

The background of the image is a dark, out-of-focus field of light spots, known as bokeh. The spots are in various colors, including purple, blue, red, orange, and green, and vary in size and brightness. The overall effect is a soft, artistic, and somewhat abstract background.

**Why DRM?**

# Trends of Interest



- By 2016, PwC expects, “e-books will account for half of total spending on consumer books” in the U.S
- eBook lending has grown 800% Y-on-Y in US libraries; while print remains stagnant
- Rapid growth of eBooks in emerging markets
  - 2013: Quadruple in India; Triple in Brazil; Double in Russia
- Almost half the US readers under 30 have read an eBook last year

## Great figures, but what about piracy?

- 9 M - illegal downloads in 1Q of 2009 (913 titles)
- \$2.8 B – estimated rev loss from piracy (\$2.5B eBook rev)





# Primary concerns with DRM

- Inconveniences and restricts legitimate customers
- Locks you in to a specific ecosystem
- Too expensive





Let them pirate...

"...it's hard to turn fame into money in the arts, [but] it's impossible to turn obscurity into money in the arts."

- Cory Doctorow



# Piracy is progressive taxation – O’Riely

- Does the current price of e-books convince users that piracy is worth it?
- What number of downloads are actually read, and what percentage ends up “hoarded” on user computers?
- Would the readers have purchased the print book or e-book, had a pirated digital version not been available?
- Is there any chance that access to pirated digital books is positively effecting book popularity?

## But... DRM Can...

- Help publishers reach new market segments
- Help publishers earn a larger share of the wallet from existing readers
- Make more books discoverable
- Make books affordable to a larger audience
- Help users sample a large variety of books
- Help users purchase and consume specific sections of a book
- Brings eBooks to lending libraries



# DRM is evolving

- DRM policies have evolved to minimize customer hindrance
- Lower priced options in emerging geos
- Open source initiatives and Social DRM



# Types of DRM

- Hard DRM
- Social DRM
- DRM for browser based reading



# Case study



