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July 20, 2004

Ms. Marlene Dortch  
Secretary  
Federal Communications Commission  
445 Twelfth Street S.W.  
Washington, D.C. 20554

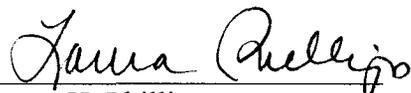
Re: Ex Parte of RealNetworks, Inc. MB Docket No. 04-65;  
In the Matter of Digital Output Protection Technology and  
Recording Method Certifications, Helix DRM Trusted Recorder  
and Helix Device DRM Technology

Dear Ms. Dortch:

On July 19, 2004, Todd Alberstone, Associate General Counsel, RealNetworks, Inc. ("RealNetworks") and Surya Mantha, General Manager, Marketing and Strategic Relations, RealNetworks and Laura H. Phillips, counsel for RealNetworks, met with Catherine Bohigian, Legal Advisor to Commissioner Martin regarding RealNetworks' digital output technology, Helix DRM Trusted Recorder and Helix Device DRM Technology as proposed by RealNetworks for certification to protect broadcast flagged marked content. The participants discussed the attached presentation provided by RealNetworks.

As required by Section 1.1206(b), as modified by the policies applicable to electronic filings, one electronic copy of this letter is being submitted for the above-captioned docket.

Respectfully submitted,

  
Laura H. Phillips  
Counsel for RealNetworks, Inc.

LHP/css  
Enclosure  
cc: Catherine Bohigian (via e-mail)

Established  
1849

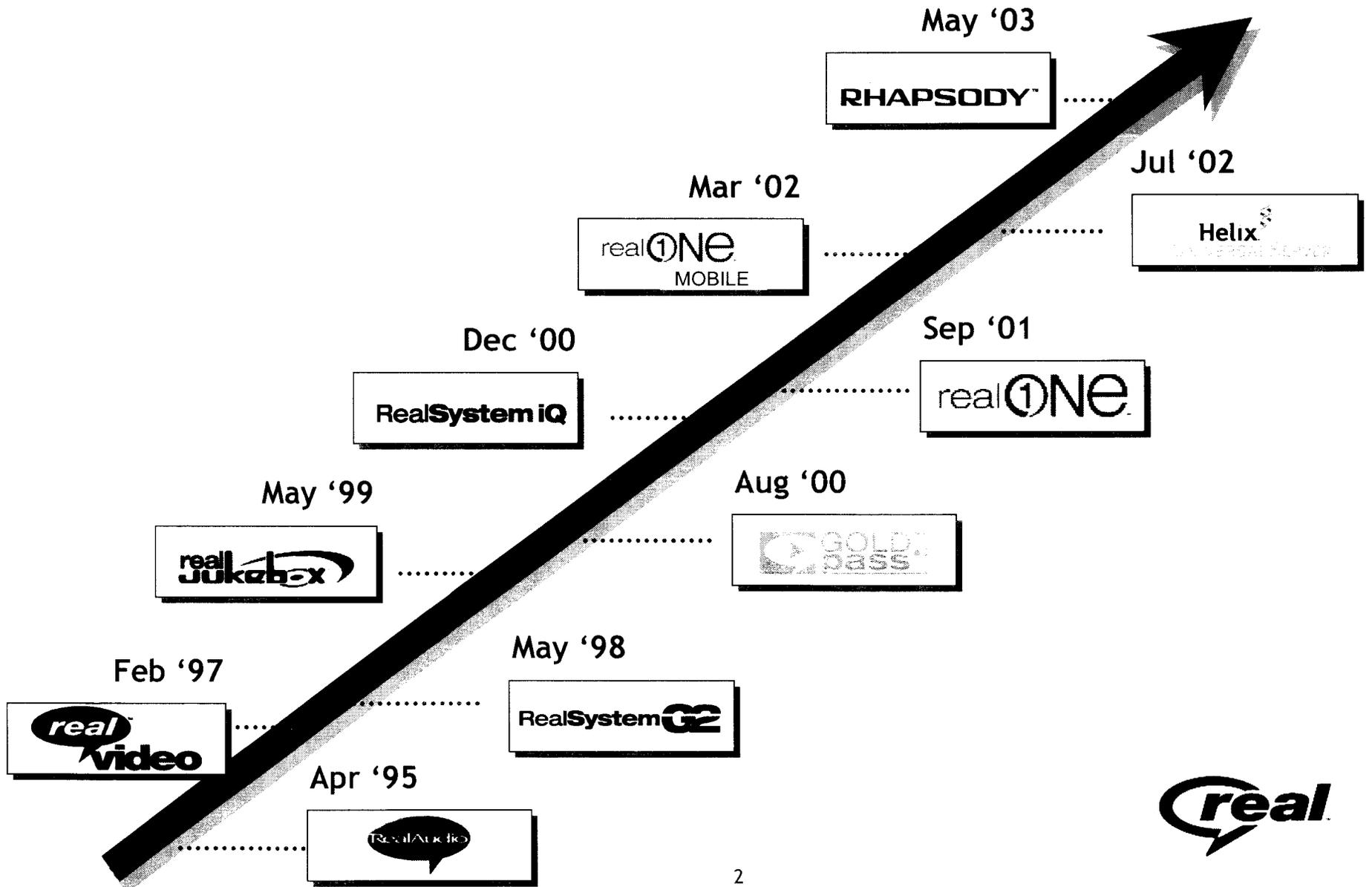
# RealNetworks

Digital Output Protection Technology --  
Helix DRM Trusted Recorder and  
Helix Device DRM Technology

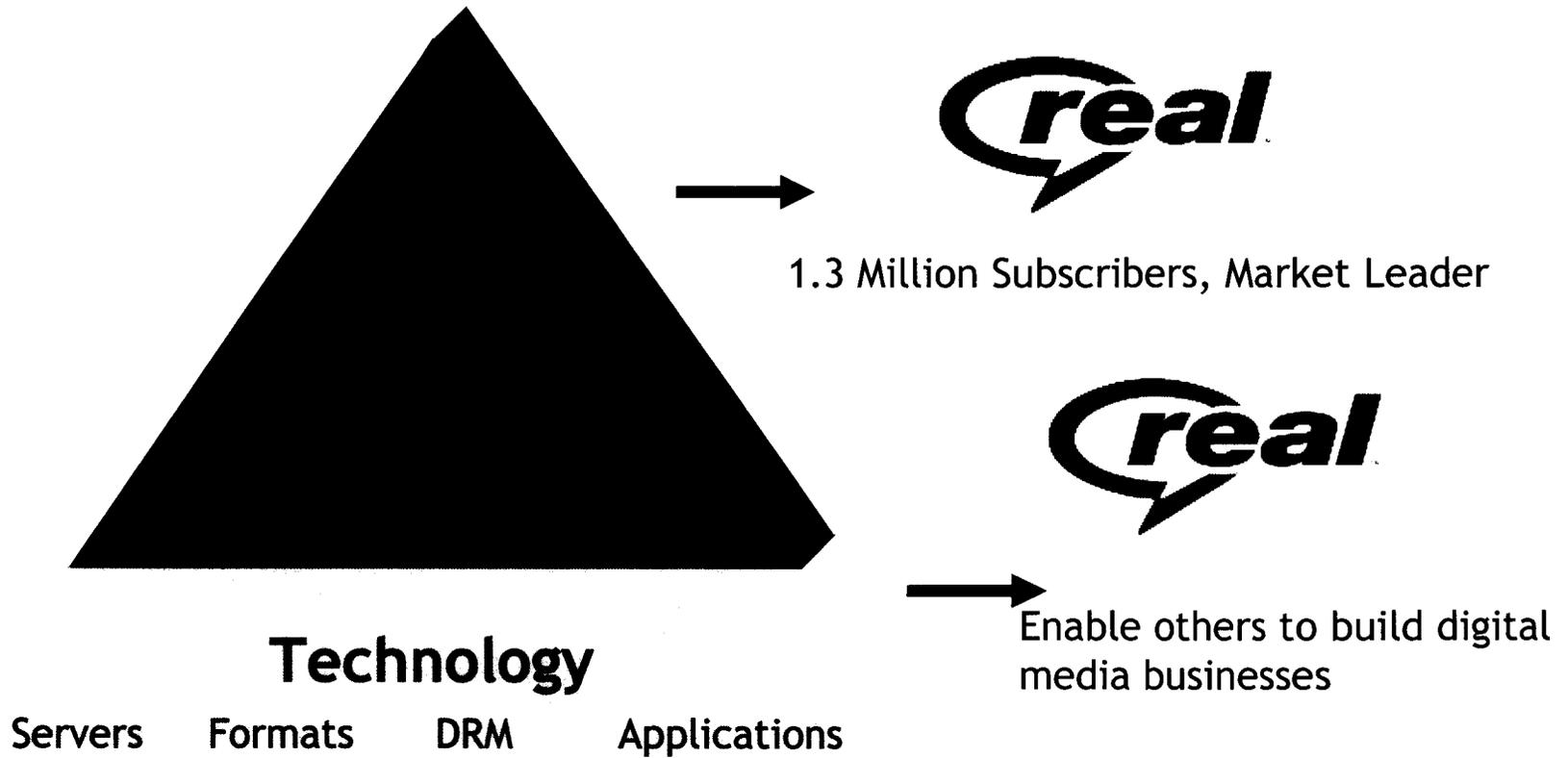


FCC Ex Parte Presentation  
July 19, 2004  
MB Docket No. 04-65

# 10 Years of Innovation



# Real's Approach



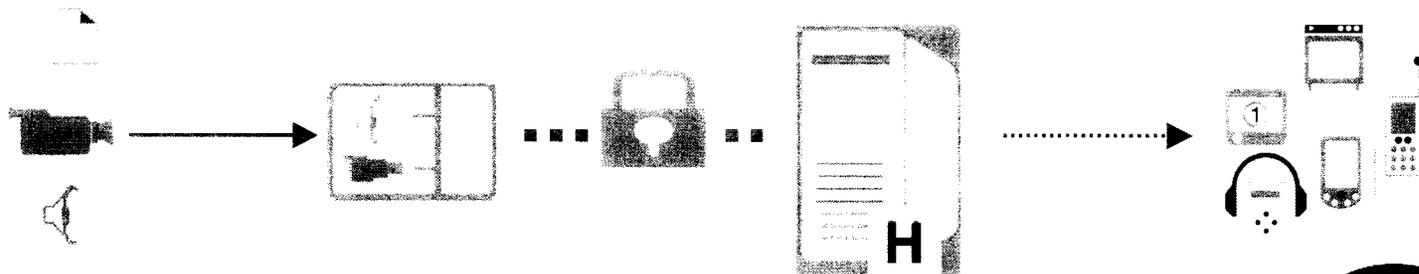
# Core Media Delivery Components

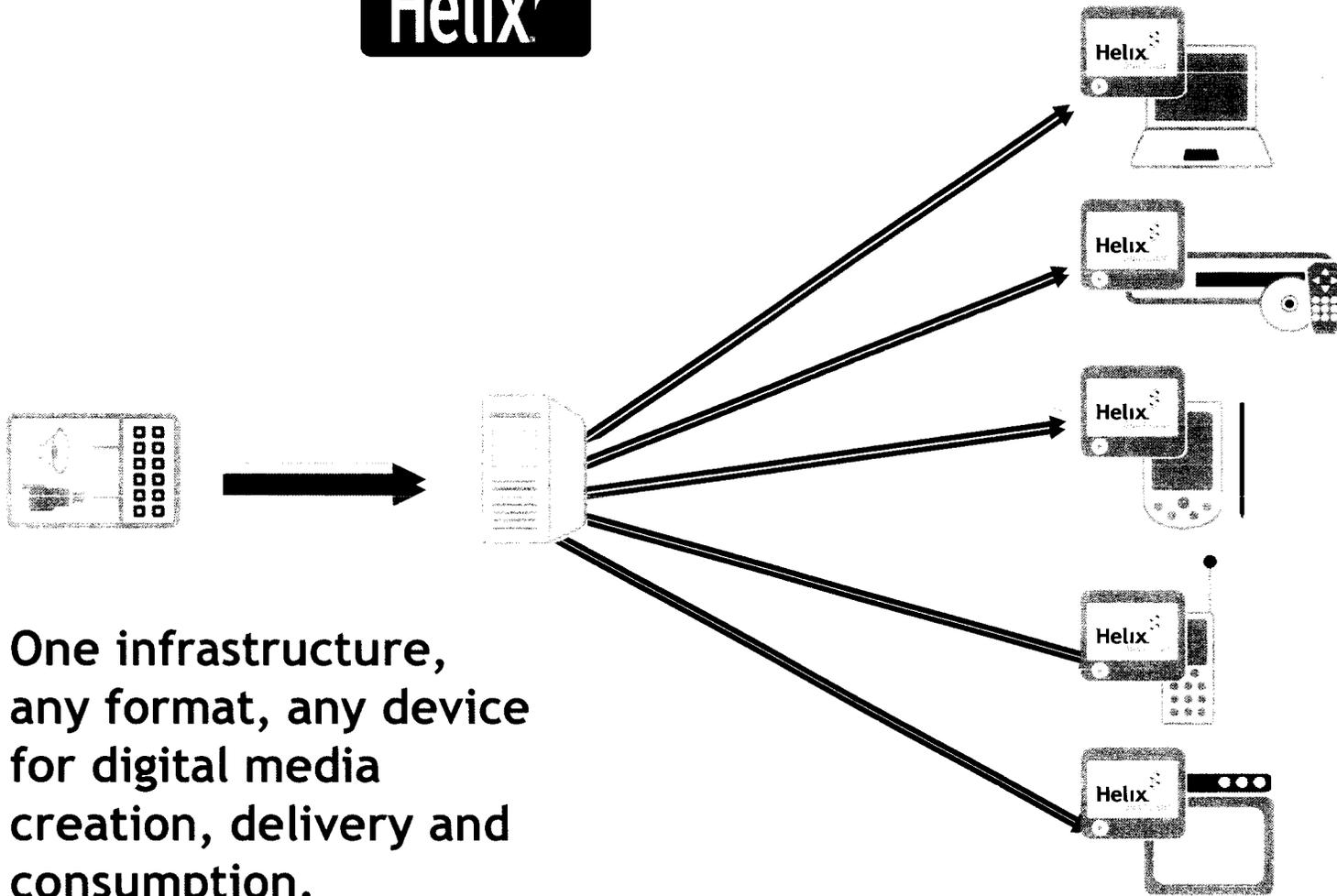
Encoder: compresses media into small information packets.

DRM: Protects content and applies business rules.

Server: Delivers content to devices.

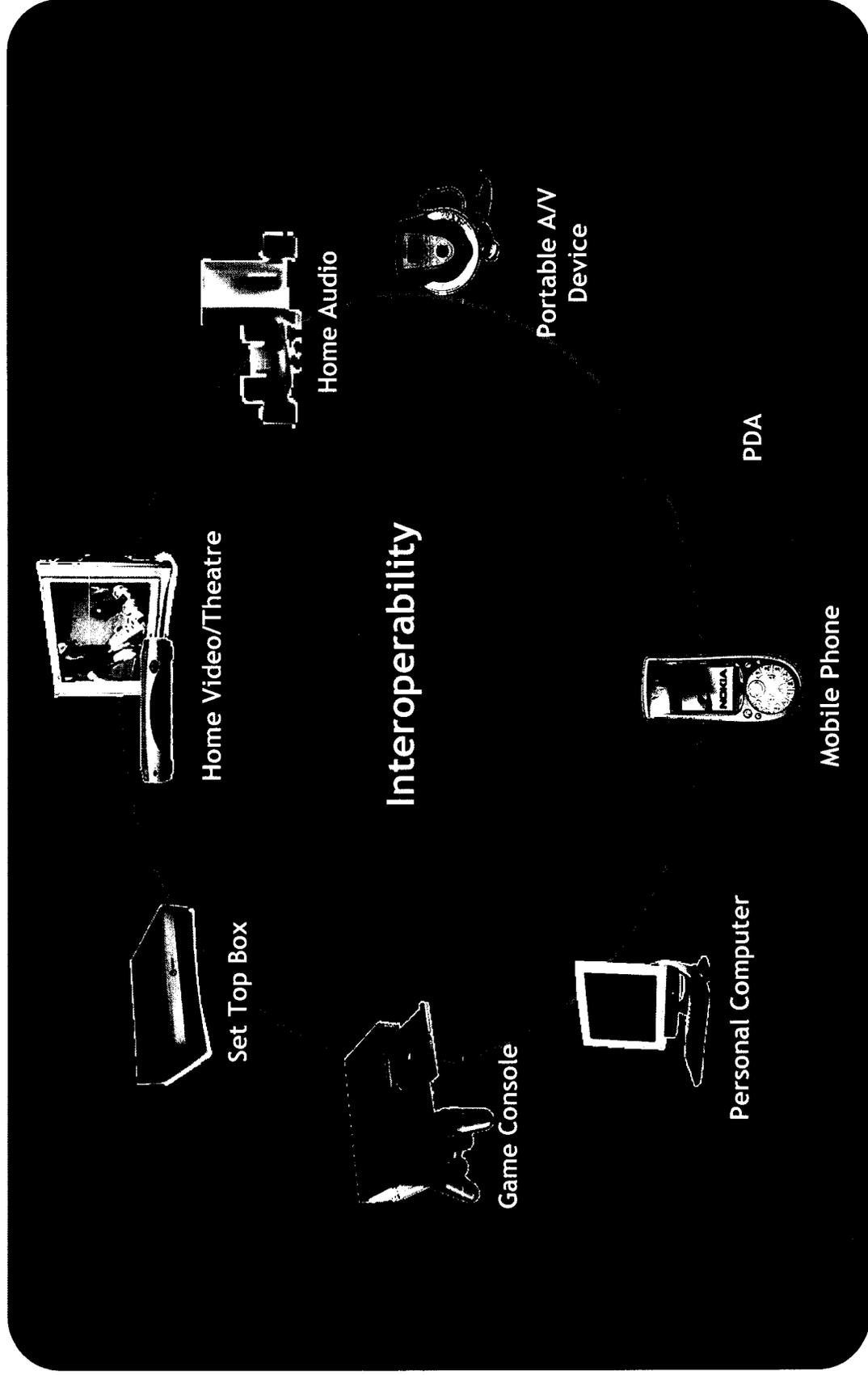
Devices: Contain software or hardware applications that decode and plays content if authorized.



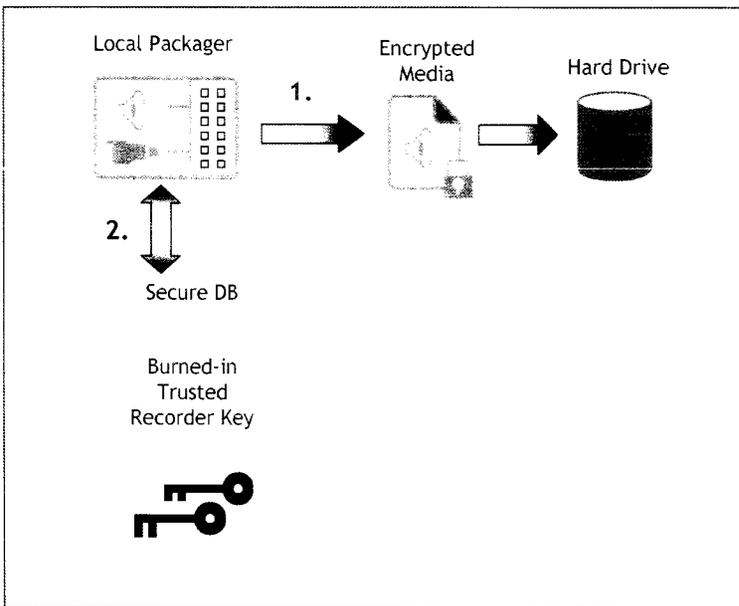
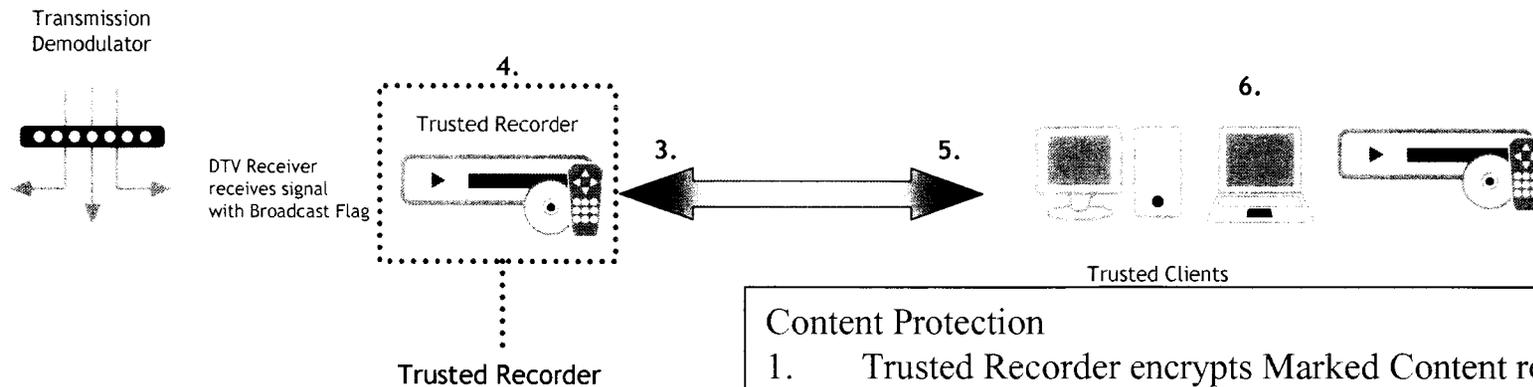


**One infrastructure,  
any format, any device  
for digital media  
creation, delivery and  
consumption.**

# Goal: Interoperability Across Devices



# Helix DRM for Broadcast Flag - Technical Overview



- Content Protection**
1. Trusted Recorder encrypts Marked Content received from Demodulator with random Content Key
  2. Trusted Recorder uses Trusted Recorder Key to encrypt Content Key and inserts encrypted Content Key into media file
- Content Distribution**
3. Trusted Client requests authorization to consume Marked Content by passing its Certificate containing a unique ID and unique Key
  4. Trusted Recorder validates the Certificate if RTT, TTL and device limit parameters are met
  5. Trusted Recorder encrypts its Trusted Recorder Key with the Trusted Client Key and sends it to the Trusted Client
  6. Trusted Client can now consume any Marked Content originating from this Trusted Recorder



# Helix DRM for Broadcast Flag - Technical Overview

- Helix DRM Trusted Recorder
  - Responsible for protecting Marked Content received from Demodulator and authorizing Trusted Clients
  - Can be a PC or STB implementation
  - Security level of Internet-based DRM solution with addition of proximity limitations
- Helix DRM Trusted Client
  - Allows for consumption of Marked Content in variety of products
  - Strict robustness and proximity requirements, beyond FCC requirements
- Protection of Marked Content
  - Strong cryptography for content encryption
  - Strong cryptography for device licensing
  - Enforcement through licensing agreements
  - Allows for revocation and renewability of both content and devices
- Distribution of Marked Content
  - Trusted Recorder authenticates Trusted Client before sending Recorder Key
  - Limits redistribution by authentication and by use of RTT, TTL and device limits



# Helix DRM for Broadcast Flag - Policy Issues for Interim Certification

- Proximity Controls
  - RTT and TTL
  - Device limitations that mimic “home network” environment
- Licensing and Recognition of Downstream Devices
  - Licensing of Helix Device DRM technology on reasonable and nondiscriminatory terms
  - Commitment to cooperate with other broadcast flag technologies for the exchange of revocation information
- Compliance Rules
  - Contained in License Agreement and ongoing discussions with MPAA and other rights holders and industry groups
- Change Management
  - Will cooperate with content owners to devise process
  - Commit to ensure any new implementation that does not diminish protections against indiscriminate redistribution

