














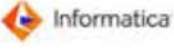

















# Why Software Needs Management?

TARUN SAWNEY, SENIOR DIRECTOR, BSA, ASIA-PACIFIC

# What is BSA | The Software Alliance (BSA)?

- Leading advocate for the global software industry before governments and in the international marketplace.
- Has the headquarters in Washington, DC, and operations in more than 30 countries.
- Pioneers compliance programs that promote legal software use and advocates for public policies that foster technology innovation and drive growth in the digital economy.
- Its members are among the world's most innovative companies, creating software solutions that spark the economy and improve modern life.

# BSA GLOBAL MEMBERS

# Nature of Software, Use, License, Management

- IT is an **integral part** of virtually every organization and is key to business competitiveness and growth.
- Software is one of the **most valuable IT assets** of an organization
  - *increases productivity, streamlines & automates processes,*
  - *help organizations sustain its growth and sustainability.*
- On average, software can represent **25 percent** of an organization's information technology budget.

# Nature of Software Use, License, Management

- However, software is an **intangible asset**. And an organization is required to **use software in compliance with the terms and conditions as specified in a license**.
- Therefore, it is very important that an organization will have to manage software licenses to **avoid breach of a license**.

# Issues relating to software licenses

- A license or software license can be **difficult to manage** because it may contain terms and conditions with respect to how you can use software that are complex.
- Inadequate management of software licenses can lead to:
  - use of unlicensed software and pirated software;
  - misuse of genuine licenses;
  - using licenses in the wrong country;
  - sharing network licenses between countries;
  - over-installing licenses;
  - using student or trial licenses for commercial work; etc.

# Business Risks

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- Above mentioned results of inadequate management of software licenses all are illegal and can result in; for example,
  - Risk at raids, audits, lawsuits, director liability, and other legal liabilities;
  - Risk at security vulnerabilities;
  - Risk at data loss;
  - Risk at compromising of consumer trust;
  - Risk at company reputation; etc.

# 2018 – 2019 Raid Statistics in Thailand

- Police charged 31 companies with Japanese shareholders for use of unlicensed software.
  - Japanese shareholders are a mix of individual Japanese nationality investors and Japanese nationality parent companies.
  - 11 companies are 100% Japanese owned, the rest are joint ventures with a mix of Thai and other nationality shareholders.
- 16 companies with Japanese ownership currently under investigation for use of unlicensed CAD/CAM software for design, engineering and production.
- Total value of infringement is 105 mil baht or 377 million Yen.
- Software infringed includes Microsoft office software, CAD / CAM design, engineering & production software.



# 2018 – 2019 Industry found using unlicensed software in Thailand

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- Industry Types
  - manufacture of machinery & tools
  - manufacture of plastics and parts
  - manufacture of furniture
  - engineering & construction
  - interior design
  - Restaurants
  - computer game design

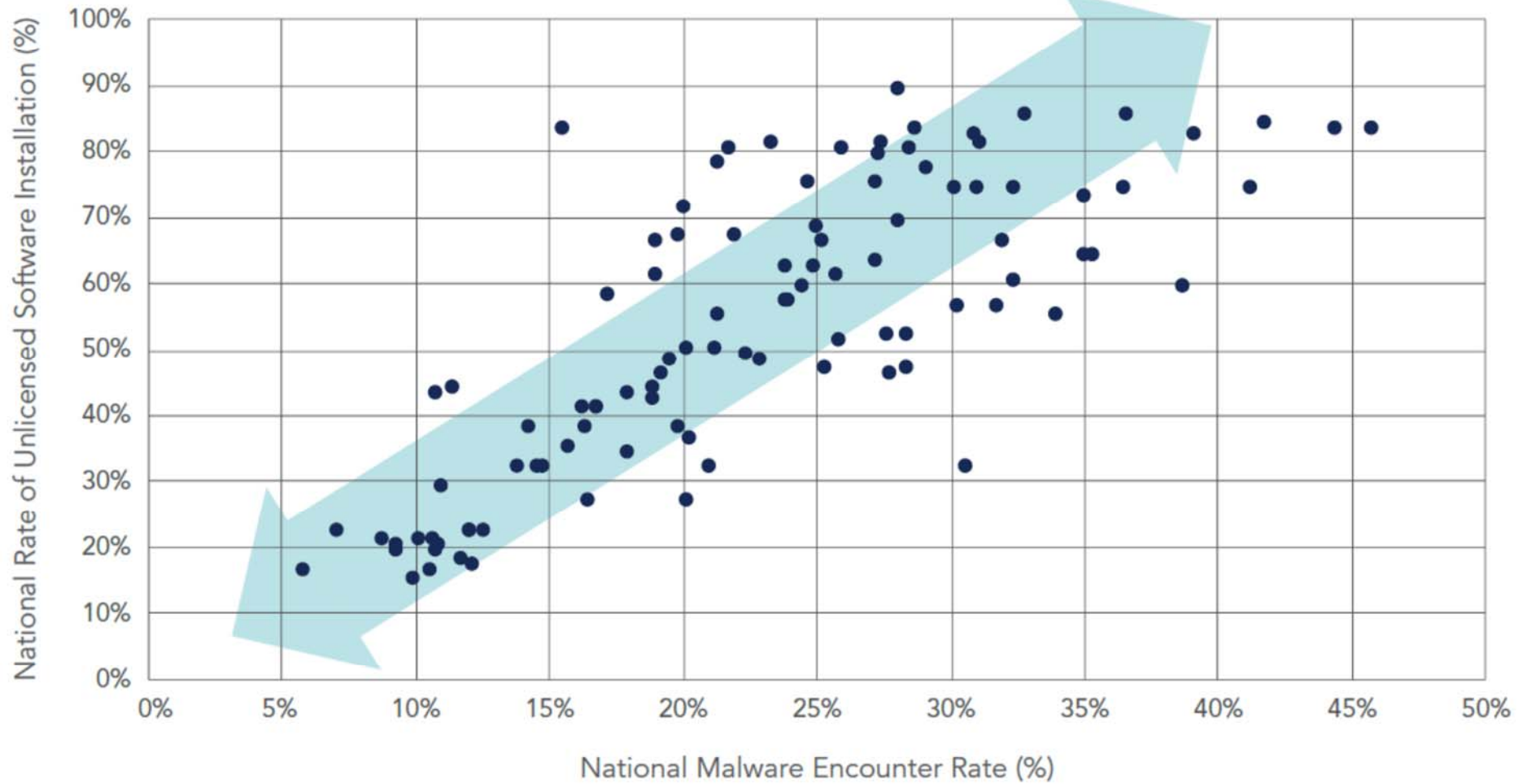
# 2018 – 2019 Police Raid areas in Thailand

- There is legal risks of using unlicensed software across Thailand
  - Bangkok
  - Samut Prakan
  - Pathumthani
  - Rayong
  - Chachoengsao
  - Chonburi
  - Ayutthaya
  - Korat
  - Lamphun

# Malware Attacks Growing Exponentially Both in Number and Sophistication

- There are 8 new malware attacks every second
- CIOs Recognize the Link Between Malware and Unlicensed Software
  - 54% of CIOs report that the primary reason to use licensed software is to lower security risks
  - 46% say their top security concern is loss of data
  - IDC analysis confirms the link between use of unlicensed software and malware

## Unlicensed Software and Malware Encounters Are Tightly Linked



Source: IDC

## ■ MALWARE INFECTIONS ARE ASSOCIATED WITH UNLICENSED SOFTWARE

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- Organizations that obtain or install an unlicensed software package or buy a computer with unlicensed software on it face a one-in-three chance (29 percent) of encountering malware.
- A country's unlicensed software rate is a reliable predictor of a country's malware infection rate.
- One in five (19 percent) enterprises reported they have network, website, or computer outages every few months or more and that the most common cause of security-related outages was from malware on end user computers (56 percent)

# The risks of buying PCs in Thailand

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Test purchases of PCs in Thailand in 2018

- 21 PCs purchased
- ALL 21 were loaded with pirate software
- 20 of the 21 PCs had malware!

# Solution: Software/IT Asset Management

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- Effective management of software assets including software licenses is necessary to mitigate the above-mentioned risks.
- When an organization has effective management of software assets including licenses can lead to significant cost savings with optimal procurement, deployment and maintenance.

# Success Case: Software/IT Asset Management

Thailand's Securities and Exchange Commission (SEC), and Thai Yamaha Motor Co., Ltd are recognized as Champion of Software Asset Management (SAM).





The  
Software  
Alliance

Thank you

BSA