

Over \$50 bln lost to software piracy: report

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A shopper looks at counterfeit computer programmes in Dhaka, May 2009. Software piracy cost technology companies more than 50 billion dollars around the world last year, with Asia accounting for the largest share of losses, an industry report said Tuesday.

Software piracy cost technology companies more than 50 billion dollars around the world last year, with Asia accounting for the largest share of losses, an industry report said Tuesday.

Despite successes in the fight to protect [intellectual property rights](#), on average 43 percent of [software](#) used in computers worldwide in 2009 was pirate, from 41 percent the year prior, the Business Software Alliance (BSA) said.

Worldwide, piracy losses reached 51.4 billion dollars in 2009, with 16.5 billion dollars of this in the Asia-Pacific, the annual report found.

The deluge of counterfeits was largely due to the growth of the [personal computer market](#) in Brazil, India and China, the group, which has a base in Singapore, said.

However, last year's losses worldwide were three percent down from 2008 while the rate of pirated software use fell in 54 economies, remained steady in 38 and rose in 19.

The average piracy rate in Asia-Pacific was 59 percent, which means that of the more than 900 million units installed last year, more than 530 million were unlicensed, said Victor Lim, a vice president at IDC, which carried out the study with the software alliance.

Bangladesh had the highest [software piracy](#) rate in Asia, followed by Sri Lanka, Indonesia and Vietnam, with China and India also among the most prominent culprits.

"This study makes clear that while efforts to bring down piracy levels in the Asia-Pacific are enjoying some success, dollar losses at over 16.5 billion (dollars) remain the highest in the world," said Jeffrey Hardee, BSA's vice president and regional director.

"This is unacceptable and there is still much to be done to engage governments, businesses and consumers on the risks and impact of software piracy."

The BSA said that for every 100 dollars of legitimate [software sales](#) in 2009, another 75 dollars-worth of unlicensed programmes were sold.

Ex-Soviet state Georgia was the world's top pirate user, with 95 percent of all software deemed illegal.

That was followed by Zimbabwe (92 percent), Bangladesh (91 percent),

Moldova (91 percent), Armenia, and Yemen (90 percent).

The United States had the lowest piracy rate with 20 percent, followed by Japan (21 percent), Luxembourg (21 percent), New Zealand (22 percent) and Australia (25 percent).

Singapore was the only Southeast Asian economy in the report's list of the 30 economies with the lowest piracy rates.

Hardee said that apart from global technology giants, small and medium firms, including those in Asia are being affected by software theft as it prevents them from growing domestically and expanding overseas.

He said at a media briefing that a 10-percentage point reduction in the software piracy rate over four years in Asia-Pacific would "directly contribute" 41 billion dollars to the region's economies.

It will also create 435,000 jobs, generate another 5.4 billion dollars in taxes and increase revenues to local vendors by 33 billion dollars.

"There is a compelling case here for governments to bring down piracy levels," Hardee said.

In an interview with AFP after the briefing, Hardee said companies using bootleg computer programmes, rather than individuals, were inflicting the heaviest damage.

"Surprisingly, quite a few listed companies are caught using pirated software. They just have unsophisticated or no software management policies in place," he said. "It's quite shocking."

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