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Use of Unlicensed Software Drops to 21% in UK as CIOs are Concerned with Data Hacks

New BSA survey finds that 54% of CIOs list lowering security risks as the top reason for compliancy, driving a reduction of unlicensed software in the UK

London, UK – June 5, 2018 – Twenty-one percent of software installed on computers in the UK in 2017 was not properly licensed, according to the [2018 Global Software Survey](#) from BSA | The Software Alliance.

This represents a one-percentage point decrease compared with BSA's prior study, released in 2016. The commercial value of unlicensed software installed in the UK was found to be £1.05bn. This is the third highest value in Western Europe after France (£1.4bn) and Germany (£1.2bn), and 15% of the total value in Western Europe.

This rate of use has been influenced in part by important trends under way in the UK. These include an increase uptake in Software Asset Management (SAM) programmes, adoption of subscription models, and growing awareness of the cybersecurity risks linked to the use of unlicensed software.

In fact, 54 percent of CIOs around the world cited cybersecurity risks as the number one reason to avoid unlicensed software, with a lower risk of legal issues being the second. Furthermore, 46 per cent cited loss of corporate/personal data as their top concern about malware effects from unlicensed software. As a result, the number of CIOs who have a formal written policy about the use of licensed software has jumped dramatically from 41 percent in 2015 to 54 percent this year.

To better understand the implications of using unlicensed software, BSA released the [2018 Global Software Survey: Software Management: Security Imperative, Business Opportunity](#). The survey quantifies the volume and value of unlicensed software installed on personal computers in more than 110 countries and regions, and includes nearly 23,000 responses from consumers, employees, and CIOs.

Globally, the rate of unlicensed software stands at 37%, down from 39% in 2016. The value of unlicensed software around the world is £34.5bn. Despite a drop from the last survey, this is still an alarmingly high number.

Around the world, organisations use software to improve the way they do business, increase profits, reach new markets, and gain competitive advantages. But, as CIOs reported and as analysis detailed in the survey confirms, if the software is unlicensed, organisations run a significant risk of encountering crippling security threats. The global survey's key findings include:

- **Use of unlicensed software, while down slightly, is still widespread.** Unlicensed software is still used around the globe at alarming rates, accounting for 37 percent of software installed on personal computers – only a 2 percentage point drop from 2016.
- **CIOs report unlicensed software is increasingly risky and expensive.** Malware from unlicensed software costs companies worldwide nearly £267 billion a year. CIOs report that avoiding data hacks and other security threats from malware is the number one reason for ensuring their networks are fully licensed.
- **Improving software compliance is now an economic enabler in addition to a security imperative.** When companies take pragmatic steps to enhance their software management, they can increase profits by as much as 11 percent.
- **Organisations can take meaningful steps today to improve software management.** Studies show that organisations can achieve as much as 30 percent savings in annual software costs by implementing a robust SAM and software license optimisation program.

“Organisations around the world are missing out on the economic and security benefits that well-managed software provides,” said Victoria Espinel, President and CEO of BSA | The Software Alliance. “Businesses should establish software asset management (SAM) programmes to evaluate and manage the software on their networks. This, in turn, helps organisations reduce the risk of debilitating cyberattacks and helps grow their revenues.”

Through in-depth analysis, the survey shows companies can implement strong measures, including SAM programs, to improve the way they manage software, thereby increasing profits, decreasing security risks, and growing opportunity.

To explore the survey's results, including a breakdown of country-specific data, visit www.bsa.org/globalstudy.

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