



Consumer Electronics Association

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Digital Rights Management: Whose Rights Are Being Managed?

As Congress considers the issue of consumer rights in the digital age, it is essential that certain basic and longstanding values be respected. Below are the fundamental principles that should guide and govern this critical debate as we move forward.

1. **Fair Use remains vital to consumer welfare in the digital age.** For example, consumers should retain the right to private, noncommercial home recording of content originating as free terrestrial broadcasts, without requirement for authorization or technical restriction as to home recording.
2. **The Supreme Court's holding in the "Betamax" case has been essential for new and beneficial technology, products, and services to reach consumers.** The manufacture, distribution and sale of consumer electronics products and components with substantial non-infringing uses should continue to be legal.
3. **CE and IT manufacturers respect and support the intellectual property rights of content owners.** However, to the extent manufacturers must constrain product design and performance in favor of such rights, any legally mandated restrictions should be narrowly tailored and construed to protect the right in question, should not unduly hinder technological innovation, and should foster the availability of content to consumers.
4. **Legal restrictions against "circumvention" of technical measures should not be interpreted as affirmative design mandates.** For example, the Digital Millennium Copyright Act should not be construed so as to mandate design conformance of a consumer electronics product with any particular technical measure other than the defined exception specified in section 1201(k) of the Act.
5. **The right of "first sale" disposition of content protected by intellectual property can and should be clarified to extend to content that has been digitally distributed.**
6. **Legislated protections for "databases" should not be enacted or construed to confer proprietary control over program scheduling information on which consumer electronics devices and their users rely.**
7. **Home recording and piracy must not be confused.** Home recording practices have nothing to do with commercial retransmission of signals, or unauthorized commercial reproduction of content.