



Digital Rights Management

Today, Digital Rights Management (DRM) tools enable a variety of software delivery options such as online software rentals and trial periods for customers who might be unsure if new software is right for their needs. DRMs are used by other content industries to deliver digital content to consumers including DVDs and e-books.

DRMs also have a significant role in ensuring that content is protected from theft. Collectively, the software industry alone loses over \$11 billion in sales each year around the world, the most of any content industry. This translates to lost jobs and tax revenues in Congressional districts across the Nation. When DRM technology such as product activation is added to software for the first time, piracy rates tend to fall significantly for that product. In short, DRMs keep honest people honest.

Digital Rights Management (DRM) tools are developed by the technology, consumer electronic, and other industries to enable multiple content delivery options for consumers in addition to limiting piracy. The technology industry also develops DRM solutions for other content industries (music, movies, books, games, etc...) so that they too can make their content available in digital form, either online or offline.

A variety of DRMs have been used for decades in software. Once limited to simple serial numbers and encrypted floppy discs, DRMs now used in software includes product activation and serial number systems that recognize multiple uses of the same serial number.

Customer acceptance of DRM technology is crucial to the success of any business utilizing it. Software that is difficult for consumers to work with is shunned by consumers who purchase competing software. This marketplace incentive to build products that customers want naturally corrects for any efforts to include difficult or overreaching DRM technology.

For further information about BSA or DRMs, contact Joe Keeley (co-chair of today's event) at BSA at 202-872-5500 or joek@bsa.org.

The Business Software Alliance (www.bsa.org) is the foremost organization dedicated to promoting a safe and legal online world. BSA is the voice of the world's commercial software industry and its hardware partners before governments and in the international marketplace. Its members represent the fastest growing industry in the world. BSA programs foster technology innovation through education and policy initiatives that promote copyright protection, cyber security, trade and e-commerce. BSA members include Adobe, Apple, Autodesk, Avid, Bentley Systems, Borland, Cisco Systems, CNC Software/Mastercam, Entrust, HP, IBM, Intel, Intuit, Internet Security Systems, Macromedia, Microsoft, Network Associates, Novell, PeopleSoft, SeeBeyond, Sybase and Symantec.