

Dell jobs will double, Chiarelli says

Mayor calls projection conservative

Kristin Goff

The Ottawa Citizen

Wednesday, August 10, 2005

Computer giant Dell Inc., which yesterday announced plans to open a 500-person "customer contact centre" in Kanata early next year, will likely at least double that number of jobs within a few years, Mayor Bob Chiarelli says.

"I think that you could look at very significant numbers, based on the numbers and type of expectations that they were talking about" he said. "I wouldn't want to share those numbers now, but they are very significant."

He added that "conservatively" he expects to see a doubling of the 500 jobs within the next few years. Certainly, Dell would have room to expand in the 156,000-square-foot building in Kanata Research Park that it has sublet from Nokia. The building was completed just as the technology bubble burst and was never occupied.

Depending on how work space is configured, there could be room for triple the number of employees Dell is talking about hiring as it ramps up a new sales and support centre for its growing North American market.

Dell spokesman Richard Binhammer said the company's future plans would depend "on how things evolve," not only in North America but in all its growing global markets. It would be "speculative" to talk about expansion beyond the 500 people Dell plans to hire for its Ottawa operations over the next several years, he said.

The centre is expected to begin operations in February.

Still, Mr. Chiarelli and officials from the Ottawa Centre for Research and Innovation said the Dell deal was a coup for the city, in more ways than just direct employment.

Because Dell has a reputation for rigorously investigating potential places to expand, its decision to locate in Ottawa, "sends a very strong signal to the industry," about the quality of the workforce and other benefits, said Mr. Chiarelli.

Dell's support and sales centre would be the seventh-largest customer-service centre in Ottawa. MBNA, with 1,500 employees, Convergys Customer Management, with 1,300, and Sitel, with 1,000, are the three biggest, according to OCRI.

Since Dell sells directly to the public, many of those employed at the "customer contact centre" will require technical skills and training well beyond that found at other types of customer support centres, said Michael Darch, executive director of OCRI's global marketing program.

Ottawa's educated and skilled workforce was a major factor in the Dell deal. Along with growth in small and medium-sized businesses, it is one more sign that the technology industry "is back," said Mr. Darch.

"I think the series of events that are happening, shows we are still a major player" in technology, he said.

Mr. Darch estimates the direct impact to the local economy of each job, including wages, benefits and company spending on overhead for services and building costs, amounts to \$60,000, or \$30 million in total.

There could be additional benefit if some of Dell's suppliers move into the area, as has happened elsewhere, he said.

Just having a Fortune 500 behemoth with more than \$50 billion in sales to brag about will have benefits, he said.

When it comes to marketing the city, brands with global recognition mean a lot.

"The fact is, when people ask, 'Where is Ottawa and who is there?', We can say, Dell, Alcatel and Nortel," said Mr. Darch.

Dell plans to begin recruiting for selected professional and management positions this fall and will begin hiring skilled technicians this winter.

Its website www.dell.com/ottawa has further information.