

Viacom Inc.
Suite 1100, 1501 M Street, N.W.
Washington, DC 20005

David J. Meyer
Vice President
Executive Director

Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

ORIGINAL
EX PARTE OR LATE FILED

RECEIVED

MAY 12 2000

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY **VIACOM**

May 12, 2000

BY HAND

Magalie Roman Salas
Secretary
Federal Communications Commission
The Portals
445 Twelfth Street, S.W., TW-A325
Washington, D.C. 20554

Re: Notice of Ex Parte Presentation

Compatibility Between Cable Systems and Consumer Electronics Equipment
PP Docket No. 00-67

Dear Ms. Salas:

Viacom Inc. (Viacom) hereby submits for filing this notice of presentation made on May 11, 2000 concerning the above-referenced proceeding. On that date, representatives of Viacom met with: Robert Pepper, Jonathan Levy and Amy Nathan of the Office of Plans and Policy; Dale Hatfield, Bruce Franca and Alan Stillwell of the Office of Engineering and Technology; and William Johnson, Tom Horan and John Wong of the Cable Services Bureau. Representing Viacom were John Alsina, Paul Heimbach, Anat Levy, Anne Lucey and Steve Madoff. The discussion focused on copy protection, particularly on the key remaining unresolved issues in the ongoing industry negotiations. Those issues are: "source device" obligations, changes to the technology and/or license terms, encoding rules, robustness and revocation and watermarking. Viacom also discussed the negotiations with CableLabs regarding content protection in OpenCable set-top boxes. In addition, the attached article from the May 10, 2000 online edition of The New York Times was distributed.

In accordance with Section 1.1206(b) of the Commission's Rules, an original and one copy of this notification are enclosed for filing in the above-referenced proceeding.

No. of Copies rec'd 0+1
List ABCDE

Please date-stamp the attached duplicate upon receipt and return it via messenger for our records. If any questions should arise concerning this matter, please do not hesitate to contact the undersigned.

Sincerely,

A handwritten signature in black ink, appearing to read "Anne Lucey". The signature is fluid and cursive, with a large loop at the end of the last name.

Anne Lucey

cc: Bruce Franca
Dale Hatfield
Tom Horan
William Johnson
Jonathan Levy
Amy Nathan
Robert Pepper
Alan Stillwell
John Wong

TechnologyThe New York Times
ON THE WEB[Home](#)[Site Index](#)[Site Search](#)[Forums](#)[Archives](#)[Marketplace](#)

May 10, 2000

The Concept of Copyright Fights for Internet Survival

By JOHN MARKOFF

While American courts struggle over the recording industry's challenge to digital music swapping, Ian Clarke, a 23-year-old Irish programmer, is moving on to the next battleground. He is finishing a program that he says will make it impossible to control the traffic in any kind of digital information -- whether it is music, video, text or software.

His program, known as Freenet, is intended to make it possible to acquire or exchange such material anonymously while frustrating any attempt to remove the information from the Internet or determine its source.

Mr. Clarke and his group of programmers have deliberately set themselves on a collision course with the world's copyright laws. They express the hope that the clash over copyright enforcement in cyberspace will produce a world in which all information is freely shared. In any case, the new programs could change the basic terms of the discussion about intellectual property.

The swapping of music files over the Internet, through services like Napster and MP3.com, has already raised the hackles and mobilized the lawyers of the recording industry and some musicians, who say the practice amounts to piracy. They hope either to halt the services or to collect royalties on the digital works being swapped.



Questions from
the
PCs Circle...

[Looking for technology glossaries online.](#)

[Using 'temp' files in Windows 98.](#)

[What's the best video capture card?](#)



Questions from
the
Life at Work Circle...

[How can I make the transition to a job at a 'dot-com'?](#)

[Ways to work with difficult people?](#)

[What's the going rate for a systems consultant?](#)



Questions from
the
Travel Circle...

[Do's and don't's of visiting the Grand Canyon?](#)

[Looking for a good street map of Paris.](#)

[I need advice planning a trip to](#)

But programs now emerging make it possible to find and acquire files without reference to a central database, and thus provide no single target for aggrieved copyright holders. And methods being developed to protect such works -- like scrambling the data and requiring a key to decode it -- may wind up being trumped by similar encryption that covers the tracks of those doing the swapping.

"If this whole thing catches on," Mr. Clarke said, "I think that people will look back in 20 to 40 years and look at the idea that you can own information in the same way as gold or real estate in the same way we look at witch burning today."

The groups and companies pursuing the new distribution technologies -- programs that in effect create vast digital libraries spread across potentially hundreds of thousands of large and small computers -- do not necessarily share Mr. Clarke's ideological viewpoint. They range from iMesh, an Israeli-American start-up company that aspires to become an international commercial digital distribution system, to several small groups of free-software developers intent on building new systems for the sharing of any kind of digital information.

Some contend that if their software lends itself to copyright infringement, it is the user's responsibility, not theirs. Mr. Clarke, putting into practice a view expressed by many in the free-software movement, takes the more extreme position that copyright protection is simply obsolete in the Internet era.

A test version of his Freenet program -- written in England and now distributed free to many countries around the world -- was

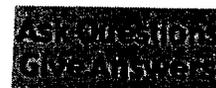
Digital Music



Related Articles
[Ongoing Coverage of Music on the Internet](#)

Forum
[Join a Discussion on Internet Music](#)

[Morocco and Spain.](#)



Advertisement

posted on the World Wide Web in March.

Mr. Clarke, who lives in London and works for a small electronic commerce company, said last week in a telephone interview that there had been more than 15,000 downloads of the early versions of his product, indicating that hundreds or perhaps thousands of network servers on the World Wide Web are already running the program. Any file that any user wants to offer to others can be made available through the system. So far, that includes software programs, video pornography and a copy of George Orwell's "1984."

Mr. Clarke said he was confident that corporations trying to develop complex technologies to encrypt information or otherwise halt the free sharing of computer data would ultimately fail. "I have two words for these companies: give up," he said. "There is no way they are going to stop these technologies. They are trying to plug holes in a dam that is about to burst."

That attitude, plus the fact that millions of users have come to rely on easy access to digital information via the Internet, suggests that the issue may quickly outstrip the current debate over copyright infringement between the recording industry association and a variety of Internet music distributors.

"I have no shortage of gray hairs from worrying about these programs," said Talal G. Shamon, a Silicon Valley executive who heads the Secure Digital Music Initiative, a technology and entertainment industry working group.

Some legal experts believe that the intellectual property laws are being used in an effort to grapple with technologies they were never intended to address.

"Copyright law is not the right tool in the case of many of the new technologies," said Pamela Samuelson, a digital technology and copyright expert at the law school of the

University of California at Berkeley. "The question will quickly become whether other governments have reasons to try to regulate these new systems or whether the U.S. government has the ability to regulate them."

Hiding files in every nook and cranny of the Web.

Indeed, law enforcement officials are only beginning to wrestle with the implications of new technologies that will permit the

anonymous, instant, global distribution of information of any kind. "We're obviously looking at all of these," said Christopher Painter, deputy chief of the Justice Department's computer crime and intellectual property section. "It makes our job more difficult and makes it harder to find the people who are perpetrating crimes."

Freenet, which Mr. Clarke conceived while he was an undergraduate at the University of Edinburgh, is intended to function without any centralized control point. "Freenet is a near-perfect anarchy," he said.

Another Internet digital distribution program, Gnutella, created by software developers at the Nullsoft subsidiary of America Online, has the same distributed approach employed by Freenet, meaning that there is no central directory of what information the system contains.

Unlike Napster, which is limited to digital music files, Gnutella makes it possible to distribute video, software and text documents as well.

America Online declared Gnutella an "unauthorized freelance project" in March, just hours after it was made available on the Internet. But since its developers made its code freely available, independent programmers have continued to refine Gnutella even though the project was officially canceled.

Many computer industry executives contend that if the recording industry's suit against Napster succeeds, it will simply lead digital-music enthusiasts to use alternatives, like Gnutella and Freenet, which are even less open to copyright enforcement.

"So are all the musicians and record companies going to continue their suits against Napster?" a Gnutella user who identified himself as Panicst8 wrote in a recent network posting. "It seems kind of pointless, or have they just not figured out yet that Gnutella is about 10,000 times more effective at locating what you want?"

Freenet goes several steps beyond Gnutella in an effort to protect the anonymity of those who publish or copy information electronically. It encrypts each file and scrambles the key -- actually a long number -- needed to find the file within the system.

And Freenet incorporates a digital "immune system" that responds to any effort to determine the location of a piece of information by spreading the information elsewhere in the network.

Freenet relies on a system of volunteers who run the program on network computers, or servers, Mr. Clarke said, and it will even be difficult for the operators of individual parts of the network to determine which computer holds any particular file.

For the moment, at least, copyright holders can take comfort from the fact that Freenet is more efficient at obscuring the source of information than at helping users find it. Mr. Clarke has not yet built a search capability into the system, so users must find other ways to let one another know how to retrieve files.

And technologists like Mr. Shamoan say systems like Freenet present a challenge, but not an insurmountable one. In addition to his industry role with the Secure Digital

Music Initiative, Mr. Shamoan is senior vice president for media at the InterTrust Technologies Corporation, a Silicon Valley company that builds systems for protecting intellectual property.

He cites the possibility of the transmission of viruses and other harmful programs as being one of the obvious risks inherent in electronic communities where no basis for trust inherently exists.

"From a trust standpoint, the current generation of tools such as Gnutella and Freenet are a nightmare for the same reason that badly constructed social communities are a nightmare," Mr. Shamoan said.

The recording industry will survive, he argues, if it is able to offer its users new things of value.

"There are a lot of dangers here," he said. "But as a society, we're very adept at adapting to compensate for these things."

Mr. Clarke, it seems, would not disagree. Citing past innovations from the photocopier to magnetic tape, he writes on his Web site, "Artists and publishers all adapted to those new technologies and learned how to use them and profit from them; they will adapt to Freenet as well."

Ask questions and give answers about [Personal Finance](#), [Entrepreneurs](#), and more. Join [Abuzz](#), new from The New York Times.



[Home](#) | [Site Index](#) | [Site Search](#) | [Forums](#) | [Archives](#) | [Marketplace](#)

[Quick News](#) | [Page One Plus](#) | [International](#) | [National/N.Y.](#) | [Business](#) | [Technology](#) | [Science](#) | [Sports](#) | [Weather](#) | [Editorial](#) | [Op-Ed](#) | [Arts](#) | [Automobiles](#) | [Books](#) | [Divisions](#) | [Job Market](#) | [Real Estate](#) | [Travel](#)