Report Finds Unlicensed Software and Malware Are Tightly Linked

Organizations may reduce the risk of cybersecurity incidents by eliminating unlicensed software on their networks

CANADA — February 24, 2015 — A new report commissioned by BSA | The Software Alliance confirms the link between unlicensed software and malware on PCs. The analysis, conducted by global research firm IDC, finds that the higher the unlicensed PC software rate in a country, the more malware generally encountered on PCs in that country. The implication for governments, enterprises and end users is clear: eliminating unlicensed software on their networks could help reduce the risk of cybersecurity incidents.

"Malware infections can cause significant harm, and Canadian businesses are struggling with how best to protect themselves," said Jodie Kelley, Senior Vice President and General Counsel at BSA. "This analysis shows that the link between unlicensed software use and malware is real, meaning good software management is a critical first step to reducing cybersecurity risks."

The statistical analysis compared rates of unlicensed software installed on PCs in 81 countries1, with a measure of malware encounters on PCs tracked by BSA member company, Microsoft2. It finds there is a strong positive correlation (r=0.79) between rates of unlicensed software and malware incidents. Further analysis indicates that the rate of unlicensed software in a country is a strong predictor of malware encounters in that country.

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1 BSA Global Software Survey, June 2014
2 Microsoft Security Intelligence Report, May 2014
The report builds on BSA’s flagship study examining global rates of unlicensed software use around the world. In 2014, the BSA Global Software Survey reported 25 per cent of software installed in Canada during the previous year was unlicensed, compared to 43 per cent globally. It also found that the chief reason computer users around the world cite for not using unlicensed software is avoiding security threats from malware. Among the risks associated with unlicensed software, 64 per cent of users globally cited unauthorized access by hackers as a top concern and 59 per cent cited loss of data.

BSA encourages organizations to implement internal controls, such as ISO-aligned software asset management (SAM) practices, in order to reduce their exposure to cyber threats by ensuring all software installed on their systems is fully licensed.

Members of the public who wish to assist in reducing exposure to cyber threats can contact BSA at nopiracy.ca. Incidences of unauthorized copying or distribution of software can be reported anonymously. It is BSA’s strict policy to keep all information about you confidential.

A full copy of the report, *Unlicensed Software and Cybersecurity Threats*, can be downloaded from BSA’s website at bsa.org/malware.

**About BSA**

BSA | The Software Alliance (www.bsa.org) is the leading advocate for the global software industry before governments and in the international marketplace. Its members are among the world’s most innovative companies, creating software solutions that spark the economy and improve modern life. With headquarters in Washington, DC and operations in more than 60 countries around the world, BSA pioneers compliance programs that promote legal software use and advocates for public policies that foster technology innovation and drive growth in the digital economy.