

In Brazil, Where 70% of Computers Are Pirated, Piracy Is the Rule

Contributed by Juliana Andrade
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It is estimated that out of every 100 computers in use in Brazil, 70 of them use components that are pirate and 64 of them use software that is not legal.

The numbers were presented by the president of the Piracy Combat Forum, Andre de Almeida. The presentation was made at a seminar sponsored by the Ministry of Justice.

Almeida pointed out that piracy does not only harm manufacturers. It reduces jobs and tax revenue. as well. He adds that a drop of ten percent in computer piracy would create as many as 13,000 jobs and increase tax revenue by US\$ 444 million (1 billion reais).

"And that is only in the computer sector. Imagine all that can be done by reducing piracy throughout the economy," concludes Almeida.

In June, the president of the Federation of Industries of the State of São Paulo (Fiesp), Paulo Skaf, called for a joint effort by government officials and private enterprise to combat the illegal sale of pirated products.

"We have to declare war on this unfair competition," he emphasized, recalling that piracy is present not only on the streets of São Paulo, but those of New York and Washington as well.

According to the business leader, 80% of the counterfeit merchandise sold in the country comes from abroad.

When asked his view of the influx of Chinese products in this process, Skaf argued that "the practice of trade with China is unjust and illegal in the case of piracy," and he said that he expects the appropriate government officials to react to this practice.

Moreover, he affirmed, it is necessary immediately to reject and react to "any trade relationship that threatens us with retaliations or reprisals. This is not protectionism; it is trade defense."

It is estimated that tax evasion in just four sectors - clothing, sneakers, toys, and eyeglasses - comes to around US\$ 3.6 billion (9 billion reais), according to an Ibope study commissioned by the United States Chamber of Commerce and the American chapter of the Brazil-United States Entrepreneurial Council, in partnership with the Dannemann Siemens Institute and Warner Bros Consumer Products.

A survey based on 602 interviews, conducted during the period April 7-13, demonstrates that the biggest consumers of pirated products are young people aged 16-24. The poll also reveals that 70% of consumers were generally aware that the products were counterfeit and that what most attracted them was the price, half or less than half of what the genuine article costs.

The preference is for clothes that imitate name brands, but items in other sectors, such as toys, sneakers, watches, electronic games, eyeglasses, CDs, DVDs, and perfumes, are also appealing.

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