



**FEDERAL TRADE COMMISSION**

**FTC TOWN HALL: DIGITAL RIGHTS MANAGEMENT TECHNOLOGIES**

**William H. Gates Hall,  
Room 133  
University of Washington Law School  
15th Avenue NE & NE 43rd Street  
Seattle, Washington**

**Wednesday, March 25, 2009**

**DRM TOWN HALL – COMMENT, PROJECT NO. P094502**

**INTEL CORPORATION  
February 10, 2009**

**Jeffrey Lawrence  
Director  
Global Media & Content Policy  
Intel Corporation  
2200 Mission College Blvd.,  
Santa Clara, CA 95052  
(503) 264-7286**

Intel Corporation commends the Federal Trade Commission for inviting comments in advance of the *Town Hall Meeting on Digital Rights Management*, March 25, 2009. The following comments are submitted on behalf of Intel Corporation.

*About Intel Corporation.* Intel Corporation is the world's largest semiconductor manufacturer. Among other things, we provide the "building blocks" at the heart of the worldwide digital economy, including desktop, mobile, and server computers, digital entertainment devices, and networking and communications products. Intel has been a technical innovator for over 40 years and has a significant interest in robust intellectual property protection. Intel is among the world's most prolific producers of patentable technologies. Our trademark symbolizes innovation in the technology world. As the owner of a vast array of copyrighted works, Intel is acutely aware of the importance of protecting copyrights as an incentive to creativity. Intel employs more than 8,000 software engineers whose efforts are dedicated to generating copyright-protected software.

Intel has been working for the past decade with content owners, the media sector, device manufactures, Internet Service Providers and technology companies on developing and deploying technologies that protect premium content and enable new digital media business models for the benefit of consumers and innovators. Rapid technological innovation continues to challenge existing business models and paradigms, but increasing consumer offerings and new ways for consumers to enjoy new digital content are emerging. While there are of course pot holes on the digital highway, the market will resolve most of them given time to adapt.

For its part, Intel has focused its technical policy efforts on content protection systems that enable horizontal and vertical innovation and competition opportunities for device makers, content and service providers. This is accomplished through open specifications, interoperability standards and trust models that promote design freedom and stimulate innovation opportunities (CSS/DVCCA, Blu-ray/AACS, CPRM/4C, DTCP/5C, HDCP/DCP, OMA DRM 2/CMLA). These models employ licensing regimes that are open to innovators of all stripes and establish robust protection requirements without dictating implementation or platform specifics.

Intel believes that the use, implementation and deployment of content protection technologies like these and industry guidelines like DLNA should be encouraged and supported by rights holders, consumers, device makers and service providers. While DRM and content protection interoperability is

desirable from a consumer perspective, it should not be forced by legislative mandate, but driven by market forces and consumer demand.

New initiatives like the Digital Entertainment Content Ecosystem (DECE) show great promise for both a richer consumer experience and greater DRM interoperability.

Intel also supports veridical innovators and seeks to enable an interoperable home consumer experience regardless of content source. Media is being delivered into the consumer's home through a broad range of mechanisms, including conditional access systems (cable, satellite and broadcast TV), optical media (DVD, Blu-ray Disc, etc.) and a wide range of DRMs. In that context, Intel has worked with content providers, service providers, and device makers to enable in-home interoperability. For example, Intel has developed and licensed into the horizontal market High-bandwidth Digital Content Protection (HDCP) to protect decompressed content from any source device (set top box, PC, game console, DVD/Blu-ray player, Mobile Internet Device, peripheral, etc.) to any digital display, and Digital Transmission Content Protection (DTCP) to move compressed content among devices in the home network. These basic, interoperable content protection technologies are the foundation for a healthy and innovative digital content ecosystem.

Another critical ingredient of a well-functioning digital market is consumer knowledge. Consumers must be able to make fully-informed marketplace decisions, and should not be surprised by DRM functionality. Industry should be encouraged to adopt voluntary approaches to effective consumer notice whenever possible.