

2 Recent Business Software Alliance \$100K Settlements are Tip of the Iceberg

Scott & Scott, LLP, a law firm with a software audit defense practice, says companies should not be lulled into complacency because the [BSA | The Software Alliance](#) has reported few settlements in the press. Many settlements are confidential and not publicized. Companies should be proactive and ensure their software is compliant.

Southlake, Texas ([PRWEB](#)) July 31, 2013 -- The BSA |The Software Alliance recently reported two companies agreed to settle claims of unlicensed software use. [Sunetric](#) of Kailua, a Hawaii-based solar integrator, agreed to pay \$115,000; [CityNet](#) of West Virginia, an IT solutions company, agreed to pay \$106,000. In addition, as part of the settlement the companies agreed to acquire any licenses necessary to become fully compliant and take measures to ensure continuing licensing compliance.

“Companies should not conclude that because the BSA has issued fewer press releases this year touting settlements than in years past, that the association has scaled back their enforcement efforts. We recommend our clients secure confidentiality even though it may cost more to settle a case with confidentiality than without,” said Robert J. Scott, Managing Partner, of intellectual property and technology law firm, Scott & Scott, LLP.

“Based on the number of inquiries for [software audit](#) assistance from North American companies our firm has been receiving, the Business Software Alliance does not appear to have reduced their anti-piracy actions targeting small to mid-size firms for software audits, said Scott.

The BSA | The Software Alliance, a global software industry trade group owned and funded by big name companies including Apple, Autodesk, Microsoft and Symantec, has absolutely no independent law enforcement authority. The association’s member companies provide the BSA with a power of attorney to act on their behalf to accuse businesses of software piracy.

Accordingly, the BSA can enforce only those rights that its member software publishers have. Legally, software companies usually have a contractual relationship with a customer based upon a software license and also have the rights provided under copyright laws that protect the holder of copyright against infringement. These are the rights that the Business Software Alliance's enforcement department is attempting to protect.

The BSA usually initiates an investigation after it receives a confidential report of unauthorized software use. Targeted companies are contacted by the BSA’s attorneys, who request the company conduct a self audit and report the results. Businesses contacted by the BSA should consult with experienced counsel before responding. Companies targeted for an audit are not required to cooperate with trade associations or publishers, but resolution without litigation is highly unlikely unless the target company agrees to participate in a voluntary audit. “We usually recommend cooperation and not litigation,” said Scott.

The legal and financial implications of software audits can be enormous. The costs, even those that are resolved successfully, are substantial. Businesses that are most prepared will have the greatest success in defending the inevitable software license audit and save money.

Scott & Scott, LLP (<http://www.scottandscottllp.com> and www.bsadefense.com) is an intellectual property and technology law firm representing businesses in matters involving software licensing. Scott & Scott’s legal and



technology professionals provide software audit defense and software compliance solutions, all protected by attorney-client and work-product privileges.

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