



News Release

For Immediate Release

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Use of Unlicensed Software Drops to 22% in UK, Latest BSA Survey Finds

London, UK. — May 25, 2016 — Twenty-two percent of software installed on computers in the UK in 2015 was not properly licensed, a drop of two percentage points since 2013, according to the latest Global Software Survey from BSA | The Software Alliance.

However, the survey, [*Seizing Opportunity Through License Compliance*](#), found that the commercial value of unlicensed software in the UK is the second highest in Europe, totaling £1.3 billion. Only France has a higher commercial value of £1.4 billion, but it also has an unlicensed software rate of 34% - twelve percentage points more than the UK.

The drop in the use of unlicensed software in the UK has been influenced in part by key trends such as the increasing market for cloud subscriptions and growing software asset management (SAM) adoption. These market trends were coupled with an increase in the number of legal settlements with UK companies found using unlicensed software. In addition, both BSA and the software industry have been working harder than ever to drive licence compliance and educate companies on the benefits of adopting effective SAM measures and using licensed software in the region. Notably, the unlicensed software rate in the UK has dropped a total of five percentage points over the last five years.

However, the survey which was carried out in association with IDC and canvassed consumers, IT managers, and enterprise PC users, found that an alarming number of computer users are still using unlicensed software, with global usage still high at 39%. This is despite the fact that such use increases the likelihood of encountering malware, which has been proven to leave businesses and consumers open to devastating and costly cyberattacks. In 2015 alone, such attacks cost businesses over \$400 billion, according to the new research.

“Companies in the UK are continuing to put themselves at risk, despite the dangers of using unlicensed software,” said BSA | The Software Alliance President and CEO Victoria A. Espinel. “Although it’s positive to see a general decline over the last five years, the use of unlicensed

software in the UK remains higher than we'd like, especially given its significant commercial value.”

Espinel continues: “I would urge all companies, no matter what size, to wake up to the facts. Many CIOs working in businesses don't know the extent of software deployed on their systems or if that software is legitimate.”

Other findings from this year's survey include:

- 39% of software installed on computers around the world in 2015 was not properly licensed, representing only a modest decrease from 43% in BSA's previous global findings in 2013
- Even in certain critical industries, unlicensed usage was surprisingly high. For example, the survey found the worldwide rate is 25% for the banking, insurance and securities industries
- CIOs estimate that 15% of their employees download software onto the company network without their knowledge. But they are significantly underestimating the problem; over a quarter of employees (26%) admit to installing unauthorised software on company networks

Despite these numbers, the findings show a keen awareness of the problem:

- CIOs said their highest concern was a loss of data associated with a cybersecurity incident, and was therefore a key reason for ensuring the software running in their networks is legitimate and fully licensed
- This concern was also shared by employees: 60% cited the security risk associated with unlicensed software as a critical reason to use legitimate, fully licensed software

The report adds that companies can mitigate the cybersecurity risks of unlicensed software by ensuring all software is purchased from legitimate sources and establishing an in-house SAM programme. Organisations that effectively integrate SAM will have better awareness of what is installed on their network, and whether it is legitimate and licensed. They will also be in a position to optimise their software deployment, and have policies and procedures in place for the procurement and retirement of software.

Additional highlights in this year's survey, by region, include:

- The region with the highest overall rate of unlicensed software was Asia-Pacific at 61%, a one-point decline compared with BSA's previous findings in 2013
- The next-highest unlicensed software rate was in Central and Eastern Europe with 58% (falling three-points from the rate recorded in 2013), and then the Middle East-Africa at 57% (dropping two-points since 2013)
- North America continues to have the lowest regional rate at 17%, although this region has a significant commercial value of \$10 billion
- In Western Europe the overall rate dropped one point to 28%

Seizing Opportunity Through License Compliance, BSA's Global Software Survey which includes a breakdown of country-specific data, is available at www.bsa.org/globalstudy.

About BSA | The Software Alliance

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, 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.

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