DIGITAL INTEROPERABILITY FORUM (DIF)¹ VIEWS ON DIGITAL RIGHTS MANAGEMENT (DRM)

Introduction

1. The Digital Interoperability Forum (DIF) is an industry group of many of the foremost players in Europe's world-leading digital television industry. DIF aims to promote a greater understanding of the role of investment and innovation by industry in delivering the benefits of digital and interactive television to Europe's citizens. DIF deals with policy and regulatory matters for digital and interactive television where there is a technology dimension. Such matters can relate to standardisation issues, but DIF is not itself a standardisation body or involved in the development of standards. DIF’s members are committed to the development of industry-led solutions to make it commercially and technically possible for content to be made available to European consumers and citizens on the widest choice of platforms and devices.

2. DIF’s members are active at many different technical and commercial levels of the delivery of digital and interactive television services, including the creation of content. They have been instrumental in providing the infrastructure through which the wide choice of digital television channels and innovative interactive services – offering information, e-commerce and entertainment – are accessed by millions of household in the majority of EU member states.

3. DIF’s members have invested collectively tens of billions of euro in developing and rolling-out digital TV in Europe. They participate in all the relevant technical standards bodies working on digital TV across satellite, cable and terrestrial platforms, along with broadband, mobile and fixed telephone connections.

4. DIF members recognise that it is compelling content and services which attract consumers to exploit the capabilities of digital and interactive television. The availability of attractive content and

¹ DIF represents many of Europe’s pioneers in the delivery of digital and interactive television through satellite, cable and terrestrial platforms. Its members are: Advanced Digital Broadcast; Arqiva; BSkyB; Canal+; Flextech; Liberty Global Europe B.V.; Microsoft; Nagravision; NDS; ntl; Numericable; OpenTV; Pace Micro Technology; Premiere; Sky Italia; TPS; TF1; and ZetaCast.
services in turn requires sustained, tangible and substantial commitments by content developers, infrastructure providers, and network operators to be successful. Crucially, content providers must be able to distribute content secure in the knowledge that it will not be used illegitimately and they will be able to obtain a return on their investment. In digital television this has been achieved through the implementation of secure Conditional Access systems.

5. DIF welcomes the opportunity to share its views on Digital Rights Management (DRM) and encourages the EU Institutions to ensure that future discussions on this topic involve a wide representation of industry players.

**DIF position**

6. DIF believes that DRMs are essential to facilitating the availability of content, distributed by digital means, to Europe’s citizens. The implementation of DRMs will enable end users to acquire and consume content in new ways.

7. DRMs which are secure - which stop piracy and protect copyright - will also encourage content providers to make content available.

8. The development of DRMs is a prime example of industry working to develop technology to the advantage of business content creators, and consumers alike.

9. DIF agrees on the concept that DRM must fit business models, rather than business models fit DRM. Through its members’ involvement in the communications and media sectors DIF observes that the so-called converged digital world is, in fact, characterised by very significant diversity. This diversity is apparent in:

- the formats of content;
- the economic value of content and, hence, security requirements;
- the capabilities and functionalities of devices and media;
- the robustness of such devices with regard to piracy;
- modes of delivery of content;
- rights available from rights owners;
- licensing and compliance regimes for existing content protection systems; and
- expectations from end-users as to what functionality offered by new DRM - based services should be.

10. DIF believes that the consequence of this diversity is that emphasising the need for a “one-size-fits-all” approach is inappropriate and achieving such an approach is too ambitious. The focus should be on developing interoperable DRM solutions in the sort to medium term. It would take too long to
develop open, cross-platform, multiple device DRMs that address the diverse and sometimes conflicting characteristics mentioned above. DRMs are a very complex topic. This is evidenced by the fact that DVB has now been working for five years on the definition of a content protection and copy management system for digital television, a subject far simpler than a full-fledged DRMs. Given the need to have implementable DRM solutions quickly to ensure that the benefits of new technology are captured for the consumer and that the goals of i2010 are attained without undue delay, DIF considers that greater emphasis should be placed on ensuring that DRMs (where proprietary or open) are interoperable across platforms and devices.

11. Cross-platform interoperability of DRMs is desirable to enable the distribution of cross-platform applications and services but should only be developed in a industry-oriented fashion. DIF believes that industry-led solutions to DRM have the greatest chance of successful implementation. History shows that solutions developed and adopted on a consensual basis by industry can succeed – and solutions which are imposed or mandated are prone to failure. In this context, DIF agrees that both proprietary and open DRMs have a role to play. DIF suggests, however, that in developing an interoperability framework for DRM, there should be no presumption that open standards are preferable to proprietary ones and there is increasing evidence to suggest that open standards are no less expensive than proprietary ones. There are sufficient legal safeguards to ensure that proprietary DRMs can be made available as if they were open and sufficient advantages in terms of speeds of innovation, etc of proprietary DRMs to make them an attractive option for a developing technology in an environment where business models are also evolving rapidly.

12. Consequently, DIF believes that the objective of achieving interoperability between open and proprietary DRM systems, should be given more prominence than developing an open, end-to-end cross platform/cross device solution in the short to medium term. This would be best served by the development of a common baseline framework for DRMs, consisting in a set of tools that can be used to achieve interoperability, at various levels in the delivery chain or during the lifecycle of the content. This work programme should leverage existing standardisation activities. The work programme should acknowledge that mandating solutions is undesirable and that only those adopted by the industry will succeed.

13. DIF observes that conditional access systems have been around for many years in the field of television broadcasting and that industry-led and industry-oriented initiatives such as the DVB have led to the development of interoperability solutions (DVB Common Scrambling Algorithm and Simulcrypt). The experience of DIF members in developing and implementing interoperable Conditional Access systems through Simulcrypt provides a useful input into how to solve
interoperability issues relating to DRMs. DIF would be pleased to contribute that experience to future work on DRMs.

14. The Digital Video Broadcasting Project (DVB) has an excellent track record in developing industry-led specifications in the field of broadcasting and has already established a number of working liaisons with other standardisation bodies and organizations involved in the development of open specifications and standards. In addition, DVB has a broad membership, highly representative of the industry, and not limited to certain interest groups. DIF believes that the DVB is the prime candidate to define and lead the work programme on the interoperability of DRMs.