

# The protection of Intellectual Property of Software protects companies and creates jobs



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The protection of Intellectual Property (IP) and Copyright, encourages the creative individuals to continue to innovate and develop solutions for complex problems. Further, the legal transactions of computer software, translate in tax revenues to the Government, as well as more jobs in the IT sector.

Cyprus has developed IP laws in 1919, making it one of the first European countries to develop such laws. Nevertheless, the 48% of software piracy in Cyprus is relatively high in comparison to other European countries, with the commercial value of this piracy estimated at €14 million according to the 2011 BSA Global Software Piracy Study.

According to the Copyright Law no. 207 (I) of 2012, the possession and/or use in the business environment of unauthorized software, exposes the parties involved to civil and possibly criminal liability. In the event of conviction the criminal penalty imposed is a fine which does not exceed €80,000 and/or 3 years imprisonment for the first offence. Further, the copyright holder has the right to demand payment of damages, which can reach up to three times the purchase price of the license. Finally, according to the Law, the Courts have the authority, when encountering instances of unauthorized software installations, to get them seized by the Authorities as evidence, or destroyed.

Beyond the legal risks, the companies could also face serious technical risks, such as malfunctioning of programs, loss of information, spread of viruses and vulnerability to cyber-attacks. These outcomes might cause significant disturbance to the normal operations of the company, but also translate in substantial costs.

So obviously the purchase and installation of genuine software in the first place is the most cost-effective solution for companies, since the costs to follow are highly likely to over exceed the initial cost of the software licenses.

In light of the introduction of the Copyright Law no. 207 (I) of 2012, and with the intent of educating and assisting corporate users of computer software, the Business

Software Alliance (BSA)\* has initiated the awareness program **“Software License Compliance: It’s to your benefit!”**. The purpose of this awareness program is to emphasize the importance of adhering to the Intellectual Property Right laws when it comes to the use of computer software licensing within organizations.

The countries around the world use different means for creating awareness around the use of genuine software, either with Police raids, or with educational activities. On the education front, companies are encouraged to implement a system internally for the proper management of their software, which can help them realize what software they have and where it’s running, providing them the needed transparency in order to use it correctly and efficiently. Software Asset Management (SAM), can help companies ensure license compliance, reduce risk and increase IT savings. SAM can be conducted internally by each organization with some guidance, or by third parties specialized in the specific service.

As part of BSA’s recent awareness program, the notion of SAM is used in order to assist companies in identifying what software they currently have installed, and what software they are entitled to. Further, they are provided with the needed support in order to identify the possible legalization solution in case of any software license discrepancy, according to their organization’s needs.

The respect towards the Intellectual Property of the creative individuals is vital in all areas. Especially in an era where everything operates with computers, and some software program, the use of genuine software, encourages innovation in the field of IT. Innovation is of benefit to the economy, to the businesses and to the development of a country since it translates in more jobs, tax revenues for the Government, while at the same time provides more solutions for the enhancement of our daily activities. ■