



**STATEMENT BY ECA PRESIDENT HAL HALPIN  
REGARDING THE  
FTC TOWN HALL MEETING  
TO ADDRESS DIGITAL RIGHTS MANAGEMENT TECHNOLOGIES**

Over the past year we have witnessed a growing concern from gamers about the issues of increasingly invasive Digital Rights Management (DRM) and End User Licensing Agreements (EULAs). While we respect the careful balance that must exist between the content community and the customer, and agree that piracy is an ever-present challenge for the trade, it is also becoming evident that consumer rights are being diminished in the process.

By way of background, the Entertainment Consumers Association (ECA) is a 501(c)(4) non-profit membership organization established to serve the needs of those who play computer and video games. Formed in 2006, the ECA is an advocacy organization for consumers of interactive entertainment (“Gamers”), who represent nearly fifty percent of the US population, have an average age of 35, and spend \$10 billion annually on gaming. In addition to providing substantial community, educational, and affinity benefits to its members—from discounts on subscriptions and game rentals and purchases to education, employment assistance, and insider access to industry news and events – the organization focuses its advocacy efforts on consumer rights, First Amendment related anti-games legislation, and a host of other public policy concerns.

The law, in the area of EULAs in particular, is not as clear as it once was. And the software industry’s potential side-stepping of the First Sale Doctrine’s protections – by terming their products as “licensed” rather than “sold” - leaves us concerned about the future of interactive entertainment, generally. Compounding the problem is the fact that EULAs are not standardized; there are almost as many types and styles of agreements as there are publishers. Consumers agree to the license without knowing what they have consented to and cannot return an opened box to the retailer due to industry-standard packaged goods practices.

We acknowledge that these are weighty and topically-important issues, without easy solutions, and we are pleased to see the FTC providing a forum for thoughtful discussion of the matter.

Respectfully submitted,

Hal Halpin, President