

FOR IMMEDIATE RELEASE**MEDIA CONTACT:**Lisa Randles, Communications Director, EMEA
Randles.lisa@gmail.com or +44 (0)20- 7340 6080**REDUCING SOFTWARE PIRACY WOULD INJECT €33 BILLION INTO EUROPE'S ECONOMY –
THE FASTER THE REDUCTION, THE GREATER THE BENEFITS***New study demonstrates the need for deterrent damages and civil remedies in Europe
to more effectively address corporate use of illegal software*

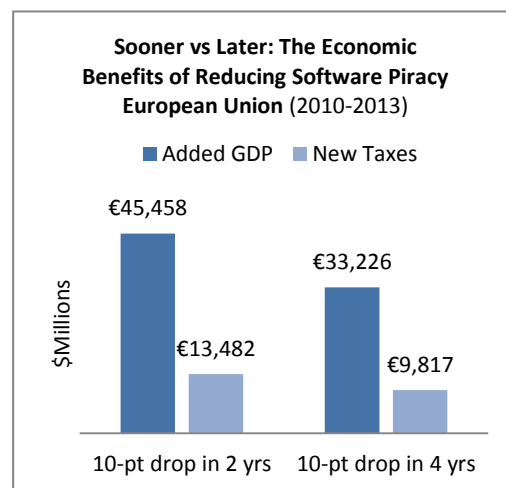
Brussels, 15 September 2010: Reducing software piracy in the European Union (EU) by 10 percentage points in four years would inject €33 billion¹ in new technology spending into the economy, create more than 61,500 new jobs and generate nearly €10 billion in new tax revenues for governments, according to a new study from the Business Software Alliance (BSA) and the leading market research firm IDC. Moreover, achieving the 10-point reduction in piracy in the first two years of the same four-year period could boost the economic benefits 37 percent.

More than one third of the software programs installed on personal computers (PC) in the EU last year were stolen.² Most unauthorized software use occurs in otherwise legal businesses that buy too few software licenses for their employees' computers. Cutting the prevalence of this theft sends ripples of stimulus through the economy, the new study shows, by generating new spending on related information technology (IT) services and distribution. That spending, in turn, creates jobs and delivers new tax revenues — and the faster the reduction, the greater these returns.

The new study, "[The Economic Benefits of Reducing Software Piracy](#)," documents the economic impact of

reducing PC software piracy rates in 42 countries. It finds that more than 80 percent of the job creation, increased spending and new tax revenues associated with lowering software piracy accrue to local economies around the world.

"National governments and European policymakers must act quickly to address software piracy within the European market," said Francisco Mingorance, BSA senior director for government relations, EMEA. "Europe's economies are emerging from one of the worst recessions in decades, and this study clearly shows that tackling software piracy now will deliver much-needed economic benefits— for the entire economy, not just the software industry."



¹ 1 US Dollar = .776764 Euro

² [BSA/IDC Global Software Piracy Study](#), May 2010

The study also finds that the economic benefits are compounded by reducing software theft at a faster rate. For example, the 12 EU countries included in the report stand to add more than €33 billion in new consumer and business spending, and €9.8 billion in new tax revenues by reducing piracy 10 points in four years. Achieving the piracy reduction in two years, instead of four, would boost the new spending and extra tax revenues by 37 percent to €45 billion and €13 billion respectively.

Reducing piracy rates 10 points in two years is ambitious, but achievable in many markets—particularly the higher piracy EU markets such as France (40%), Greece (58%), Poland (54%), Spain (42%), and Italy (49%). In order to realize the benefits, BSA recommends the following measures to effectively reduce software piracy in Europe:

1. Implementation of appropriate **deterrent damages and civil remedies** – currently lacking in Europe – as part of the review of the Civil Enforcement Directive. This includes multiple damages for businesses caught using illegal software.
2. Creation of **value added tax (VAT) compliance checks** on software and other intangible assets, as part of the review of the European VAT regime, in order to incentivize corporations to use legitimate software.

“The Economic Benefits of Reducing Software Piracy” incorporates market research on IT spending and software piracy around the world, along with information on IT employment and IT-related taxes. The 42 countries studied represent 93 percent of the total packaged software market. For more information and a full description of the methodology, view the full report at www.bsa.org/piracyimpact.

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 Technologies, 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

IDC is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications, and consumer technology markets. IDC helps IT professionals, business executives, and the investment community make fact-based decisions on technology purchases and business strategy. More than 1,000 IDC analysts provide global, regional, and local expertise on technology and industry opportunities and trends in over 110 countries. For more than 46 years, IDC has provided strategic insights to help our clients achieve their key business objectives. IDC is a subsidiary of IDG, the world's leading technology media, research, and events company. You can learn more about IDC by visiting www.idc.com.