

Value of pirated software nearly \$59 billion: study

May 12 2011, by Chris Lefkow



A Bangladeshi browses pirated software in a shopping centre in Dhaka. Businesses and consumers around the world bought \$95 billion worth of legal personal computer (PC) software in 2010, according to the Business Software Alliance (BSA), but they installed another \$58.8 billion in pirated software.

The commercial value of pirated software increased 14 percent last year to nearly \$59 billion, with emerging economies accounting for over half the total, according to a study published Thursday.

Businesses and consumers around the world bought \$95 billion worth of legal personal computer (PC) [software](#) in 2010, according to the Business Software Alliance (BSA), but they installed another \$58.8 billion in pirated software.

"This means that for every dollar spent on legitimate software in 2010, an additional 63 cents worth of unlicensed software also made its way into the market," the BSA said.

At \$31.9 billion, emerging economies accounted for over half the commercial value of pirated software last year, the BSA said in its eighth Global Software Piracy Study.

While [PC shipments](#) to [emerging economies](#) accounted for half the world's total last year, the value of paid [software licenses](#) in those economies accounted for less than 20 percent of the world total, the study said.

While the value of pirated software rose, the global piracy rate for PC software dropped by a single percentage point in 2010 to 42 percent, the study found.



File photo of a pirated copy of Microsoft Windows Vista in Hong Kong. The commercial value of pirated software increased 14 percent last year to nearly \$59 billion, with emerging economies accounting for over half the total, according to a study published Thursday.

Central and Eastern Europe and Latin America had the world's highest piracy rate, with 64 percent of PC software pirated, while North America had the lowest, with 21 percent, the study found.

Software piracy was also found to be rampant in the [Asia-Pacific region](#), with a piracy rate of 60 percent, followed by The Middle East with 58 percent and Western Europe with 33 percent.

And while the United States was tied with Japan for the lowest piracy rate, at 20 percent, it ranked at the top in terms of the commercial value of pirated PC software, estimated at \$9.5 billion dollars.

It was followed by China, with \$7.8 billion, and Russia, with \$2.8

billion.

The study was carried out with technology research firm IDC and covered 116 countries and regions. The piracy rate dropped last year in 51 of the 116 areas studied and went up in 15, the BSA said.



File photo shows Beijing security personnel destroying counterfeit CD's and DVD's. Software piracy was found to be rampant in the Asia-Pacific region, with a piracy rate of 60 percent, followed by The Middle East with 58 percent and Western Europe with 33 percent.

It said the most common form of software piracy was to buy a single copy of software and install it on multiple computers, a practice which 51 percent of PC users surveyed in emerging markets mistakenly believe is legal.

"There's an awareness gap where many people don't even understand that they're stealing software," BSA president Matt Reid said.

"Governments need to be investing in educating the public about the value of intellectual property. They also need to make sure that the right laws are in place, and then they need to get out and enforce those laws."

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