Software piracy

Reports are coming in that Microsoft's next operating system is already available in pirated form in Malaysia.

1 Does your company use Microsoft products? If so, which ones?

2 You are going to read an article about a pirated version of Microsoft's next operating system. First, underline the correct option (in **bold**) in each of the sentences below and compare your answers with a partner.

   a The computer industry is losing more than **$8/$10/$12** billion a year from pirated desktop software.
   b The official release date of Microsoft's next operating system is **2004/2005/2006**.
   c Microsoft Windows is used on about **75%/85%/90%** of PCs worldwide.

3 Now read the article and check your answers in exercise 2.

Pirate program

New estimates show that the computer industry is losing more than $10 billion a year from pirated desktop software. Piracy is most common in the Far East, especially in China and Malaysia, followed by Eastern Europe and Russia. Nine out of ten software packages used in Malaysia, for instance, are said to be unlicensed.

Pirated versions of Microsoft's next generation computer operating system have just gone on sale in Malaysia, more than a year before the official release date of 2005. The software, whose code name is Longhorn, costs less than $2. By comparison, Microsoft's current version of Windows XP sells for over $100 in the US. The new operating system, which will supersede Windows XP, is expected to be Microsoft's largest software launch of the last ten years. Longhorn has new methods of storing files, improved graphics and better security, and it is less likely to crash.

It is believed that the software pirates obtained one of the 8,000 trial copies of Longhorn which were issued to programmers at a conference earlier this year in Los Angeles. According to a company spokesperson, it would be risky to load this version of the operating system onto a home computer.

The popularity of Microsoft's products make the company an obvious target for pirates. Every version of its operating system and office programs appear in pirated form either before, or very soon after, their official launch. The pirates currently escape lightly. Sometimes their shops are closed down but open again within a few days.

Microsoft is the world's largest software company and currently stands accused of using its dominant Windows operating system to stifle competition and to promote its own video and media player. Competitors Sun Microsystems and RealNetworks want Microsoft to disclose more of its underlying code so that they can produce programs that work better with Windows, which is used on about 90% of PCs worldwide. They claim that by making it harder for other programs to work successfully with Windows, Microsoft is breaking competition rules. Having satisfied US courts, Microsoft is now fighting a European anti-trust claim.

4 Find words in the article meaning:

a without an official licence to do something   (paragraph 1)
b a name used for something when you want to keep the real name secret   (paragraph 2)
c to replace one thing by another   (paragraph 2)
d to stop something from happening or developing   (paragraph 5)
e to give information to people, especially information that was secret   (paragraph 5)

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5 Discuss the following questions in small groups and report your ideas to the class.

a Have you ever come across illegal versions of computer software?
b What do think should be done about the problem of piracy?
c Will your company upgrade to the next version of the Microsoft operating system?
d Do you agree that Microsoft's domination of the software market is bad for innovation?