



Autodesk Steps Up Anti-Piracy Efforts to Combat the \$13 Billion Revenue Loss to Global Software Developers

August 7, 2003

SAN RAFAEL, Calif.--(BUSINESS WIRE)--Aug. 7, 2003-- Autodesk Recovers Nearly \$60 million in North America Through Piracy Prevention Program and Aggressive Pursuit of Infringers

Autodesk, Inc. (Nasdaq:ADSK) today announced increased anti-piracy efforts to combat the \$13 billion revenue loss to global software developers and protect customers and developers from copyright infringers. The company supports the successful Autodesk Piracy Prevention program -- whose charter is to educate customers and the general public about software piracy and its damaging effects on the economy and product innovation -- while aggressively seeking legal recourse against copyright infringers. To date, Autodesk has reached settlements with thousands of companies using unauthorized copies of Autodesk software, posting total recoveries of nearly \$60 million in North America since Autodesk's Piracy Prevention Department was formed in 1989.

"Software piracy has a damaging economic impact on not only the software industry, but on the economic health of the nation as a whole. It depletes available funding for valuable research and development, causes staggering job losses, and billions of dollars in lost wages and tax revenues," said Robert Holleyman, president and CEO of the Business Software Alliance (BSA).

The Global Impact

Autodesk's 2,800 third-party developers have created thousands of solutions. Without the protection of intellectual property, innovation in the software industry suffers. There is a marked correlation between lowered piracy rates and greater IT contributions. Globally, four out of 10 copies of software are pirated, with piracy rates in individual countries ranging from 25 percent to 94 percent. Countries with the lowest piracy rates enjoy larger IT sectors accompanied by greater tax bases, more jobs and other economic benefits. The lower the piracy rate, the larger the IT sector grows and the greater the benefits it delivers.

A recent economic impact study by IDC that was released in June 2003 by the BSA found that reducing that rate 10 points to 30 percent could add 1.5 million jobs, increase economic growth by \$400 billion and generate \$64 billion in new taxes to help governments fund public programs like education, health care and law enforcement. The study also determined the worldwide piracy rate to be at 39 percent, reflecting a revenue loss to U.S. business software developers of \$13 billion. Piracy rates for Eastern Europe are 71 percent, Asia/Pacific and Latin America are 55 percent, the Middle East/Africa is 49 percent, and Western Europe is 35 percent. While North America has the lowest piracy rate at 24 percent and \$2.3 billion in losses for the software industry, it remains a staggering figure.

For Autodesk, it is estimated that for every legal copy of software sold, five more are illegal. Typically only a few individuals within organizations are responsible for the illegal copying of software.

"The damaging effects of piracy on our customers, developers, the economy, and employment rates are enormous," said Sandy Boulton, director of the Piracy Prevention Department at Autodesk. "We are working diligently to prevent infringement through education as well as pursuing legal action against companies that violate copyright laws. No one questions the penalties for stealing a car or even a computer, but people incorrectly fail to see the value of intellectual property found in software. The harm caused to software vendors is the same that automakers or computer manufacturers experience."

Piracy Reports and Settlements

Autodesk is a founding member of the BSA, the voice of the world's leading software developers before governments and with consumers in the international marketplace. The BSA educates computer users on software copyrights, advocates public policy that fosters innovation and expands trade opportunities, and fights software piracy.

A significant percentage of the reports reaching the Autodesk Piracy Prevention Department result in settlements with companies using unauthorized copies of Autodesk software. The following represent a couple recent settlements:

-- Jordan-Tew & Associates, P.A., a civil engineering firm in Dunn, N.C., settled with Autodesk for \$45,000, an amount that included penalties plus several new Autodesk software licenses to fulfill Jordan-Tew's current and future software needs. Jordan-Tew worked with Autodesk to correct its license shortages of Autodesk Land Desktop, Autodesk Civil Design, Autodesk Survey, and Autodesk Map software. The matter began last year when Autodesk's Piracy Prevention Department received a report that Jordan-Tew had installed more copies of its Autodesk software than it had licenses to support. Jordan-Tew fully cooperated with Autodesk's requests for an evaluation of its installation and licensing of Autodesk software, including providing dated information on license acquisition and a thorough investigation and audit of all software installations.

-- Charles King Architects & Associates, Inc. ("CKAA"), of

Chattanooga, Tenn., and Autodesk agreed to settle CKAA's use of unlicensed copies of Autodesk software with CKAA's payment to Autodesk of \$51,796, a sum that included penalties and several licenses for AutoCAD software. CKAA also agreed to delete unlicensed copies that were not being replaced with licensed software. Autodesk contacted CKAA after receiving a report that the architectural firm had installed more copies of Autodesk software than it was licensed to use. Cooperating fully with Autodesk, CKAA conducted an audit of its computers and discovered the presence of unauthorized Autodesk software. As a result of this investigation, CKAA has acquired the licenses necessary for compliance directly from Autodesk.

As of December 1999, the U.S. copyright law provides for the recovery of damages for civil copyright infringement. Recovery includes payment of up to \$150,000 per infringed work, destruction of illegal copies, and payment of attorney fees and costs. The law also allows the government to prosecute copyright infringers and provides for criminal penalties, including fines of up to \$250,000 and jail terms of up to five years.

For more information on Autodesk's Piracy Prevention Program, to report suspected piracy, or to confirm that you are not violating your software license agreements, call Autodesk's Piracy Prevention Hotline at 1-800-NO COPIES or visit www.autodesk.com/piracy.

About Autodesk

Autodesk is the world's leading design software and digital content company, offering customers progressive business solutions through powerful technology products and services. Autodesk helps customers in the building, manufacturing, infrastructure, digital media, and wireless data services fields increase the value of their digital design data and improve efficiencies across their entire project lifecycle management processes. For more information about the company, see www.autodesk.com.

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CONTACT: Autodesk, Inc. Nicole Pack, 415-507-6282
nicole.pack@autodesk.com

SOURCE: Autodesk, Inc.