



The blue mosque

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LOCAL PROFESSIONAL SERVICES

BIRTH OF A GLOBAL AMBITION

*At the end of 2003, Sogeti / Transiciel, the **Capgemini** discipline specializing in local professional services, employed 14,000 people and reported revenues of €1.1 billion – making it the European leader in this industry segment, which accounts for 20 percent of the global IT services market.*

A robust economic model

2003 was a year of surprises for Sogeti. An economic revival was anticipated but didn't occur, except in the U.S., although even there it was far from consistent. Some markets like the Netherlands and Sweden were in recession, while others – France in particular – were experiencing very strong price pressure.

Hardened by the very difficult market conditions of 2002, the Sogeti people knew how to deal with these persistently adverse circumstances. As a result, all their forecasts at the beginning of 2003 came to pass. Margins were protected in stable markets as well as those in recession. The Sogeti unit in France increased its business significantly enough to warrant the recruitment of several hundred people. In the U.S., Sogeti took advantage of the rebound at the end of the first quarter of 2003, and was able to grow its business and increase profitability.

The acquisition of Transiciel

Throughout the year, serious efforts were being made to pave the way for – and ultimately to carry out – the acquisition of Transiciel. The shared values, common business culture, similar market development vision, way of working and range of offerings of the two companies enabled them to conduct this transaction quickly and intelligently, with the result that **Capgemini** has doubled the size of its local professional services operations.

The new, combined entity is now organized around three major business lines: management systems IT (which includes local time and material technical assistance contracts, testing and small projects); systems and network engineering and administration (operations support, operations management under service level agreements, systems management consulting, infrastructure security); and, finally, high-tech consulting (technical and scientific IT for Research & Development, real-time IT, etc.).

A year of integration and synergy ahead

Part of 2004 will be spent integrating Transiciel. This means building a go-to-market strategy, qualifying and consolidating joint offerings, developing installations outside of France and aligning structural costs. In more general terms, integration will be handled in a spirit of two separate entities with communal ambitions, and with the sole objective of providing the best services to clients.

With a presence in ten countries, Sogeti / Transiciel has a strong growth dynamic upon which it can rely. But it also has the power of the **Capgemini** Group behind it, where interaction among the various disciplines has already resulted in some exciting joint projects (among them Exxon, Total, and others).