



## **Digital Rights Management: Whose Rights Are Being Managed?**

Digital Rights Management (DRM) technologies are an important part of a copyright owner's ability to protect its content from theft. Recent legislative proposals, however, improperly shift the decision and choice of which DRM to use to the government, i.e. government mandated technology standards.

The technology industry has a long and proud history of working collaboratively with the motion picture, music and publishing industries to fight piracy both domestically and internationally. Nobody is more committed to fighting piracy than the software industry. Software is the original digital medium – and one that loses more than \$11 billion a year to piracy. An increasing percentage of these losses is attributable to online piracy. We deplore this trend. If a single technological solution for fighting digital piracy existed, we would have supported it long ago.

However, as innovators, software and hardware makers support letting the marketplace lead and not being held to government mandates that would stifle innovation and degrade the performance of computers and consumer electronics devices.

### **Technology Companies Are Committed To Developing Anti-Piracy Solutions**

Some have alleged that technology companies actively support piracy and are refusing to deploy currently available anti-piracy technologies. These assertions are simply not true. Technology companies have spent hundreds of millions of dollars, and thousands of engineering hours, trying to find solutions to digital piracy. We have learned that there is no single solution that will solve all threats of piracy in all circumstances. Developing these technologies involves complex engineering efforts and it is in the best interest of all content industries to work cooperatively.

Over the past six years, our engineers have addresses every content protection issue raised. For example, DVD is now thriving in the marketplace. Recently, these engineers have been tasked to develop a broadcast flag to protect against Internet retransmission of high-definition content. Additionally, solutions have been developed and are being deployed to protect movie and television content exchanged between devices within the home and personal environment by digital networks and recordable media.

### **Government Regulation of Technology is a Mistake**

The Business Software Alliance strongly opposes government interference in product design. It would be a grave mistake for the government to endorse particular technologies or to dictate how software, hardware, and other technologies are designed and under what conditions they are sold in the marketplace.

The regulatory process is not well suited to innovation. Technology develops most effectively in response to market forces. Additionally, government mandates would freeze in place a particular technology, making it vulnerable to hackers and difficult to update it when it is hacked.

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