Introduction

In this investigation project we will present the impacts of technology on the different types of digital media such as books and software among others. We will also discuss the reasons why a customer or company may or may not use unlicensed software and the repercussions for using it without the proper authorization of the author. Also in this investigation project you will see the amount of losses a company faces due to this illegal practice. Additionally we will present the most common ways to commit software piracy among others. We hope you use this investigation project for the sole purpose of acquiring knowledge about such subject and not for its use in a non-ethical manner.

Technology has become a constant variable in every aspect of our lives. It has turned our lives a lot more easily. But with its arrival, an increasing number of digital products and services have been copied and distributed most of the time without the authorization of legal owners. They involve books, software, music and video files. This trend has become a concern for both product manufacturers and policy makers. The use of technology in this non-ethical manner has become the exclusive weapon of piracy. Software piracy or digital piracy is the act of copying software for a purpose other than back up. Digital products have the property that they can be copied almost costless. This makes them candidates for non-commercial copying by final consumers. Because the copy of a copy typically does not deteriorate in quality, copying products can become a wide-spread phenomenon.

 You can get almost anything on the internet that has copyrights on it like books and software among others. Such companies like Microsoft realize that software piracy has become a real problem. The unlicensed software gets into customer environments a number of ways, from counterfeiting and Internet downloading to volume license misuse or local purchases of low cost software that seems legitimate but isn’t.

**They are risk for using pirated software like:**

* **Damaged Reputation** 🡪 Abusing or misusing software licenses can damage your company's reputation.
* **Viruses can harm computers and networks** 🡪 unauthorized software can contain viruses with the potential to damage both individual computers and entire networks. Viruses can and do cause irretrievable data loss, which would be devastating to most companies.
* **Ineligibility for technical support or product** **upgrades**🡪 when using unlicensed software, you are not eligible for technical support from the software publisher.
* **Software compatibility issue** 🡪 Unlicensed software may cause incompatibility between programmers that would normally function together seamlessly.
* **Lost time** 🡪Legal costs and fines, damaged reputation, computer viruses, ineligibility for technical support and software compatibility issues all equate to lost time which means lost opportunities to your business.
* **Legal costs and criminal penalties** 🡪 with effect from 1 January 2005, there will be criminal penalties against significant willful infringement regardless of whether the infringement is done in the course of trade (i.e. not necessary limited only to sale of pirated copies). Hence, distribution via the Internet and significant infringement by companies using infringing software can be regarded as criminal offences.

How to know if your digital product is legal or not? Well, many digital products are complex in the sense that the amount of information required to describe them is large. As a consequence, consumers need to test them in order to correctly value them. In other words, some digital products are experience goods and a copy can be useful in providing information on its characteristics. This feature applies not only to digital products such a musical CDs but also to software with a large number of commands and a large potential number of interactions with other computer components and software, etc.

Non-authorized copying of digital products can be done in two different ways: by borrowing originals from friends and family members or by downloading from the internet. The copying process only requires a storage device such as a hard-drive or a CD Recorder or any portable media device. However, copying using file-sharing technologies provides a lower value than copying directly from friends for several reasons. First, users are spending time looking for and downloading files. Secondly, the digital copy lacks valuable information such as instructions on how to install the software.

**The impact of software piracy on software companies**

The pirated copies work as well as the originals and sell for significantly less money. Piracy is relatively easy, and only the largest rings of distributors are usually caught. In addition, software pirates know that they are unlikely to serve hard jail time when prisons are overcrowded with people convicted of more serious crimes. The software industry loses more than $15.2 billion annually worldwide due to software piracy.

Software piracy cost the industry:

* $482 every second
* $28,900 every minute
* $1.7 million every hour
* $41.6 million every day
* $291.5 million every week

**Why people commit software Piracy??**

To understand software piracy, one must get inside the mind of the pirate. People, who wouldn't think of sneaking merchandise out of a store or robbing a house, regularly obtain copies of computer programs which they haven't paid for. The pirate has a set of excuses for his actions: prices are too high; the company doesn't provide decent support; he's only going to use the program once in a while. Although, what really makes software piracy seem less bad than other kinds of theft is that nothing is physically taken. There is no immediate effect on the inventory or productive capacity of the creator of a piece of software if someone 500 miles away copies a disk and starts using it.

In conclusion, software piracy has had a major impact on the software industry. Economically it has cost the industry billions of dollars each year and there is no sign that this will change in the near future. No amount of penalties or policing will stop the trend of software piracy. Each individual must develop their own moral standards so that they do not add to the problem.