

# Bits & Bytes

Insider Tips On How To Use Technology To Make Your Business  
Run Faster, Easier, And More Profitably



Volume III, Issue IX

September, 2011

## How Using Pirated Software Can Cost Your Business Tens of Thousands of Dollars

### AND Wreak Havoc In Your Computer Network

**ALERT! If Your Business Knowingly Uses Pirated Software (Or Even If You're Not 100% Confident It's Not), You MUST Read This To Learn The Expensive Hot Water Your Business Can Get Into If It Gets Caught, and What Using Pirated Software Can Do To Your Network.**



According to the Business Software Alliance, Software piracy is defined as the unauthorized copying or distribution of copyrighted software. This can be done by copying, downloading, sharing, selling, or installing multiple copies of software onto personal or work computers. It's illegal, increases security risks, and can wreak havoc on your computer network, diminishing employee productivity.

#### A Cautionary Tale From One of Our Own Small Business Clients

Last month I received a phone call from a distressed business manager from one of my clients regarding a very threatening letter he received from the law firm that represents the Business Software Alliance. The letter accused my client's company of copyright infringement by way of installing copies of Adobe and Microsoft software without properly licensing them. Amidst the letter were stern threats of recovery of damages, legal fees, and statutory damages of up to \$20,000.

This isn't the first phone call I've received like this and in fact, I'm getting more and more of these types of calls from clients, small and medium businesses ranging in employee size from 15 to 40 staff.

#### Small Business Is A BIG Target For Legal Action

Given that the small business sector is a fast-growing segment of the economy, software providers are now going after small business with a vengeance to ensure that all their products are properly licensed. And the settlements can be huge for a businesses of any size ranging from a minimum of \$15,000 to over \$15M.

I recently learned of a Halifax based company with under 20 staff that was found guilty of piracy, and fined over \$20,000. In addition, this company had to pay thousands in their own legal fees to deal with the suit, and those of the Plaintiff they were ordered to cover. When that financial hemorrhaging was done they had to purchase the software anyway (as is always the case in these situations).



**"As a business owner, I know you don't have time to waste on technical and operational issues. That's where we shine! Call us and put an end to your IT problems forever."**

**Joe Stoll, President**  
Technical Action Group (TAG)  
JStoll@TechnicalActionGroup.com

#### Inside this issue:

Important Warning About Software Piracy 1

Shiny New Gadget of the Month—An Organizer's Dream! 2

A "No Geek Speak" Explanation of Cloud Computing 3

Boost Productivity With These Cool Apps 3

Apple Building a Spaceship on Earth? 4

9 Warning Signs Your Computer Is Infected With Spyware 4

## Shiny New Gadget of the Month:

### EVERNOTE



Organizers unite! If you have a lot of “stuff” to organize – pictures, notes, reminders, and more – and want an easy way to capture and organize all of it, you should take a look at EVERNOTE.

This cloud application allows you to type text notes, make lists, record voice notes, store photos, screen shots, travel receipts, itineraries and practically any other item you can think of.

Everything you capture is automatically processed, indexed, and made searchable. If you like, you can add tags or organize notes into different notebooks.

Populating EVERNOTE with content is simple. You can Tweet a note and have it stored, log in and type yourself a note, take a photo of a favorite wine you’re drinking and upload it or clip web sites and upload them.

Best of all, as your “stuff” grows you can easily search and keep track of everything in one simple place: Christmas lists, to-do lists, good ideas you want to remember, grocery lists, pictures of things you want to purchase and much, much more!

## Thousands Of Businesses Are Using Pirated Software Without Management Being Aware

Many CEO’s and Management Executives don’t even know (like some of my clients) that pirated software was being used in their business because either a) the software was installed before they joined the company; or b) staff did it without their knowledge; or c) their IT support provider wanted to save them some money.

In most if not all cases, the employee or IT provider secured pirated software only with the intent to save money – not realizing the potential ramifications of doing so.

### Piracy Can Cost Your Business More Than Cold Hard Cash

**Reduced productivity / Performance issues:** Software pirated from sharing sites on the internet is often hacked, and features often don’t fully function as they are supposed to. Plus, you can’t get access to bug fixes from the vendor as they are released. If software that you purchased legally has been copied multiple times, some of the copies may not be able to receive bug fixes.

**Security Risk:** Software pirated from sharing sites often contain spyware which can infect your network resulting in theft of your confidential data.

**Time and stress:** For management while they deal with a software audit, lawyers and potential litigation.

### Steps To Make Sure You Are Properly Licensed

To confidently defend a claim or prevent one in the first place, take these steps:

1. **Create a culture of compliance.** Devise a formal policy internally stating that all software installed on every server, computer, laptop, and handheld must be approved by management, and properly licensed.
2. **Create a filing system** or tracking sheet where you centrally document all purchased software, license numbers, and each location where the software is installed.
3. **Keep all software media in a locked cabinet** where only individuals responsible for installation or maintenance of your system, have access.
4. **Severely restrict who has the capability** to install new software on company assets.
5. **Complete an audit with your IT support provider.** Ask them what’s currently installed on all systems and assemble a list of all licenses that have been purchased. Once this has been completed, determine any shortcomings, and purchase licensing as required.

### How Do Companies Get Caught With Pirated Software? Hell Hath No Fury Than The Disgruntled Employee.

The Business Software Alliance makes it easy and quite lucrative for whistleblowers who come in the form of terminated or disgruntled former and current employees to report knowledge of pirated software. Through one simple phone call to a 1-800 number, or an on-line form they can confidentially report infractions that pave the way for the Business Software Alliance to start an investigation. Awards from \$5,000 to \$1M can be paid to the whistleblower based on the settlement against the offending company. Clearly, settlements of this size serve as a real incentive for that disgruntled employee to reap their revenge.

In the last few months the BSA has taken to advertising on the radio about reporting software piracy, and the rewards to whistleblowers, making more and more employees aware of the opportunity to make some cash.

**MORALE OF THE STORY:** It’s cheaper to buy the software upfront than to deal with the cost and aggravation of an audit, legal fees and fines in the future. And it’s the law.

If you have any questions or suspect (or know) that your company may be using pirated software and need advice, feel free to contact Joe Stoll at [JStoll@TechnicalActionGroup.com](mailto:JStoll@TechnicalActionGroup.com)

## What Exactly IS “Cloud Computing?”

Cloud computing refers to the “next evolution” of the Internet and how users (you and me) access, store and work with applications, files, e-mail, data and more. Instead of having all your files and applications stored on a PC or laptop, cloud computing puts this workload onto a high-speed, high security server that you access via any Internet connection or device. Why do this? Several reasons:



You can connect to your files and applications from anywhere on (practically) any device.

You could save a lot of money on IT support, maintenance and software since those responsibilities are assumed by your cloud provider.

You only pay for the applications, storage and software you use. A good comparison for this system is the way you access the electricity that runs into your home or office. To use it, you just plug the appliance of choice into any outlet. Like electricity, which is metered, with cloud computing you just pay for the services you use.

Most cloud solutions offer instant backup and the ability to be back up and running again fast. Since your files and applications are hosted online, a failed server or PC won't put you out of business, and the chances of a data center going down (the place where your files and apps are stored) is very, very slim because the centers are equipped with massive amounts of hardware, power, and internet redundancies.

Chances are you're already using cloud computing without even knowing it. If you bank online, access an e-mail service like Yahoo! Mail or Gmail, or use an e-mail broadcasting service like ConstantContact, you're using cloud-based apps (also called SaaS or “software as a service”).

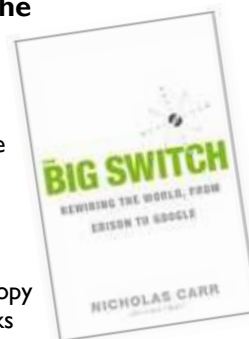
Many businesses are moving to cloud computing because it frees them from having to install, maintain and upgrade expensive, overblown PCs that cost a lot to maintain. It also makes adding and removing users (or employees) quick and easy since you simply pay for what you use each month and nothing more. Other advantages include unlimited storage, automatic backups, higher-level security and the ability to access your information from any device anywhere. Plus, cloud-based networks don't require the ongoing maintenance that traditional server-workstation networks require.

**However, not every application or situation is suited for the cloud.** While many line-of-business applications still can't be hosted in the cloud and require a commercial-grade Internet connection with a backup such as DSL or cable, there's no doubt that cloud computing is here to stay. Advances are being made rapidly to make it the better solution for most businesses. Of course, we're here to help you understand your options and the pros and cons.

### Free “Cloud Readiness” Assessment Will Give You The Facts

If you want to know if cloud computing is right for you, call us for a free, no-pressure, no-obligation cloud readiness assessment. We'll evaluate your current situation and provide insights and options for moving to the cloud. We'll also answer any questions you have and tell you the unvarnished pros and cons of choosing this option.

Plus, if you call us to schedule this assessment, we'll send you a FREE copy of the best-selling book, “The Big Switch” by Nicholas Carr. This book talks about the massive technological revolution that is happening right now and means to businesses like yours. To schedule your assessment, contact Joe Stoll at 416-489-6312 x 204 or [JStoll@TechnicalActionGroup.com](mailto:JStoll@TechnicalActionGroup.com)



what it

## Tools to Drive Productivity Using Your Smartphone

New apps are constantly emerging for iPhone, Black-Berry, Windows Mobile and Android that help boost productivity in business. I've listed 2 of them here. Check back next month for more!

### OMNI INVOICE

#### Why You Need It:

Creates quotes and invoices anytime and anywhere. It spans multiple product and service categories, factors in discounts and tax exemptions and codes and helps you keep tabs on delinquent payments.

#### Features:

Contacts integration, HTML-based templates, Exchange compatibility

#### Available For:

iPhone

Price: \$4.99

### BAlI PLUS FINANCIAL CALCULATOR

#### Why You Need It:

Mirroring the functionality of Texas Instruments' bestselling BAlI Plus calculator unit, this app computes cash-flow analysis, amortization schedules, depreciation and other financial metrics.

#### Features:

Trigonometric and logarithmic functions, NPV/IRR calculations.

#### Available For:

iPhone

Price: \$14.99

## Steve Jobs Is Building A Spaceship On Earth (Cupertino City, CA To Be Exact)

Steve Jobs is “selling” Apple again – only this time he’s pitching the Cupertino City Council on allowing him to develop a 150-acre plot of land to build, “The best office building in the world.” This building will be home to a new Apple Campus.

This giant building would hold 12,000 people. But that’s not what makes this project so interesting – it’s the circular design that gives it a spaceship appearance. In fact, there won’t be a single straight piece of glass on the outside.

During his presentation, Steve Jobs wasn’t in his normal “pitch mode” we’re used to seeing on stage at Apple keynotes. During this presentation he was reported as being low-key because he knows the city council can say “No” if they want to.

And yet you can still see a tough streak in his proposal. When a council member asked if Apple plans to give the city free Wi-Fi, he replied, “We’re the largest taxpayers in Cupertino, so we’d like to continue to stay here and pay taxes.” Obviously that can be a benefit and threat that Apple would pack up its bags and leave if not granted this request. Other highlights:

The building would use its own gas generator as its primary source of power and the city’s power as backup.

The building includes an auditorium for conferences giving them the ability to hold their events there instead of San Francisco.

Apple wants to break ground next year, and move in by 2015.

## 9 Warning Signs Your Computer Is Infected With Spyware

Spyware is Internet jargon for hidden programs that advertisers install on your PC without your permission to spy on you, gather information, and report this information about you and your online activities to a third party. Spyware is NOT harmless; it can be responsible for delivering a boatload of spam, altering your web browser, slowing down your PC, and serving up a bounty of pop-up ads. In some of the more extreme cases, spyware can also steal your identity, passwords, e-mail address book, and even use your PC for illegal activities.

Most spyware finds its way onto your computer via file downloads including free programs, music files, and screen savers found everywhere on the Internet. These nasty programs piggyback the download and run undetected on your computer collecting information about you and sending it out to a third party until they are removed. Although spyware has malicious components, it is not illegal, and it is not considered a virus because it doesn’t replicate itself or destroy data.

If you are experiencing one or more of these warning signs, chances are your computer is infected and you will need to seek professional help in getting the spyware removed.

**#1. Your browser has been hijacked.** If you open your Internet browser and a strange-looking homepage pops up and won’t go away, chances are you have a spyware program installed on your computer. You may also discover that you cannot modify your browser settings and that your favourites folder has been modified.

**#2. You conduct a search but another (unauthorized) browser completes it for you.** For example, you type a search term into Microsoft IE but another browser pops up and lists various websites tied to your search term. This is a surefire sign of a spyware infection. You’ll also notice that if you try and remove this program, it comes right back.

**#3. Your computer is unstable, sluggish, locks up, or crashes frequently.** Spyware programs run in the background taking up disk space and processor speed which will cause serious performance problems.

**#4. You constantly get pop-up ads displayed on your screen,** even if you aren’t browsing the Internet. Some of the ads may even be personalized with your name.

**#5. You receive expensive phone bills for calls to 900 numbers that you didn’t make.** Some spyware programs can use your computer to make calls on both a broadband and dial-up line.

**#6. The send and receive lights on your modem blink actively as though you are surfing the Internet** or downloading files online, even though you aren’t. More than likely this is due to spyware programs sending and receiving information via your computer without your permission or acknowledgement.

**#7. Mysterious files suddenly start appearing on your computer,** your files are moved or deleted, or the icons on your desktop and toolbars are blank or missing.

**#8. Your CD drawer starts opening and closing by itself.**

**#9. You find e-mails in your “Sent Items” folder that you didn’t send.**

Because spyware is so prevalent on the Internet, it’s a good idea to have your system scanned once a week to clear out any potential infections. We do this for all clients on a managed service plan. Most spyware programs are designed to run undetected by the user. That means you could be infected and not even know it.