



## **DIGITAL RIGHTS MANAGEMENT: WHOSE RIGHTS ARE BEING MANAGED?**

**ABOUT CEA:** The Consumer Electronics Association (CEA) represents companies that lead the consumer electronics industry in the development, manufacturing, and distribution of audio, video, mobile electronics, communications, information technology, multimedia and accessory products, as well as related services, which are sold through consumer channels. Our more than 1,000 member companies generate more than \$80 billion in annual factory sales and employ hundreds of thousands of Americans.

**BACKGROUND:** The availability and legal distribution of digital content to consumers is key to the success of many consumer electronic products. Therefore, we understand and appreciate the need to ensure that digital content is protected. However, in an attempt to curb piracy and protect digital content, a number of content providers are pursuing legislative and regulatory solutions that would unduly harm our member companies, stifle innovation and have long-term consequences for American consumers.

**CEA POSITION:** Consumer electronics manufacturers respect and support the intellectual property rights of content owners. We also believe that First Amendment and fair use rights must be safeguarded to preserve consumers' freedoms, the creative spirit and advancement in the digital age. To do so, we support pro-competitive marketplace solutions that will protect content owners and preserve consumers' non-commercial home recording rights, while continuing to foster innovation and new technologies.

We urge Congress to reject legislative efforts that, in a misguided attempt to curb piracy, mandates burdensome and ineffective "government mandated" anti-piracy technology as well as restrict consumers' fair use rights. A government mandated technology would never be able to keep pace with a rapidly changing digital world, defeating the goal of "protecting digital content." The technology industry needs the flexibility to adapt and provide content protection solutions for innovated technologies, and should not be handcuffed by a mandated "one size fits all" anti-piracy technology.

Furthermore, we believe that no anti-piracy technology, mandated or otherwise, should threaten consumers right to private, noncommercial home recording of content originating as free terrestrial broadcasts; rights consumers are accustomed to and expect.

We urge Congress to support inter-industry private sector efforts to develop key anti-piracy technologies that do not threaten consumers' fair use rights. To date, these ongoing efforts have been very successful in developing a number of content protection technologies and should be supported and allowed to continue. Legislation at this time would greatly undermine these current private sector efforts.

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