



Gateway TelNet Announces Substantial Increase in IT Spending to Come in 2022

Leading Managed Technology Services Provider Shares Significant Findings About IT Growth

VAN NUYS, CA – January 27, 2022 - Gateway TelNet, a leading managed technology services provider (MTSP), recently shared that IT research and consulting firm, Gartner, states that “Worldwide IT spending is projected to total \$4.5 trillion in 2022, an increase of 5.5% from 2021. The three largest subcategories of that \$4.5 trillion forecast are enterprise software, IT devices and IT services, which will increase 13%, 15% and 11%, respectively. To put these numbers into perspective, total IT spending will increase by approximately \$230 billion, which an amount equal to 100% of the federal corporate income taxes collected by the US government in 2019. This is a monumental amount of growth which can likely be attributed to employers embracing work-from-home (WFH) or hybrid-work environments, security concerns over cybersecurity breaches and the world’s desire to utilize cloud technology. For small to mid-sized businesses (SMBs) this means that they will have more access to enterprise-level technology solutions, which will empower them to drive productivity and increase their bottom-line, if they position themselves properly.

Jerry Hilecher, President of Gateway TelNet stated, “IT spending has increased so dramatically because the pandemic forced decision makers to make their organizations more flexible. They’re starting to understand the increased potential that they have to become more efficient with the latest in technology. Small to mid-sized businesses are following suit with larger companies in IT spend because they realize that the hybrid/remote workforce is here to stay and that it will need to be supported with cybersecurity solutions and cloud computing services. The remote workforce, cybersecurity concerns and the whole world’s migration to cloud computing are all driving IT spend to unprecedented levels. The opportunity that SMBs need to take advantage of now is to become an early adopter, so that they can wedge technological advantages in between themselves and their competitors. Those who work with these trends are likely to amplify their successes, whereas those who ignore the future of work are likely to become irrelevant.”

With an increasing number of ransomware attacks in the mainstream media, cybersecurity vulnerabilities have become glaringly apparent in major corporations. However, this spending increase suggests that the major organizations will be investing at even higher levels to

fortify their defenses from hackers, which will ultimately give hackers only one place to turn; small to mid-sized businesses. For most small businesses their IT defense strategy is to simply hope they aren’t a target; however, as larger enterprises increase their spending and become tougher to break into, unprepared SMBs will unfortunately become an ideal target. The growth in spending has also spurred innovation in the cybersecurity industry, which means that there are plenty of IT solutions available which can mitigate or even eliminate these threats at cost-effective rates, so that business owners can rest assured that their organization is insulated from cybersecurity concerns.

SMBs will also have a huge demand for cloud computing because of its inherent scalability, flexibility and superior capacity to reallocate resources based on short-term demands. Cloud computing is enabling small businesses “temporarily copy” the infrastructure of S&P 500 companies when they need it and then they can reduce their usage and expenses when they don’t need it. This is having huge implications insofar as leveling the playing field so that SMBs can now compete with larger companies that used to be impossible for them to contend with, as long as they have the right technology at their disposal. Cloud

computing has become the building blocks for the future of all organizations, which is why Microsoft Azure is becoming one of the industry standards for cloud computing, especially amongst SMBs.

“All of this increased IT spending is reflective of a world that is accelerating its migration into a fully digital world, when we thought things were already moving in that direction as fast as they could,” added Mr. Hilecher. For SMBs, they ought to participate in this transition so they can

uncover opportunities to strengthen their offerings, increase their market share and enjoy higher profits, before they are left behind.”

ABOUT GATEWAY TELNET

Gateway Telnet Inc. is Southern California’s leader in introducing communications technology to the business environment. Even in a difficult economy, Gateway Telnet has found Return on Investment opportunities to allow businesses to increase technology and increase their competitive advantage in the

marketplace all at a cash neutral position.

Partnering with TAG National and its 110 affiliates, Gateway Telnet has the unique capability of installing and servicing a variety of cutting edge communications technologies anywhere in the United States while maintaining the finest service program in the marketplace.

For more information on Gateway Telnet, please call (818)775-1234 or visit us at www.gatewaytelnet.com.