

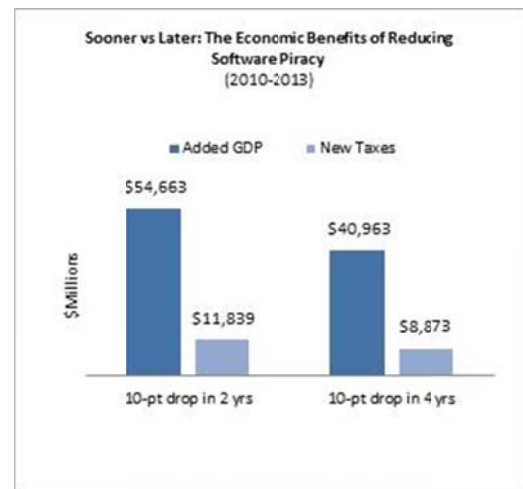
FOR IMMEDIATE RELEASE**MEDIA CONTACTS:****Juliet Lim****Radiant Communications****(t) +65-9431 5111****(e) julietlim@radiantcomms.com****REDUCING SOFTWARE PIRACY IN ASIA PACIFIC WOULD GENERATE BILLIONS IN ADDED ECONOMIC ACTIVITY AND CREATE NEARLY 350,000 NEW JOBS**

New study details the impact of cutting piracy by 10 points in four years — and finds that faster action by governments would compound the economic benefits

SINGAPORE, 15 September 2010: Reducing software piracy by 10 percentage points in four years would inject almost US\$41 billion into the Asia Pacific economy, create 350,000 new jobs and generate close to US\$9 billion in new tax revenues for governments, according to a new study from the Business Software Alliance (BSA) and the leading global 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 another 33 percent. Asia Pacific would then produce almost US\$55 billion in new economic activity by 2013 instead of US\$41 billion, and generate close to US\$12 billion in new tax revenues instead of US\$9 billion.

Currently, nearly six out of ten software programs installed on personal computers in Asia Pacific are pirated. Most of this unauthorized software use occurs in otherwise legal businesses that buy too few software licenses for their employees' computers. In other cases, criminal enterprises sell counterfeit copies of software programs at cut-rate prices.

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.



“Reducing software piracy is an opportunity to inject much-needed stimulus into Asia Pacific economies,” said Roland Chan, Senior Director- Marketing, Asia-Pacific, BSA. “This study clearly shows that aggressively fighting software piracy today means greater economic benefits tomorrow — for the region’s economy, not just the software industry.”

The study looks at 13 economies across Asia Pacific: Australia, China, Hong Kong, India, Indonesia, Japan, Malaysia, Philippines, Singapore, South Korea, Taiwan, Thailand and Vietnam.

Globally, the data show that reducing software piracy by 10 points over the next four years would produce US\$142 billion in new economic activity in the 42 countries studied, with more than 80 percent accruing to local industries. The reduction would also create nearly 500,000 high-tech jobs and generate roughly US\$32 billion in new tax revenues worldwide. Frontloading the gain by reducing piracy 10 points in two years compounds the economic benefits by 36 percent, producing US\$193 billion in new economic activity and generating US\$43 billion in new tax revenues by 2013.

“Because of the size of the Asia Pacific market, more than three-fifths of the 500,000 high-tech jobs predicted to be gained from lowering software piracy will be added to the economies in this region, underlining the scale of the economic benefits that can accrue to the region when software piracy is actively reduced,” said Chan.

Victor Lim, Vice President, Asia/Pacific Consulting Operations, IDC, said, “Because IT distribution and services are local and specific to each economy, much of the revenue generated through reductions in software piracy would be captured at the local level. In fact, the study has found that 76 percent of the added GDP in the Asia-Pacific from a four-year, 10-point drop in piracy would remain in the region.”

BSA recommends the following actions to effectively reduce software theft around the world:

- Promote education about the value of intellectual property (IP) and the business practice of managing and optimizing software assets through software asset management (SAM).
- Implement the World Intellectual Property Organization’s Copyright Treaty to create an effective legislative environment for copyright protection, online and offline.
- Create strong and workable IP enforcement mechanisms, as required by the World Trade Organization’s Trade-Related Aspects of Intellectual Property Rights Agreement, including providing for vigorous enforcement of misappropriation and infringement of new software innovations such as cloud computing technologies.
- Dedicate resources for enforcement of IP laws, including specialized IP enforcement units, and improved cross-border cooperation among law enforcement agencies.
- Commit government to legal software use through active SAM policies and promote legal software use by all government agencies, state-owned enterprises, contractors and suppliers.

“The Economic Benefits of Reducing Software Piracy” is based on IDC’s Piracy Impact Model, which 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. The 13 Asia Pacific economies surveyed represent 98 percent of the total packaged software market in the

region. For more information and a full description of the methodology, view the full report at www.bsa.org/piracyimpact.

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About BSA

The Business Software Alliance (www.bsa.org) is the foremost organization dedicated to promoting a safe and legal digital world. BSA is the voice of the world's commercial software industry and its hardware partners before governments and in the international marketplace. Its members represent one of the fastest growing industries in the world. BSA programs foster technology innovation through education and policy initiatives that promote copyright protection, cyber security, trade and e-commerce. BSA members include Adobe, Agilent Technologies, Altium, Apple, Aquafold, ARM, Arphic Technology, Autodesk, Autoform, AVEVA, Bentley Systems, CNC/Mastercam, Corel, Dassault Systèmes SolidWorks Corporation, Embarcadero, Frontline PCB Solutions - An Orbotech Valor Company, Microsoft, Minitab, NedGraphics, Parametric Technology Corporation, Progress, Quest Software, Scalable Software, Siemens, Sybase, Symantec, 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.

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