

FOR IMMEDIATE RELEASE**Media Contact:**Lisa Randles, Communications Director, BSA
+44 (0)20 7340 6088 or lisar@bsa.org**BSA STUDY REPORTS SOFTWARE PIRACY INCREASES IN WESTERN EUROPE IN 2009*****Software Industry Calls for Mandatory Software Audits
To Compel Legal Software Use in Enterprises and Generate Additional VAT Revenues***

Brussels, 11 May, 2010 – Western Europe was the only region in the world to see an increase in software piracy on personal computers (PC) last year, with the regional piracy rate rising from 33% in 2008 to 34% in 2009, according to a study released today by the [Business Software Alliance](#) (BSA), an international association representing the global software industry. This was among the findings of the seventh annual [BSA/IDC Global Software Piracy Study](#), which tracks software piracy rates in 111 economies around the world.

The report found that software piracy declined in 54 of the countries studied, despite anticipated rises resulting from the global economic recession. The software piracy rate in the European Union (EU) remained at 35% for the third year running, but piracy rates increased in a number of Western European markets, among them Austria, Germany, Greece, and Italy.

“The software industry relies on strong intellectual property (IP) protection and enforcement to address software theft in Europe,” said Francisco Mingorance, senior director of government affairs, BSA. “But with software piracy rates stalled in many European markets, governments need to consider additional means to achieve progress. Requiring software assets to be included in enterprise value added tax (VAT) compliance checks could lower software piracy and generate revenues for national budgets.”

The commercial value of illegal software installed in the EU last year amounted to nearly €8.7 billion¹, with national government treasuries losing an average of 20 euro cents in VAT income for each euro of pirated software that may otherwise have been purchased. “As business software applications evolve to combine traditional packaged software products with ‘cloud-based’ service applications, VAT audits for business software would encourage better management of software assets within enterprises, and discourage use of unlicensed software while contributing much needed revenue to government budgets. This complementary approach to traditional IP enforcement is worth exploring by EU governments,” concludes Mingorance.

Lowering software piracy can have significant economic benefits. IDC estimates that for every euro of legitimate software sold in a country, there is another €3-€4 of revenue for *local* service and distribution firms. Further, a 2008 BSA/IDC study on the economic impact of reducing software piracy² found that lowering the worldwide software piracy rate by ten points over four years could create 500,000 additional jobs and inject US\$140 billion into local economies.

¹ USD \$12,469 billion at EUR-USD exchange rate of .69756 taken at 31 Dec 2009.

² The Economic Benefits of Reducing PC Software Piracy, January 2008, www.bsa.org/idcstudy

About the study

The 2009 BSA/IDC Global Software Piracy Study covers piracy of all software that runs on PCs, including desktops, laptops, and ultra-portables, including netbooks. This includes operating systems, systems software, such as databases and security packages, and applications software, with legitimate free software and open source software covered by the scope of the study. It does not include software that runs on servers or mainframes. IDC used proprietary statistics for software and hardware shipments and enlisted IDC analysts in more than 60 countries to review local market conditions and estimate the rate of PC software piracy around the world. The full methodology and a copy of the complete study can be found at www.bsa.org/globalstudy.

Economy	2008 Rate	2009 Rate	Commercial Value 2009 (US\$ million)
Austria	24%	25%	\$212
Belgium	25%	25%	\$239
Bulgaria	68%	67%	\$115
Cyprus	50%	48%	\$16
Czech Republic	38%	37%	\$174
Denmark	25%	26%	\$203
Estonia	50%	50%	\$19
Finland	26%	25%	\$175
France	41%	40%	\$2,544
Germany	27%	28%	\$2,023
Greece	57%	58%	\$248
Hungary	42%	41%	\$113
Ireland	34%	35%	\$125
Italy	48%	49%	\$1,733
Latvia	56%	56%	\$24
Lithuania	54%	54%	\$31
Luxembourg	21%	21%	\$30
Malta	45%	45%	\$7
Netherlands	28%	28%	\$525
Poland	56%	54%	\$506
Portugal	42%	40%	\$221
Romania	66%	65%	\$183
Slovakia	43%	43%	\$65
Slovenia	47%	46%	\$39
Spain	42%	42%	\$1,014
Sweden	25%	25%	\$304
UK	27%	27%	\$1,581
EU wide	35%	35%	\$12,469
Western Europe	33%	34%	\$11,750
Central & Eastern Europe	66%	64%	\$4,641

About BSA

The Business Software Alliance (www.bsa.org) is the world's foremost advocate for the software industry, working in 80 countries to expand software markets and create conditions for innovation and growth. Governments and industry partners look to BSA for thoughtful approaches to key policy and legal issues, recognizing that software plays a critical role in driving economic and social progress in all nations. BSA's member companies invest billions of dollars a year in local economies, good jobs, and next-generation solutions that will help people around the world be more productive, connected, and secure. BSA members include Adobe, Altium, Apple, Asseco Poland S.A., Attachmate, Autodesk, Autoform, AVEVA, AVG, Bentley Systems, CA, Cadence, Cisco, CNC/Mastercam, Corel, Dassault Systèmes SolidWorks Corporation, DBA Lab S.p.A., Dell, HP, IBM, Intel, Intuit, Kaspersky Lab, Mamut, McAfee, Microsoft, Minitab, NedGraphics, O&O Software, PTC, Progress Software, Quark, Quest, Rosetta Stone, SAP, Scalable Software, Siemens, Sybase, Symantec, Synopsys, Tekla, and The MathWorks.

About IDC

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