

Telemarketers Expect Less Attention on Offshoring Issue

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The Republican Party's continued hold over Congress ensures continuity among the lawmakers with whom the teleservices industry needs to work, said Tim Searcy, CEO of the American Teleservices Association.

All of the legislative committee members and staffers with whom the ATA has built relationships in the past four years will stay. However, the industry sees irony in that the most sweeping regulation of teleservices, the national no-call list, came into being amid a supposedly business-friendly Republican government.

"We haven't seen in this Republican administration a great deal of support for the teleservices industry, except in the use by the GOP of the telephone to get out the vote," Searcy said.

During the campaign, Democratic candidate John Kerry referred to "Benedict Arnold companies and CEOs" that took their operations and jobs offshore. His view on offshoring, which became less of an issue as the campaign wore on, caused some consternation in the teleservices community. The industry has taken advantage of low-cost labor in India, the Philippines and elsewhere to expand its operations at a time of consolidation and shrinking revenue. However, members of the industry said Kerry's words didn't deter them.

"I don't believe our company was concerned specifically with that kind of political talk," said Ted Bernard, spokesman for Influent, Columbus, OH, a call center agency with facilities in the Philippines and Central America as well as the United States. "We're more concerned with the condition of the economy and the cost of hiring."

When Kerry spoke of curbing offshoring, he talked mostly about ending tax incentives for companies that go overseas, Bernard said. Tax incentives were never a motivation for Influent in offshoring, while labor costs were.

To some in direct marketing, talk of curbing U.S. companies' offshore activities was just talk. No government can legislate away the global economy, said Wesley Wood, president of Marketing Capital Corp., New York, an international DM consulting and investment firm. Marketing Capital owns a company, Regency Direct Marketing, that markets offers through credit-card billing inserts to consumers in India.

"It was all basically rhetoric," Wood said. "When you look at the total outsourcing jobs taken abroad, it's such a small percentage of the population of working or unemployed people that it's totally meaningless."