

behind the news

Computer piracy used to be used to be a problem for the games industry, but now desktop applications and even operating systems are turning up as bootlegs, often used in the offices of legitimate businesses. Gillian Law asks what effect this is having on the industry

When a police officer was called to a 'domestic-related incident' in a high-rise housing complex in Bloxwich in the West Midlands, he found rather more than he bargained for.

While in the apartment, the officer noticed a PC connected to four CD writers (in the process of copying) and a large number of recordable CDs. He mentioned nothing at the time, but contacted the antipiracy unit of Elspa (the European Leisure Software Publishers Association) and arranged a joint raid on the premises.

Late one Wednesday night in March, Bloxwich police and Elspa executed a search warrant on the apartment. When they arrived, they found the CD writers busy burning 24 CDs with a business software program.

The PC and CD writers were seized and a search of the premises found 106 recordable CDs containing business software titles, 28 with music titles, 11 film titles and six with PC games. Five CD carrycases full of master copies were also picked up.

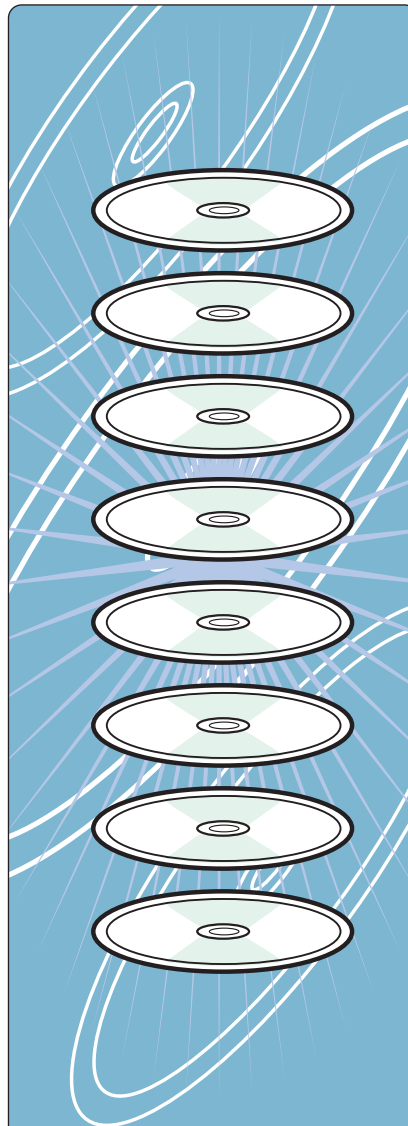
Dodgy businesses

The man in question is no doubt peeved to be charged with doing what so many people do – copying software. Over a quarter – 26 percent – of all business software in the UK is unlicensed, according to the UK offices of the BSA (Business Software Alliance).

BSA spokesman Mike Newton says software piracy is responsible for the loss of about £360 million to the UK software industry. "And that costs substantially in lost jobs – for every one software job lost, we reckon there are another seven [related] jobs gone," he said.

The majority of the damage is done by companies that just don't track the software they use and are unaware of whether they have the licences they need, Newton said.

"If you ask your IT department if they have all the licences they should



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have, most will grimace a little. It's a complicated administration process and many companies just don't keep up," he said.

Swimming with sharks

Newton goes on to say that it is these bigger fish that do the most damage to the industry. "Amateurs doing their own duplicating on CD burners at home do contribute to the problem, but they're small fry compared to the companies who use software without licences," said Newton. "They are also rank amateurs alongside some very professional operators who create software that would pass at first, second and third glance as genuine."

"It comes in the right box, seems to have all the right documents and even the manufacturers themselves have to look carefully," he said. "It'll be sold through disreputable dealers, through auctions on the internet and even through decent resellers who don't realise what it is."

Burning issue

Elspa is the watchdog for the computer games industry, set up in 1989 to protect games publishers. Its antipiracy unit has investigators across the UK.

According to Elspa figures the UK video game industry loses £3bn every year to piracy. In 2001, UK sales of video games, consoles and other leisure software products reached £1.6bn, an all-time high and a 36 percent rise on the previous year, the association said. So piracy matters. It matters to software companies losing money, to people who lose their jobs and to customers who end up with poor-quality products.

But the UK black market is big business and the software industry has a major fight ahead if it is to catch all the backroom Bloxwich pirates – not to mention all the reputable companies who haven't bothered to check their licences. ■