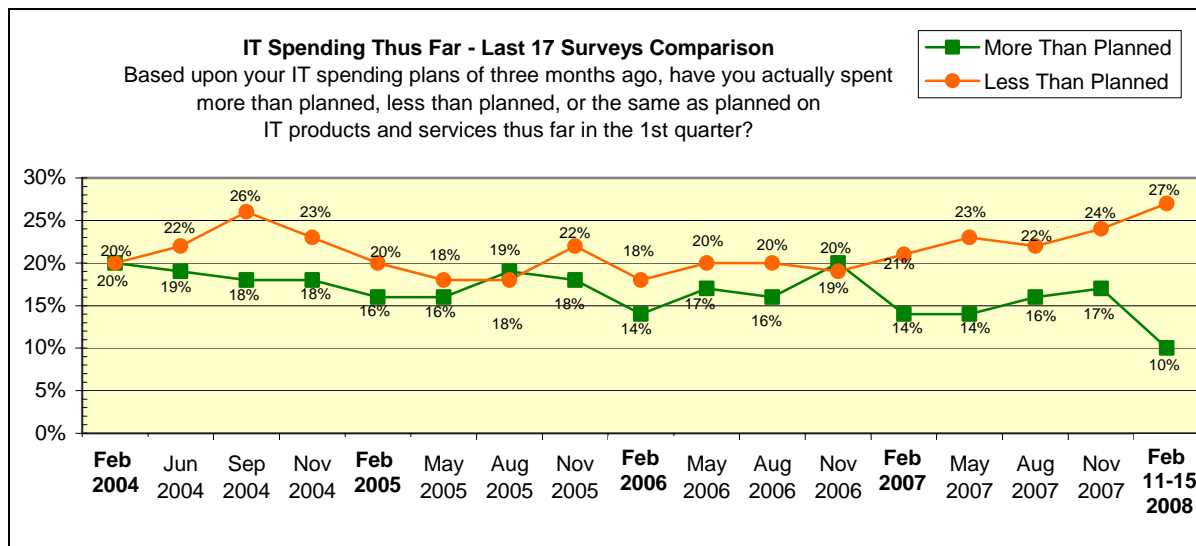
You have to go all the way back to August 2001 to find the last time a ChangeWave corporate IT spending survey projected negative spending growth.

Other Indicators: We also asked respondents to rate the current willingness of their company to spend money on IT products and services. Only 43% say their company is now giving a "Green Light" to IT spending (i.e., spending is normal) – a 9-pt drop from the previous quarter to the lowest level seen in more than four years.



Note that the combined “Yellow Light/Red Light” percentage (53%) is higher than the “Green Light” percentage for the first time in more than four years.

Current 1st Quarter. We also asked if IT spending was on track so far in the 1st Quarter, and again the results are the worst in a ChangeWave survey in more than four years.

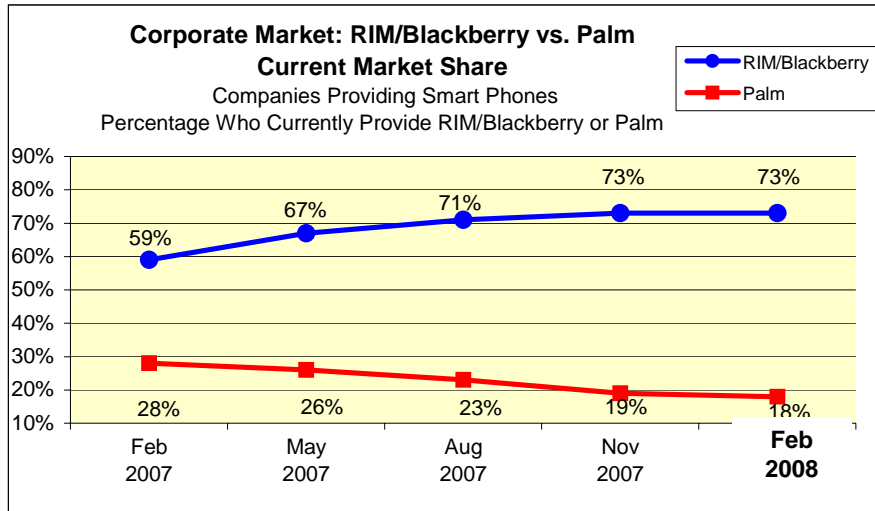


Only 10% said they've spent “More than Planned” in the 1st Quarter – down 7-pts from previously. And 27% say they've spent “Less than Planned” – 3-pts worse than previously.

Storage (Change in Net Difference Score = -6) is the IT area registering the biggest 1st Quarter slowdown. Software Enterprise Applications (-4), Servers (-4) and Security (-3) also look significantly weaker.

Corporate Smart Phones: RIM Holds On To Its Expansive Lead in Current Share

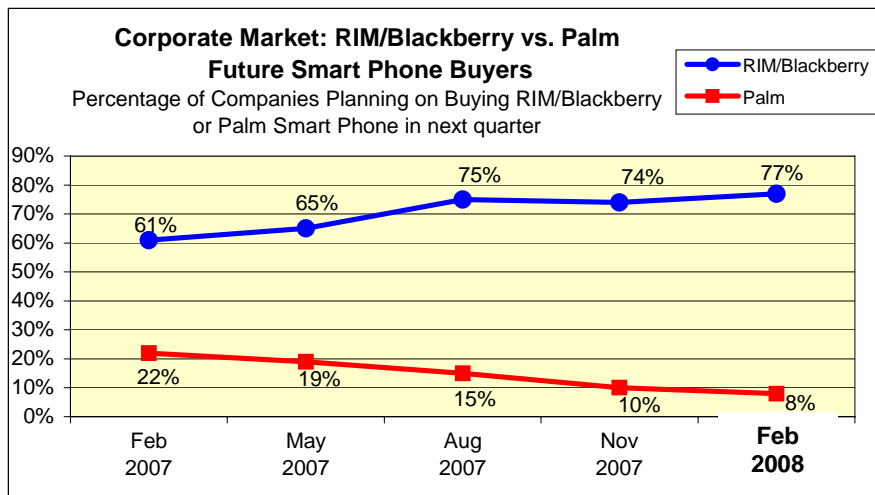
Turning to an upbeat finding, Research in Motion (RIMM; 73%; unchanged) is maintaining its expansive lead over the rest of its rivals in the corporate smart phone market. Palm (PALM; 18%; down 1-pt) remains a far distant second.



We note that Motorola (MOT; 9%) has dropped another 2-pts to a new record low.

Future Smart Phone Buying Trends. Looking ahead to the 2nd Quarter, RIM (77%) dominates planned corporate smart phone buying – jumping 3-pts since our previous survey in November 2007. Apple (11%) remains second in terms of planned purchases, though down 3-pts from the high registered in our previous survey.

Palm (8%), Motorola (7%) and Samsung (4%) each experienced a 2-pt decline in planned purchases – and all 3 companies registered their lowest market levels of the past year.



Bottom Line: ChangeWave’s latest corporate IT spending survey points to a negative growth rate for 2nd Quarter 2008 – and confirms U.S. business spending has already entered into a recession.

The ChangeWave Alliance is a group of 14,000 highly qualified business, technology, and medical professionals in leading companies of select industries—credentialed professionals who spend their everyday lives working on the frontline of technological change. ChangeWave surveys its Alliance members on a range of business and investment research and intelligence topics, collects feedback from them electronically, and converts the information into proprietary quantitative and qualitative reports.

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I. Summary of Key Findings

Projected IT Spending Goes Negative for 2Q

- Nearly one-in-four (23%) project their company's 2Q 2008 IT spending will decrease – 3-pts worse than the previous survey
- Only 15% say spending will increase, a 9-pt drop
- The projected spending decrease is across companies of all sizes

Other Indicators

- Only 43% say company has given a "Green Light" to IT spending (i.e., spending is normal) – down 9-pts from previous quarter to lowest level in more than four years

Current 1st Quarter – Biggest IT Spending Slowdown in 4 Years

- Only 10% say they've spent "More than Planned" so far in 1Q – down 7-pts from previous quarter
- 27% say they've spent "Less than Planned" – 3-pts worse than previously

Individual Categories Biggest Slowdowns

- Storage (-6)
- Servers (-4)
- Software Enterprise Applications (-4)
- Security (-3)

Corporate Smart Phone Market – Current Share

RIM Maintains Huge Lead

- RIM (73%; unchanged)

... Palm Falls Again

- Palm (18%; down 1-pt)

... As Does Motorola

- Motorola (9%; down 2-pts)

... While Apple Holds Steady

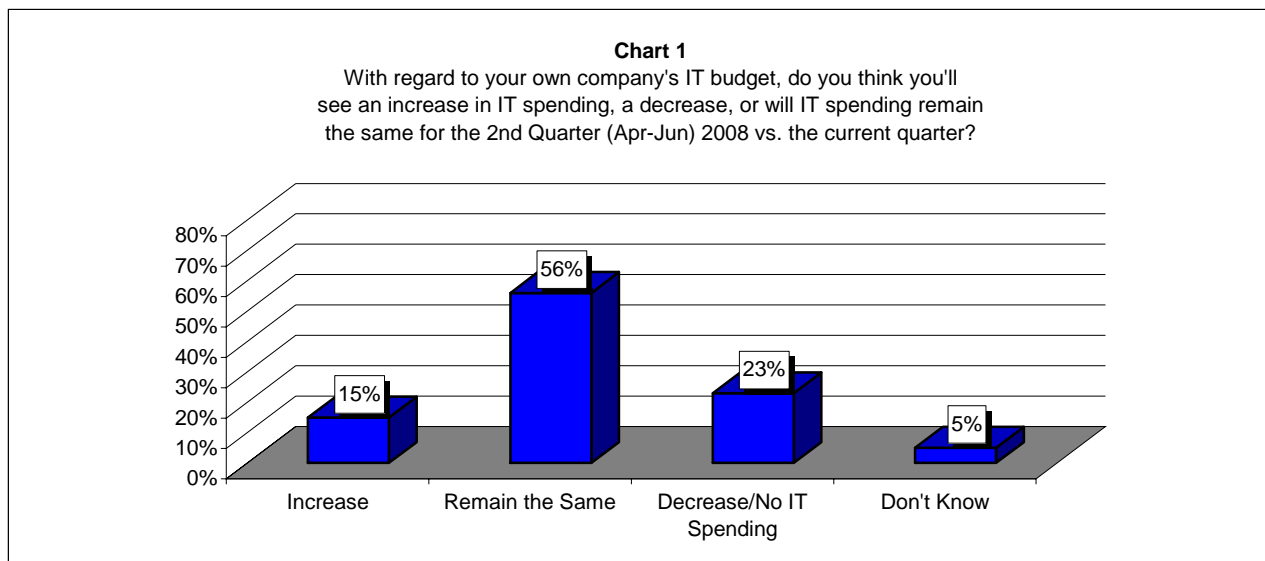
- Apple iPhone (5%)

Future Buying Trends

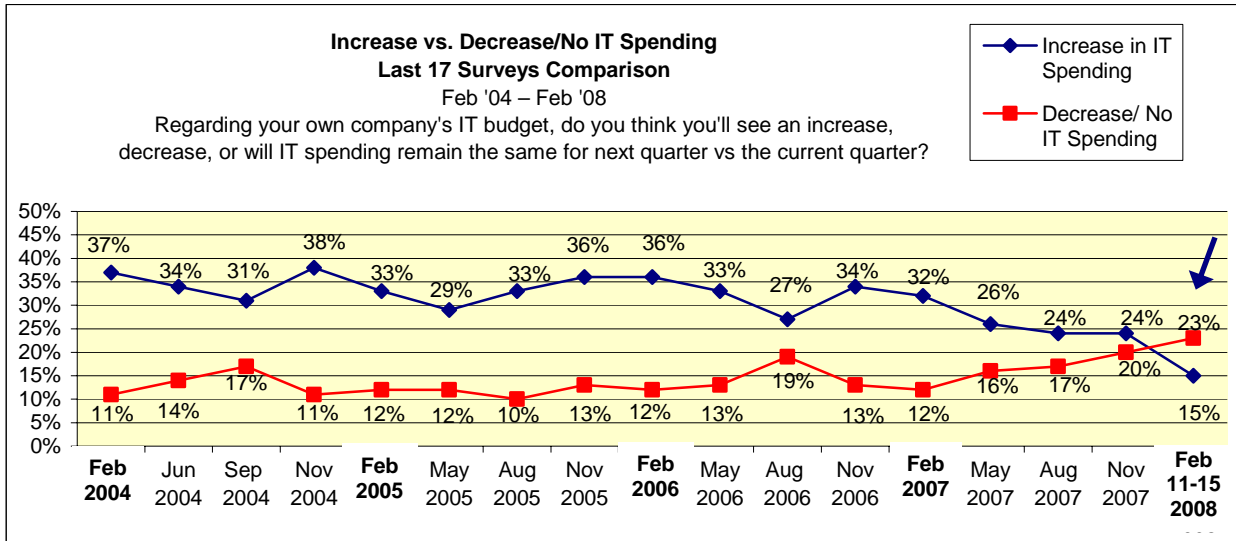
- RIM (77%; up 3-pts) has overwhelming share of planned purchases for 2Q
- Apple (11%, down 3-pts) comes in second
- Palm (8%; down 2-pts) and Motorola (7%; down 2-pts) fall to lowest levels of year

ChangeWave's latest corporate IT spending survey points to a negative growth rate for the 2nd Quarter of 2008, and confirms that U.S. business spending has already entered into a recession. A total of 2,013 respondents involved with IT spending in their organization participated in the survey, conducted February 11-15, 2008.

2Q 2008 IT Spending: Nearly one-in-four respondents (23%) say their company's IT spending will decrease (or there will be no spending at all) in the 2nd Quarter – 3-pts worse than the previous survey. Only 15% say spending will increase – an unprecedented 9-pt drop from previously.

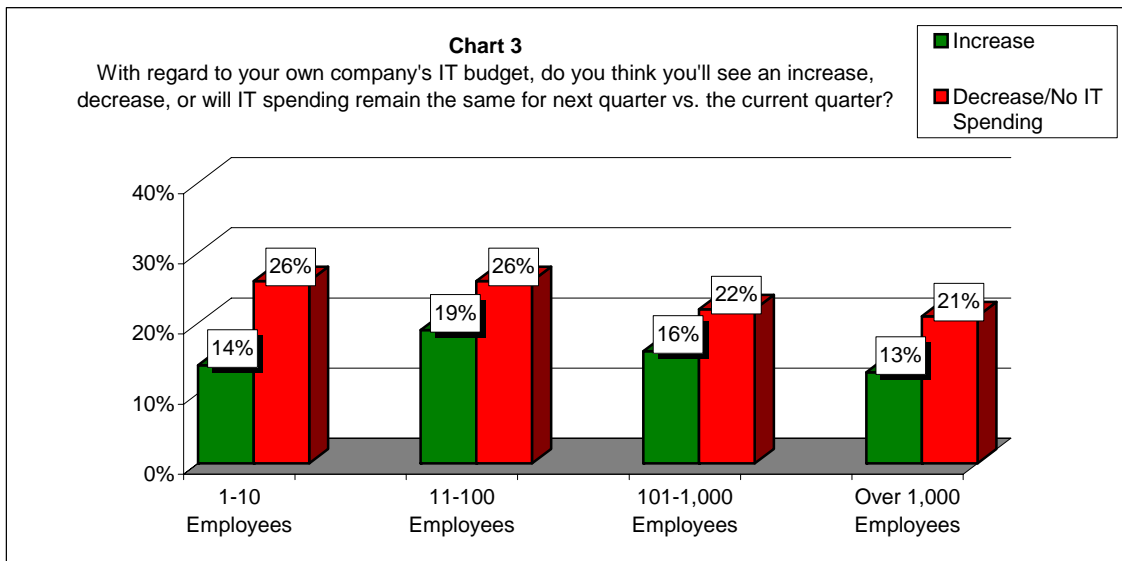


A Picture of Negative Growth: As seen below, the percentage projecting decreased IT spending for 2nd Quarter 2008 is far greater than the percentage projecting an increase. You have to go all the way back to August 2001, to find another ChangeWave survey projecting this much negative IT spending growth.

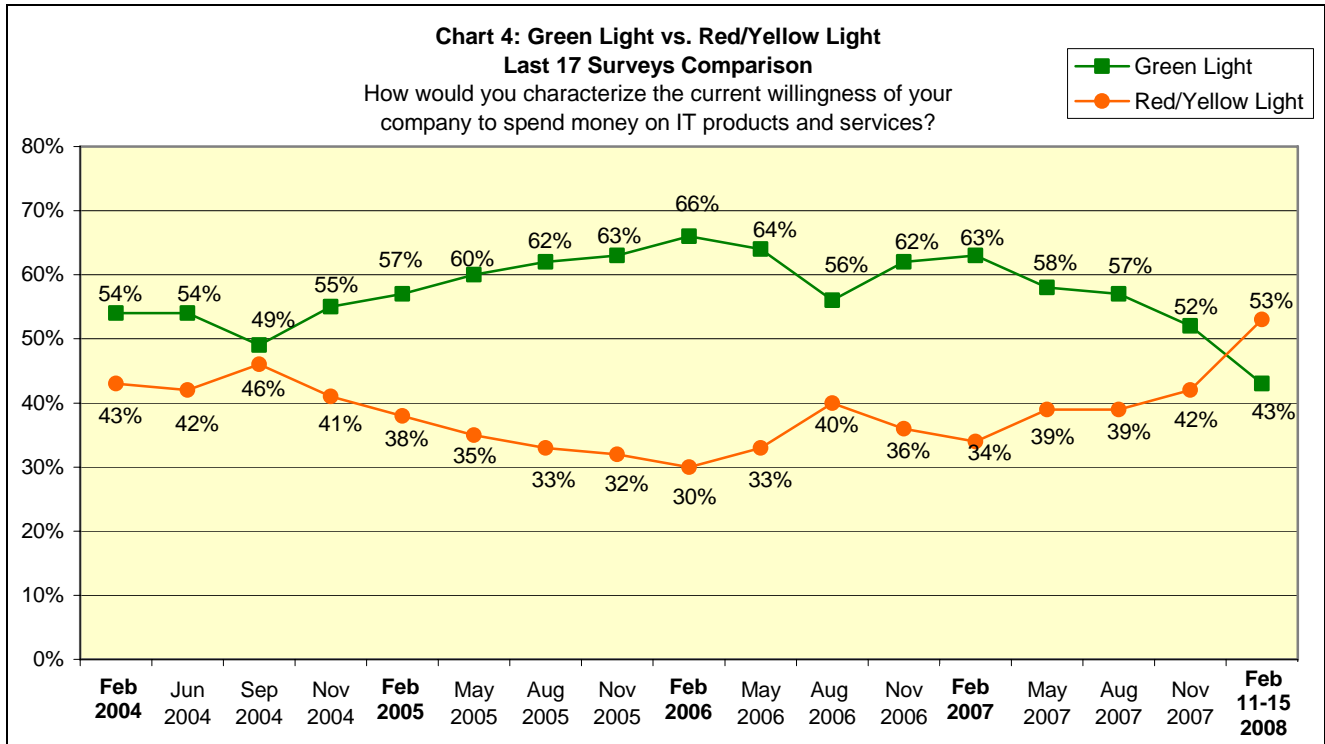


Moreover, the following chart shows that the decrease in projected IT spending for the 2nd Quarter is occurring across companies of all sizes – including small (1-10 Employees), medium (11-100 & 101–1000) and large (over 1,000 employees) companies.

Projected IT Spending for Next Quarter (2Q 2008) – By Company Size



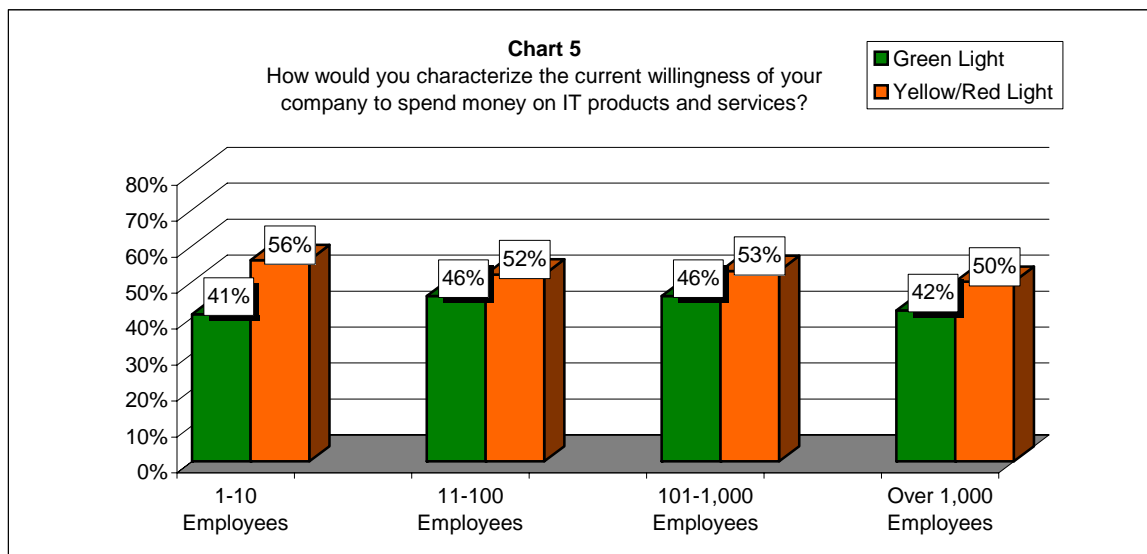
Green Light Spending: Looking ahead, we also asked respondents to rate the current willingness of their company to spend money on IT products and services. Only 43% say their company is now giving a "Green Light" to IT spending (i.e., spending is normal) – a 9-pt drop from the previous quarter to the lowest level seen in more than four years.



The combined "Yellow Light/Red Light" percentage (53%) is higher than the "Green Light" percentage for the first time in more than four years.

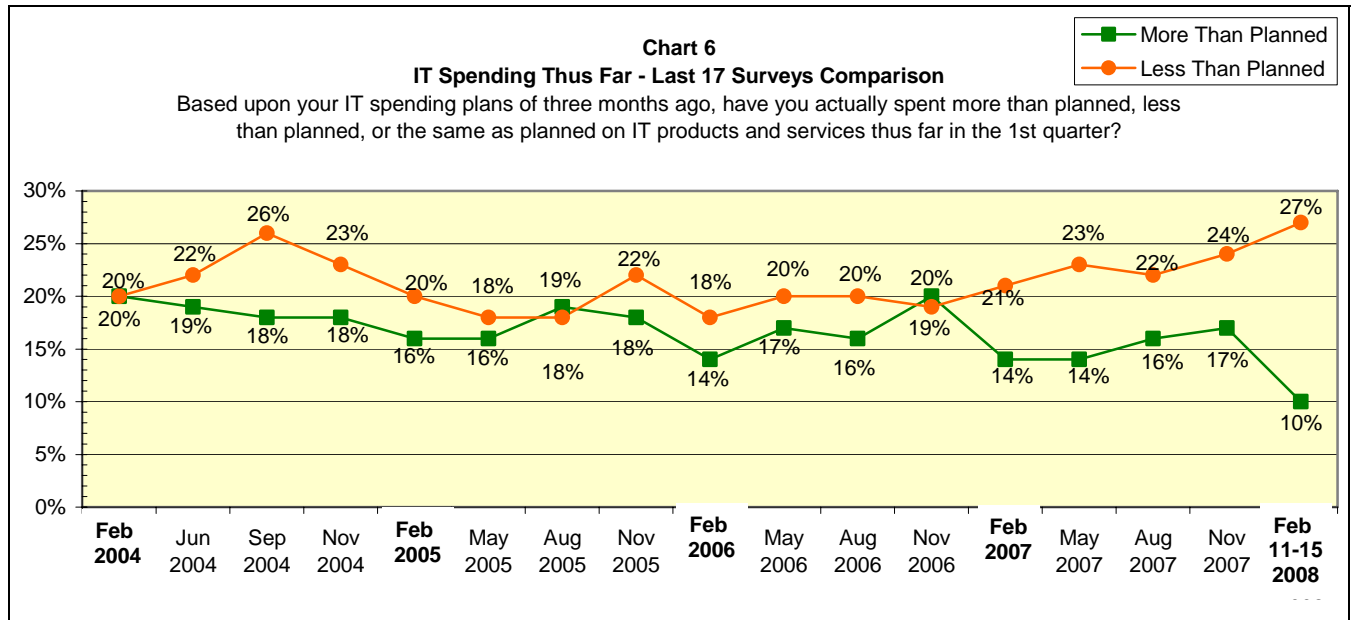
Note that 40% say their company is giving a "Yellow Light" to spending (i.e., spending is downsized, though not completely stopped), while 13% say their company is giving a "Red Light" (i.e., spending is on hold).

Willingness of Company to Spend on IT Products and Services – By Company Size



Spending So Far in the 1st Quarter

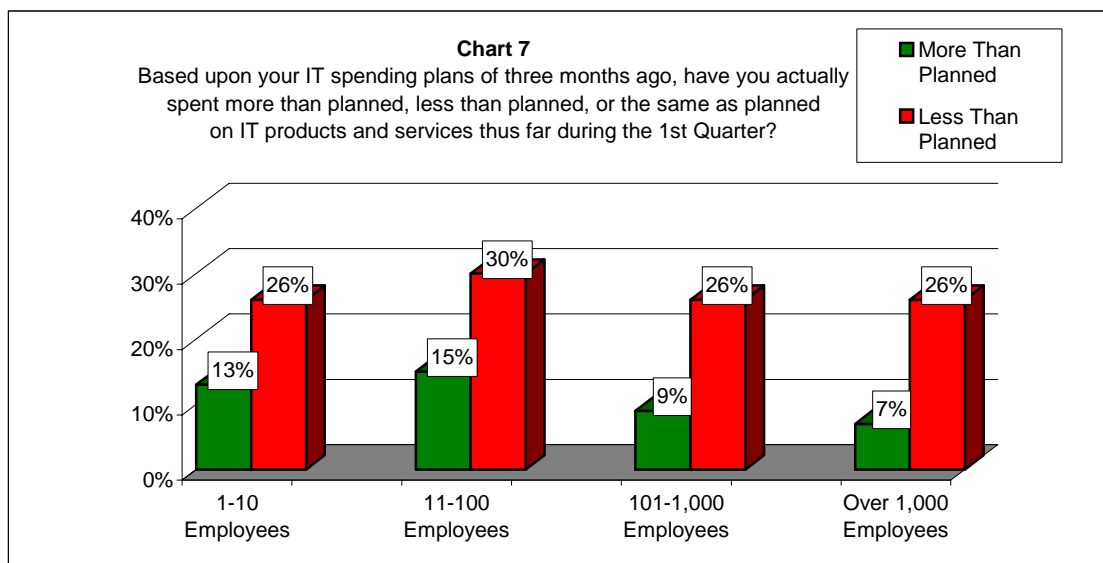
(1) Question Asked: We're halfway through the 1st Quarter. Based upon your IT Spending plans of three months ago, have you spent more than planned, less than planned, or the same as planned on IT products/services thus far in 1Q?



Current 1st Quarter. We also asked if IT spending was on track so far in the 1st Quarter, and again the results are the worst in a ChangeWave survey in more than four years.

Only 10% said they've spent "More than Planned" – down 7-pts from the previous survey. Another 27% say they've spent "Less than Planned" – 3-pts worse than previously.

1st Quarter IT Spending by Company Size



(2) Question Asked: For which of the following main IT Spending categories - if any - have you spent more than planned thus far in the 1st Quarter? (Check All That Apply) (n=1,012)

	Current Survey Feb '08	Previous Survey Nov '07	Previous Survey Aug '07	Previous Survey May '07	Previous Survey Feb '07
PCs	11%	11%	10%	11%	11%
Servers	8%	11%	9%	8%	9%
Networking	7%	7%	8%	8%	7%
Software: Enterprise Applications	6%	8%	8%	8%	8%
Application Development Software/Tools	6%	6%	7%	7%	8%
Storage	6%	10%	8%	9%	8%
Security	5%	8%	9%	10%	10%
Software: Platforms/Operating Systems	4%	5%	5%	5%	4%
Outsourced IT Services: Systems Integration/Implementation	4%	4%	6%	6%	NA
Communications	3%	5%	4%	6%	4%
Outsourced Application Services: App Mgmt/ Business Process Outsourcing/Hosting	2%	3%	3%	3%	NA
Don't Know	27%	23%	26%	24%	24%
Other	6%	4%	4%	5%	4%

(3) Question Asked: And for which of the following main IT Spending categories – if any – have you spent less than planned thus far in the 1st Quarter? (Check All That Apply) (n=1,012)

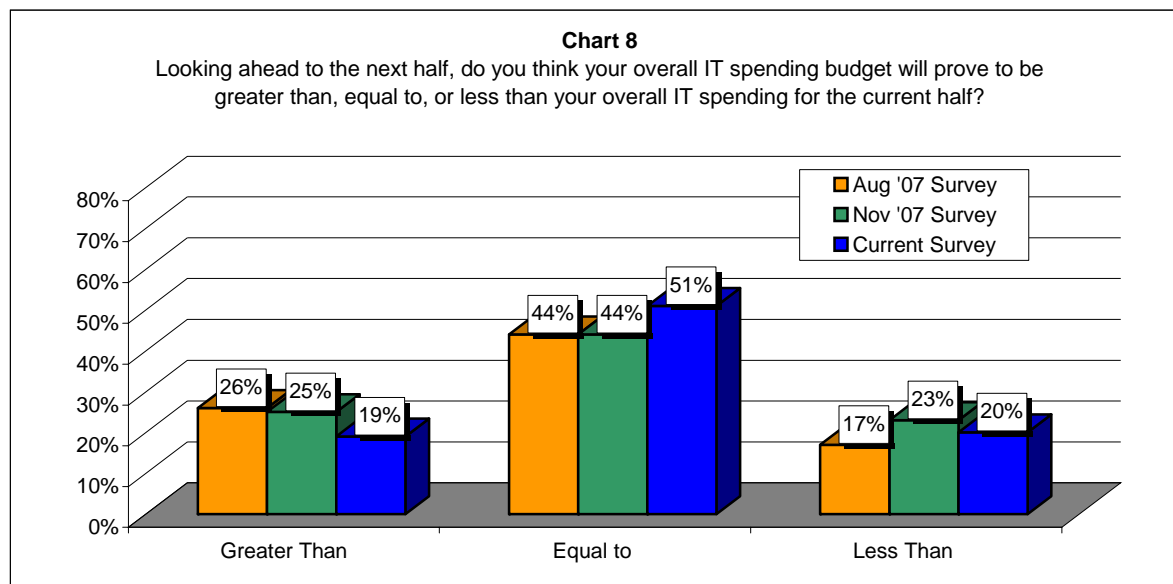
	Current Survey Feb '08	Previous Survey Nov '07	Previous Survey Aug '07	Previous Survey May '07	Previous Survey Feb '07
PCs	13%	14%	14%	16%	15%
Software: Platforms/Operating Systems	9%	8%	7%	7%	5%
Servers	9%	8%	7%	10%	7%
Software: Enterprise Applications	8%	6%	6%	6%	6%
Networking	8%	8%	6%	7%	6%
Application Development Software/Tools	7%	6%	6%	8%	7%
Storage	7%	5%	7%	7%	5%
Outsourced IT Services Systems Integration/Implementation	7%	7%	7%	6%	NA
Security	5%	5%	4%	4%	3%
Communications	5%	5%	5%	5%	4%
Outsourced Application Services: App Mgmt/Business Process Outsourcing/Hosting	5%	5%	5%	5%	NA
Don't Know	29%	28%	30%	28%	29%
Other	5%	2%	3%	3%	3%

Change in Net Difference Score: Current Survey (Feb '08) vs. Previous Survey (Nov '07)

Overall IT Spending Categories	Current Survey Net Difference Score (Feb '08)	Previous Survey Net Difference Score (Nov '07)	Change in Net Difference Score
PCs	-2	-3	+1
Networking	-1	-1	0
Outsourced IT Services: Systems Integration/Implementation	-3	-3	0
Application Development Software/Tools	-1	0	-1
Outsourced Application Services: App Mgmt/Business Process Outsourcing/Hosting	-3	-2	-1
Communications	-2	0	-2
Software: Platforms/ Operating Systems	-5	-3	-2
Security	0	+3	-3
Servers	-1	+3	-4
Software: Enterprise Applications	-2	+2	-4
Storage	-1	+5	-6

Storage (Change in Net Difference Score = -6) is the area registering the biggest slowdown. Software Enterprise Applications (-4), Servers (-4) and Security (-3) also look weaker.

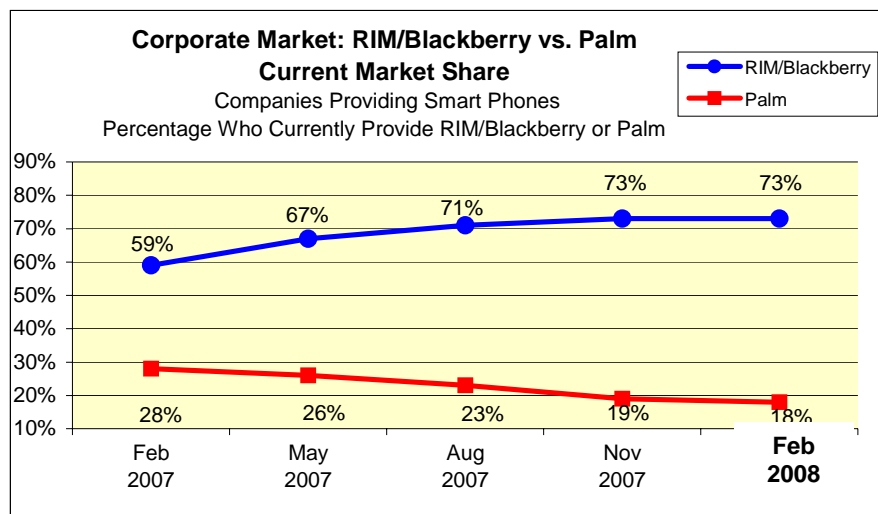
A Closer Look at 2nd Half 2008. Looking ahead to the second half of 2008 (Jul-Dec), only 19% of respondents think their company's IT budget will be greater than first half 2008. This is 6-pts less than the previous survey. Another 20% think their IT budget will be less than first half 2008. Note that half (51%) say their IT budgets will remain the same.



II. Corporate Smart Phones (i.e., Cell Phone with Integrated PDA)

Research in Motion (RIM) Holds Its Expansive Lead in Current Share

RIM Blackberry (73%; unchanged) is maintaining its expansive lead over the rest of its rivals in the corporate smart phone market. Palm (PALM; 18%; down 1-pt) remains a far distant second.



We note that Motorola (MOT; 9%) has dropped another 2-pts to a new record low.

(1) Question Asked: *Who is the manufacturer of the current Smart Phones your company provides? (Check All That Apply)* (n=715)

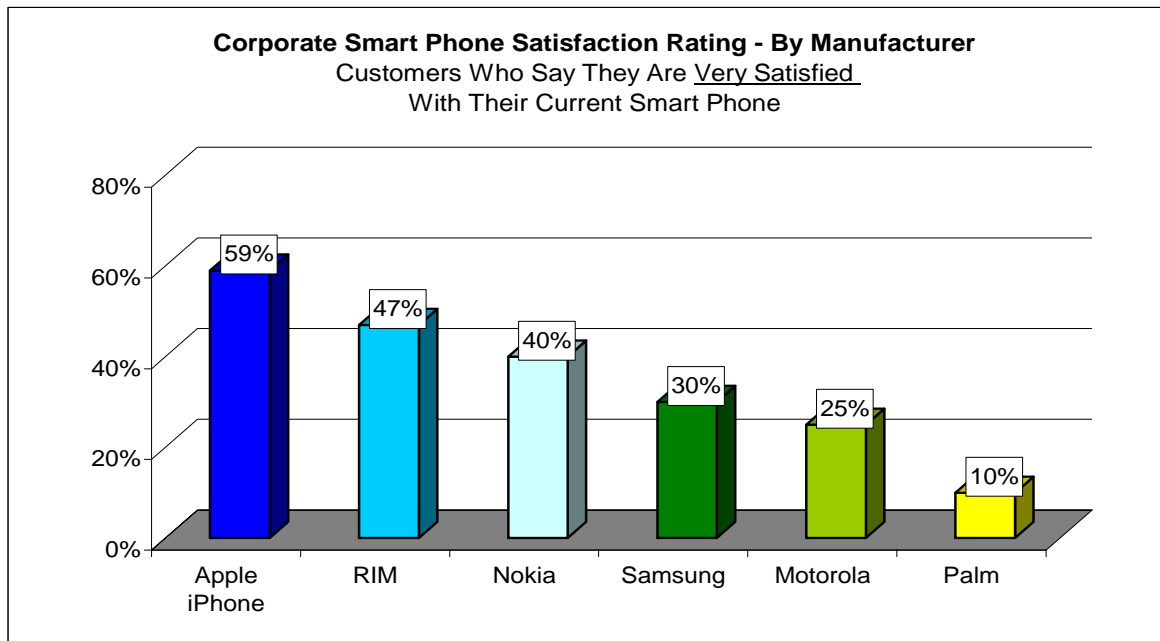
	Current Survey Feb '08	Previous Survey Nov '07	Previous Survey Aug '07	Previous Survey May '07	Previous Survey Feb '07
Research In Motion (e.g., Blackberry)	73%	73%	71%	67%	59%
Palm (e.g., Treo)	18%	19%	23%	26%	28%
Motorola (e.g., Q)	9%	11%	12%	16%	16%
Nokia (e.g., N95)	7%	7%	7%	9%	9%
Apple (e.g., iPhone)	5%	5%	2%	NA	NA
Samsung (e.g., BlackJack)	5%	7%	7%	5%	5%
Other	8%	10%	10%	11%	11%

Customer Satisfaction

While Apple still has a relatively small corporate market share, they continue to get sky high satisfaction ratings – three-in-five (59%) of their business customers say their company is *Very Satisfied* with the iPhone.

RIM ranks second, also with a relatively high *Very Satisfied* rating (47%), though we note this is an 8-pt decline from the previous survey.

Palm receives its lowest corporate satisfaction rating in a ChangeWave survey yet, with only 10% of corporate users saying their company is *Very Satisfied* with their Treos.



Future Corporate Smart Phone Buying

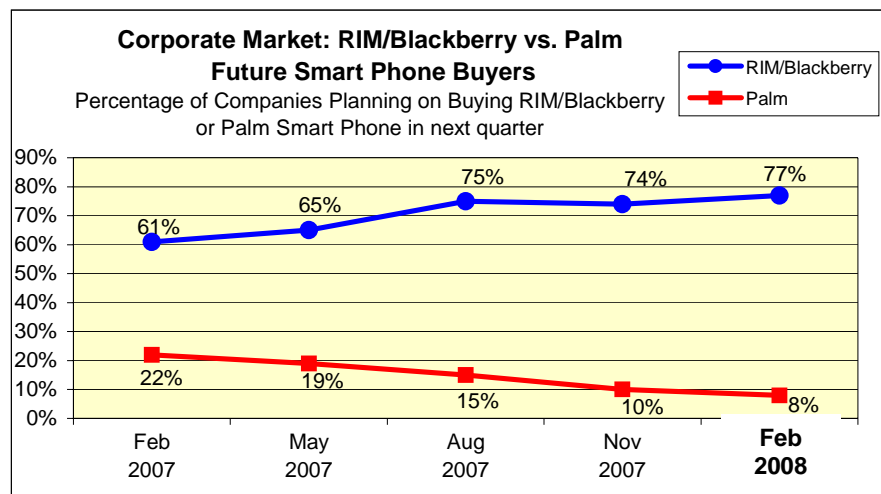
Looking ahead to the 2nd Quarter, RIM (77%) is the dominant leader in planned corporate smart phone buying – jumping 3-pts since our previous survey in November 2007. Apple (11%) is second, down 3-pts from the high registered in our previous survey.

Palm (8%), Motorola (7%) and Samsung (4%) have each experienced a 2-pt decline in terms of planned purchases, with each company registering its lowest market level of the past year.

(2) Question Asked: (FOR THOSE COMPANIES BUYING SMART PHONES IN 2nd QUARTER 2008) Who is the manufacturer of the Smart Phones your company is planning on buying? (Check All That Apply) (n=606)

	Current Survey Feb '08	Previous Survey Nov '07	Previous Survey Aug '07	Previous Survey May '07	Previous Survey Feb '07
Research In Motion (e.g., Blackberry)	77%	74%	75%	65%	61%
Apple (e.g., iPhone)	11%	14%	10%	9%	NA
Palm (e.g., Treo)	8%	10%	15%	19%	22%
Motorola (e.g., Q)	7%	9%	10%	16%	19%
Nokia (e.g., N95)	7%	8%	8%	11%	12%
Samsung (e.g., BlackJack)	4%	6%	4%	7%	8%
Other	7%	5%	5%	9%	12%

Corporate Planned Buying: RIM vs. Palm



III. ChangeWave Research Methodology

The current findings are based on a survey of ChangeWave Alliance members involved with IT spending in their organization, conducted February 11-15, 2008. The goal of the survey was to get an up-to-date picture of IT spending for the 2nd Quarter of 2008. To this end, the survey was composed of a sample of 2,013 accredited Alliance members.

The Alliance's proprietary research and business intelligence gathering system is based upon the systematic gathering of valuable business and investment information directly over the Internet from accredited members.

ChangeWave surveys its Alliance members on a range of business and investment research and intelligence topics, collects feedback from them electronically, interprets and reconciles the information in a cohesive manner and converts the information into valuable quantitative and qualitative reports.

The Alliance has assembled its membership team from senior technology and business executives in leading companies of select industries. Nearly 3 out of every 5 members (56%) have advanced degrees (e.g., Master's or Ph.D.) and 93% have at least a four-year bachelor's degree.

The business and investment intelligence provided by the Alliance provides a real-time view of companies, technologies and business trends in key market sectors, along with an in-depth perspective of the macro economy – well in advance of other available sources.

IV. About ChangeWave Research

ChangeWave Research, a subsidiary of InvestorPlace Media, LLC, identifies and quantifies "change" in industries and companies through surveying a network of thousands of business executives and professionals working in more than 20 industries.

ChangeWave has a very unique asset in its 14,000-member Alliance. We have assembled our membership team from a broad cross section of more than 20 vertical markets such as telecom, semiconductors, data storage, and biotechnology, along with a wide range of professional disciplines including CIOs, IT managers and programmers, executive management, scientists, engineers and sales personnel.

The ChangeWave Alliance is composed of senior technology and business executives in leading companies - credentialed professionals who spend their everyday lives working on the frontline of technological change.

This proprietary research and business intelligence gathering system provides a real-time view of companies, technologies and business trends in key market sectors along with an in-depth perspective of the macro economy - well in advance of other available sources. ChangeWave surveys its 14,000 Alliance members on a wide range of investment research topics and converts the findings into valuable investment and business intelligence reports. ChangeWave delivers its products and services on the Web at www.ChangeWaveResearch.com.

ChangeWave Research does not make any warranties, express or implied, as to results to be obtained from using the information in this report. Investors should obtain individual financial advice based on their own particular circumstances before making any investment decisions based upon information in this report.

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