



The Importance of Software Compliance in Ireland

In today's economic environment all major software vendors have seen a decline in revenues which has led to an increase in the number of enforced audits by software vendors. In 2009 the [Business and Software Alliance "BSA"](#) reported that in Ireland currently 34% of organisations are using illegal software. This 34% represents lost revenues in excess of €84 million for key software vendors and so enterprises running unlicensed software are now a valuable source of revenue for software vendors.

As of the 31st July 2009 - [Gartner Polls & Surveys](#) show an Increase in Software License Audits and estimate that Europe has seen a 30% rise in software vendor led audits in the last 12 months.

The fact is if your organisation has not been audited by at least one major software vendor it soon will and if you have been audited in the past you are at risk of a follow up audit.

Where companies are non compliant software vendors will typically introduce legalisation pricing, which results in unit cost increases, with access only given to legacy versions of technology and not the most current up to date technology.

When enterprises are the target of a software vendor audit and they are incorrectly licensed the option to resolve imbalances using the standard channels may not be made available and as a consequence the organisation in question may fall victim to the Copyright and Related Rights Act of 2000.

Which states the following:

- In Ireland making the deliberate or negligent misuse of software by businesses a criminal offence
- Extending that criminal offence to the directors of the business (potentially leading to up to 5 years in prison and a €127,000 fine)
- Permitting surprise "raids" on businesses to examine potential violations
- Allowing the imposition of heavy fines in civil cases



IT departments tend to focus on the day to day management of information systems and the delivery of new systems to increase operation efficiency. The consequence of this is that many Enterprises are not aware that they are at risk because they do not have a group wide software asset management process in place, designed to make executive level management aware of possible risk to the business.

Without the presence of an effective software asset management process and without employees with the experience and competency required to manage software licence agreements and product usage rights, your Enterprise will risk being audited in the months to come, with an unavoidable negative impact on your business.

In the current economic environment it makes good corporate governance to identify inefficiencies and business risk and to take steps to eliminate it. As the majority of organisations face operational cost reductions and shrinking revenues, the business justification has never been stronger to help reduce costs and avoid business risk. Smart Licence can help mitigate this risk with the use of our software review and software asset management implementation services.

To learn how Smart Licence can support your business please contact;

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