



Digital Rights Management
A submission to the All Party Internet Group

About the author

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The historical background

Throughout the past thirty years, content producers have feared that new technology will harm their businesses and the cultural creativity that we all value. They campaigned against the video recorder. Fortunately, the US Supreme Court in 1984 (*Sony Corp. of America v. Universal City Studios*) ruled in favour of technological progress, not the content providers. The result of the video recorder was that content providers reacted to changing circumstances, sold pre-recorded video tapes, and boosted their profits. Although there were people who hooked two video recorders together and copied tapes, the technology they so feared in fact boosted their sales. Content providers should see today's new technology as an opportunity to more easily distribute content.

Digital Rights Management does not stop file sharing

When consumers decide to download content from the internet, they face a choice. They can go to a peer-to-peer file sharing network or go to a commercial supplier like the iTunes Music Store. The existence of digital rights management on purchases from iTunes does not prevent the music appearing on the peer-to-peer (P2P) networks. It takes just one person to upload an unprotected track to a P2P network and it will spread, rendering the DRM on the iTunes Music Store worthless.

DRM is doomed to failure because the laws of science do not enable you to protect sound and images. They cannot stay digital from cradle to grave because they have to communicate with the human senses. The headphones output on any computer can be connected to the microphone output on another computer – and an iTunes track can be turned into a sound file not protected by DRM.

Security in cinemas can check whether people have a camcorder recording the content; it's too expensive to have police officers checking what people are doing in their own homes. There is always a way to capture the content separated from the DRM.

Ultimately, all DRM does is to make life more difficult for people who pay for content, encouraging people to go for the DRM-free stuff on file sharing networks.

Why DRM is bad for consumers

Digital Rights Management is developing into a complex mess of incompatible systems which restrict where consumers can buy music and what devices they may use. Users of the market-leading Apple iPod are forced to buy from the iTunes Music Store. They cannot use music bought from the Napster store, for example. Someone who has been using an iPod since 2001 and wants to buy a replacement music player is locked into buying another Apple because if they chose a Sony, Creative, Dell or iRiver, they will find their paid-for music does not play.

Linux already has a higher market share than Mac OS. Many people are predicting that Linux will grow significantly in popularity over the next five years. None of the major online music stores currently supports Linux. Anyone switching from the Mac or Windows to Linux currently has to abandon their DRM-protected music. The successful sellers will no doubt support Linux in the future, but what about the music stores which fail? We live in a free-market world: companies go into receivership all the time.

Conclusion

The rise of Digital Rights Management does not prevent content from being circulated on peer to peer file networks. It says more about the technological illiteracy of the content industry who support DRM out of fear and delusion. The incumbent online retailers, or at least the iTunes Music Store, will benefit from "lock in", encouraging consumers to keep buying Apple products. But it will have little benefit for companies creating content, and may actually discourage consumers from buying content from legitimate channels.

As consumers get hurt by DRM, they will be increasingly vocal against it. There will be TV programmes featuring consumers who have spent £2000 on music from the iTunes Music Store and lost it all when their hard disk crashed. Consumers will ultimately rebel. There will be boycotts of DRM-protected music. DRM will be removed.

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