

**For Immediate Release**

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**HONG KONG RECORDS A 2% DECLINE IN THE USE OF ILLEGAL SOFTWARE**

*Hong Kong Government initiatives against piracy are having a positive impact, says BSA*

**HONG KONG** – Piracy of software on personal computers (PC) in Hong Kong fell two percentage points from 53% in 2006 to 51% in 2007, amid a global trend in which piracy rates dropped in most countries. Industry losses due to software piracy in Hong Kong rose from US\$180 million in 2006 to US\$224 million in 2007.

These latest statistics are among the findings of the fifth annual global PC software piracy study released today by the Business Software Alliance (BSA), an international association representing the global software industry. The study covers 108 countries and was conducted independently by IDC, the information technology (IT) industry's leading global market research and forecasting firm.

"This report shows that while we are making progress here in Hong Kong we still have more work to do in the battle against software piracy," said Jeffrey Hardee, Vice-President and Regional Director, Asia of BSA. "Reducing piracy further would deliver significant benefits for local consumers, local software and services firms, small businesses, and the society at large."

"It is encouraging to see ongoing improvement in the software piracy situation in Hong Kong" said Hardee. Over the past year, the second phase of the 'Genuine Business Software Campaign' was launched. This is a creative initiative by the Hong Kong Government and BSA that aims to address software piracy in the business environment through the offer of free onsite consultancy services on software asset management. "While the fruits of the Campaign have not yet been fully realized, we are seeing that legalization efforts and the general improvement of corporate governance by businesses have attributed to the progress in Hong Kong."

Hardee further said: "We hope that Hong Kong does not lose momentum on hard won gains and welcome opportunities to work with the Government on the next generation of education and enforcement initiatives that will lead to a more meaningful reduction in the software piracy rate here."

BSA says it is committed to continuing to work closely with the Hong Kong Government to raise general awareness of the importance of copyright protection and to continue with its efforts to empower businesses with the tools they need to better manage their software assets.

Other key findings from the study:

- Among the 108 countries studied, PC software piracy dropped in sixty-seven countries, and increased in only eight. However, because the worldwide PC market grew fastest in high-piracy countries, the worldwide piracy rate increased by three percentage points to 38% in 2007.
- In Asia Pacific, regional piracy rates increased four per cent year-on-year to 59 per cent with the highest-piracy countries being Bangladesh (92%), Sri Lanka (90%), Vietnam (85%), Indonesia (84%), and China (82%). Among the lowest-piracy countries were New Zealand (22%), Japan (23%), and Australia (28%).

“This study shows that government and industry anti-piracy efforts are delivering software piracy reductions in many countries; however, rapid PC growth in higher-piracy emerging markets translates into an overall increase in global piracy,” said John Gantz, chief research officer at IDC. “We expect this trend to continue, meaning industry and government must increasingly focus their efforts on combating piracy in these emerging economies.”

BSA advocates a five-point “blueprint” for reducing software piracy and reaping the economic benefits:

- Increase public education and awareness of the value of intellectual property and the risks of using unlicensed software;
- Update national copyright laws to implement World Intellectual Property Organization (WIPO) obligations in order to enable better and more effective enforcement against digital and online piracy;
- Create strong enforcement mechanisms as required by the World Trade Organization (WTO) Trade-Related Aspects of Intellectual Property Rights Agreement (TRIPS), including tough anti-piracy laws;
- Dedicate significant government resources to the problem, including national IP enforcement units, cross-border cooperation, and training for local officers and judiciary officials; and
- Lead by example by implementing software management policies and requiring the public sector to use only legitimate software.

The BSA-IDC Global Software Piracy Study covers piracy of all packaged software that runs on personal computers, including desktops, laptops, and ultra-portables. The study does not include other types of software such as server- or mainframe-based software. IDC used proprietary statistics for software and hardware shipments and enlisted IDC analysts in more than sixty countries to confirm software piracy trends.

For more details or a copy of the complete study, visit [www.bsa.org/globalstudy](http://www.bsa.org/globalstudy).

A separate IDC economic impact study released in January this year found that reducing software piracy in Hong Kong by ten percentage points over the next four years could generate an additional 2,000 new jobs, US\$312 million in economic growth, and US\$123 million in tax revenues, while creating an additional US\$275 million in revenues to local vendors alone.

**About BSA**

*The Business Software Alliance ([www.bsa.org](http://www.bsa.org)) is the foremost organisation 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, Autodesk, Avid, Bentley Systems, Borland, CA, Cadence Design Systems, Cisco Systems, CNC Software/Mastercam, Corel, Dell, EMC, Frontline PCB Solutions - An Orbotech Valor Company, HP, IBM, Intel, INUS Technology, McAfee, Microsoft, Mindjet, Minitab, Monotype Imaging, PTC, Quark, Quest Software, SAP, SAS Institute, Siemens PLM Software, Software Industry Information Center, SolidWorks, SPSS, Sybase, Symantec, Synopsys, Tekla, The MathWorks and Trend Micro.*

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