



The Software Industry

Recently published statistics showed that in 1994 worldwide software piracy rates were above 50% for 69 of the 77 countries listed.¹ Table 1 lists several of the top countries according to piracy rate and estimated market value of the pirated software.

Table 1

1994 SOFTWARE PIRACY STATISTICS AND U.S. DOLLAR VALUE

<u>Country</u>	<u>Software Piracy Rate Estimate Dollar Value</u>	
Kuwait	99%	n/a
Indonesia	99%	n/a
China	98%	n/a
Vietnam	98%	n/a
Philippines	97%	n/a

United States	35%	\$ 2.8 Billion
Japan	67%	\$ 2.0 Billion
Germany	50%	\$ 2.0 Billion
Canada	58%	\$ 250 Million

Source: Computer Reseller News, June 1995, p.23

These statistics indicate that unauthorized duplication of software is an international problem. For the multimedia industry, the technology and distribution channels are analogous to that of software. Therefore, a statistical inference may be suggested: Multimedia piracy rates are fractionally proportional to that of software and the dollar value is a minor percentage as well. Finally, the industrialized nations appear to have much better control over infringement activities than non-industrialized nations, but there remains room for improvement.

¹ Computer Reseller News, (1995) p. 23, Source: *Business Software Alliance*, June 19.