



## Fact Sheet

# Software Piracy & FAST

August 2005

**As anyone who has been to several well-known destinations abroad, browsed some of the back waters of the web, or even wandered around some markets in this country can testify, there is an awful lot of illegally copied, “pirated” software out there.**

**Your temptation may be to buy, especially when price comparisons with the cost of legitimate software is made.**

**Our e-Business Advisers discuss why this really isn't a good idea:**

A business is often reliant on the data it holds on its IT systems to function: you risk that at your peril.....

There are also legal penalties attached to the breaching of copyright that pirated software brings: don't forget, “pirated” really means “stolen”.

### 1. What are the risks?

Buying pirated software exposes your business to:

- A much increased risk of there being a destructive computer virus that could destroy your vital data
- The chance that the software won't function at all, won't work correctly or will fail completely, possibly when you least want it to fail.
- The chance of significant fines for copyright infringement if you're caught

- The risk of potential public embarrassment and negative publicity that could cause irreparable harm to your business.
- Lack of access to customer support, upgrades, “bug fixes” and proper documentation.
- A lack of a warranty to protect yourselves

### 2. Other issues

As many (but not all) software developers develop their product to make money, the use of pirated software also drives up the costs for legitimate users that have paid - which is ultimately self-defeating....

This is also the reason why multiple copies of single-use software on different PC's are also illegal - you're infringing the licence to use the product in the way specified.

### 3. What do I need to do?

The key thing to remember is that there needs to be one authorised, legal copy of a software product for every computer upon which it is run, or a licence in place that allows the use of the product on a specified number of machines (see the “Software Licensing” Fact Sheet in this series for more details).

It's also important that employees are aware that bringing in their own software copies to install on company PCs is not permissible, neither is taking company software home for installation on their own PCs.

Likewise, staff should be forbidden from downloading and installing programs from the



# Fact Sheet

web - both for copyright reasons, but also for the additional risk of viruses and other malicious or intrusive programs.

It is often a good idea to have a written company policy that staff are required to sign to ensure that everybody understands the reasons for this.

### 3. What do I need to look out for?

Here are some of the warning signs that you might be buying a pirated product:

- The price of the software is well below the retail price.
- The software doesn't have proper documentation.
- The manual is photocopied or missing.
- The software does not look authentic. For example, the packaging is of inferior quality, is photocopied or has hand written labels.
- The Serial number or CD Key is printed on the CD, sleeve, or jewel case.
- One CD contains multiple software applications. (This is particularly true if they are from several different companies)

As always - if it looks too good to be true - it probably is.

### 4. So how can I reduce my spend on software?

Although we strongly recommend that you don't use pirated software, or make multiple copies of single use products, there are viable alternatives that are lower in cost than many of the mainstream software supplier products - (see

the "Freeware & Shareware" and "Open Source" Fact Sheets in this series for more details).

### 5. FAST - The Federation against Software Theft

FAST was set up in 1984 by the British Computer Society's Copyright Committee, and works with both software producers and end users to manage software in a responsible and legal manner.

They make the point that:

"The officers of a company are responsible for ensuring that their organisation complies with the law. Ignorance is no defence. Even if a manager is totally unaware that illegal use of software is occurring within his or her organisation, that does not absolve the company from legal proceedings.

In the recent past, those sued by software publishers have been forced to pay all the legal fees that have been incurred; pay damages to the copyright holder; remove all their illegal software and buy new, legal copies."

(Source: [www.fastcorporateservices.com](http://www.fastcorporateservices.com))

Their main web site at [www.fast.org.uk](http://www.fast.org.uk) is a useful resource, providing further information about avoiding software piracy and copyright infringement, as well as detailing the services they can provide regarding software audit & management.

### 6. Useful links:

[www.fast.org.uk](http://www.fast.org.uk) - Federation Against Software Theft site.

*Disclaimer: we have no commercial links with this organisation or its products, and its appearance in this fact sheet is not an endorsement.*