

## **Assessing the Challenges of Digital Rights Management**

The Software & Information Industry Association (SIIA) is the principal trade association of the software and information industry and represents over 600 high-tech companies that develop and market software and electronic content for business, education, consumers, the Internet, and entertainment. SIIA and our members are leaders in the development and use of Digital Rights Management (DRM) systems to protect copyrighted works. SIIA has been fighting digital piracy longer than any other trade association in the world. During the last 16 years of combating piracy, we have gained invaluable experience as to what anti-piracy policies are effective and what type of Government involvement is appropriate and necessary. Following are four important guidelines regarding the development and implementation of DRM technologies. For more information on SIIA, including more extensive information on DRM tools and services, please check out our website at [www.siiia.net](http://www.siiia.net).

**There Is No One-Size-Fits-All DRM Solution:** In light of our experience in the variety of markets in which our members operate, we find that on the whole DRM systems have been developed and implemented reflecting market demands. Those demands have not and cannot be met by a one-size-fits-all business and technical solution. On the contrary, DRM systems have been successful when they are appropriate to the circumstances of the market situation, taking into account user needs, the value of the information or content to be protected and the soundness of the business model. It is also clear that this is a dynamic market where changes in both technology and business models are evolving rapidly.

**Government Regulation of DRM Technology Would Be Intrusive and Inappropriate:** Any legislation in this area should not give the Government the ultimate say in determining what DRM standards will be adopted and how they will be implemented today and into the future. The marketplace – not the Government – should determine the winners and the losers in the DRM space. Only through competition in the DRM industry and the stakeholders working together to develop mutually-acceptable standards for DRM solutions to the piracy problems will we get the best DRM technological solutions. *To the extent there is a role for the Government here, the role should be only to promote confidence that technological solutions agreed to by the stakeholders can be enforced to combat piracy problems.*

**Government Regulation of DRM is Slow and Ineffective:** The Government decision making process is inherently ill-equipped to effectively address the types of issues raised in the piracy/broadband debate. The process is slow and unwieldy. With business models evolving so rapidly, it would be unwise to attempt to craft a new and complicated framework of government-imposed mandatory security measures merely to address concerns that are likely to be rapidly addressed as the marketplace for copyrighted works and anti-piracy technologies evolve. The Government will not be able to keep pace with the rapid changes in technology – virtually assuring that any standard the Government codifies is outdated the moment it becomes law.

**Marketplace Solutions Are The Best Solutions:** The high-tech industry has worked with the content community to reach consensus on ways to address similar piracy problems in the past. Given sufficient time, there is no reason to think that the stakeholders cannot again reach consensus on ways to combat the specific technological problems identified by the content community. Only through DRM companies competing and working together with content companies can effective solutions be found.

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