



November 15, 2007

## **NOTICE TO ALL CSS LICENSEES**

### **CONCERNING MANAGED RECORDING AMENDMENT**

The Board of Directors of the DVD CCA is pleased to announce the Effective Dates on which CSS Licensees may commence commercial release of Manufacture-on-Demand (“MOD”) as described below and Electronic Sell Through (“EST”) as described below using CSS Recordable DVDs in accordance with the terms and requirements of the CSS Managed Recording Amendment to the CSS Procedural Specifications (“Managed Recording Amendment”)<sup>1</sup>. **Before commencing such commercial activities, however, each CSS Licensee that engages in MOD, EST or the manufacture of CSS Recordable DVDs must first supply to the DVD CCA a signed written commitment in the form of the Acknowledgment attached to this Notice that such CSS Licensee shall comply with the terms of the consumer notification program set forth in the Acknowledgment.** This Notice sets forth the Effective Dates, summarizes the consumer notification requirements, and describes DVD CCA’s testing programs for playback compatibility and voluntary listing opportunities with respect to playback compatibility. Please Note: This Notice does not constitute notice to implement the CSS Signature as set forth in the Managed Recording Amendment and provided for in Section 6.2.9.4(2) of the CSS Procedural Specifications.

### **DEFINITIONS AND REFERENCES**

Capitalized terms that are used in this Notice and not defined have the same meaning as set forth in the Managed Recording Amendment (attached hereto and as incorporated into version 2.9 of the CSS Procedural Specifications). CSS Licensees should review version 2.9 or any subsequent version of the CSS Procedural Specifications for all requirements in connection with undertaking MOD, EST and/or the manufacture of CSS Recordable DVDs.

For reference purposes, Manufacture-on-Demand (“MOD”) is Secure Managed Recording as provided by and defined in the Managed Recording Amendment to the CSS Procedural Specifications on CSS Recordable DVDs that have a recordable lead-in that is

---

<sup>1</sup> The substantive terms of the Managed Recording Amendment have been incorporated into version 2.9 (and subsequent versions) of the CSS Procedural Specifications, particularly in Sections 1.17, 1.26, 1.35 through 1.37, 6.2.1.5, 6.2.2.3 and 6.2.9.4.

restricted for use in environments managed by CSS Licensees. MOD discs are to be delivered to end users as completed, already recorded, products.

Also for reference purposes, Electronic Sell Through (“EST”) is Secure Managed Recording as provided by and defined in the Managed Recording Amendment to the CSS Procedural Specifications on CSS Recordable DVDs that have been prerecorded with a Secured Disc Key Set.

### **EFFECTIVE DATES**

For MOD, CSS Licensees may begin commercial production and distribution immediately following the provision of the signed Acknowledgment attached hereto (subject to the CSS Licensees’ ongoing compliance with the terms set forth in the Acknowledgment).

For EST, CSS Licensees may begin commercial production and distribution immediately following the provision of the signed Acknowledgment attached hereto (subject to CSS Licensees’ ongoing compliance with the terms set forth in the Acknowledgment),

### **EXCEPT:**

in regions where, between April 1, 2006 and March 31, 2007, more DVD player/recorders were sold than stand alone DVD players. For such regions, and with respect to EST, the Effective Date of the Managed Recording Amendment and therefore the date on which CSS Licensees may begin commercial production and distribution for EST shall be the later of July 1, 2008 and the provision by such CSS Licensee of the signed Acknowledgment.

Note: DVD CCA is not aware of any region, other than Japan, where between April 1, 2006 and March 31, 2007, more DVD player/recorders were sold than stand alone DVD players. If any CSS Licensee believes that one or more other regions meet this criterion, then the CSS Licensee should notify DVD CCA and submit supporting data or documentation. Any such notification must be submitted to DVD CCA within sixty (60) days of the date of this Notice. If DVD CCA determines that the criterion has been met for any other region, then DVD CCA will so notify CSS Licensees.

### **CSS RECORDABLE DVDs**

A requirement of the Managed Recording Amendment is that only optical media that meet the requirements of the defined term “CSS Recordable DVD,” as set forth in the Managed Recording Amendment, may be used for CSS Secure Managed Recording for MOD and EST.

It is the position of DVD CCA that the only format that currently meets the requirements of the definition of CSS Recordable DVD is the DVD download format (DVD-R for

General Optional Book Revision 1.0 DVD Download Disc for CSS Managed Recording, approved by DVD Forum in January, 2007). In this regard, CSS Licensees that intend to manufacture CSS Recordable DVDs should obtain the DVD-Download Book, DVD-R for General Part 1 and Part 2/Optional Specifications/DVD Download Disc for CSS Managed Recording from the DVD Forum. Other formats meeting the requirements of the definition of CSS Recordable DVD will also become effective for use under the terms of the Managed Recording Amendment. The DVD CCA urges that manufacturers of all formats submit, thirty (30) days prior to the commercial release of such formats, non-confidential documentation and test data (“submissions”) to the DVD CCA sufficient to establish that such formats meet the definition of CSS Recordable DVD, which submissions may be provided to CSS Licensees that manufacture DVD playback devices. The DVD CCA shall establish a procedure whereby CSS licensees who manufacture playback devices may register with DVD CCA to be informed of all such submissions. Manufacturers should note that the fact that a submission is made to DVD CCA does not, in and of itself, mean that the format meets the definition of CSS Recordable DVD, nor does a submission relieve manufacturers of the obligation to comply with all the requirements of the definition of CSS Recordable DVD.

It is the intention of DVD CCA to verify that formats meet the requirements of the definition of CSS Recordable DVD (which verification may include independent testing) and that failure to meet the requirements may result in appropriate enforcement action by DVD CCA.

#### **PLAYBACK COMPATIBILITY OF CSS RECORDABLE DVD AND MANDATORY CONSUMER NOTIFICATION REQUIREMENTS**

CSS Recordable DVDs will not necessarily play back in all legacy DVD devices in the market, particularly some DVD ROM (PC) drives and some DVD recorders or player/recorder combination devices. The DVD CCA has concluded that it is very important to provide consumer notification about these playback compatibility limitations. Therefore, as a pre-requisite for providing MOD and EST that makes use of CSS Secure Managed Recording and as a pre-requisite to selling blank CSS Recordable DVDs, CSS Licensees involved in any of the foregoing activities MUST comply with the consumer notification requirements set forth below:

**Required Notification Language:** The text of the consumer notification (“**Notification**”) that relevant CSS Licensees are required to display/supply is as follows:

**“This disc is expected to play back in DVD Video “play only” devices, and may not play in other DVD devices, including recorders and PC drives.”**

**MOD Notification Requirements:** CSS Licensees engaged in MOD using CSS Secure Managed Recording must provide the Notification as follows:

When the consumer orders the MOD product (i.e. content delivered via a MOD service), then the Notification must be disclosed to the consumer in the process of ordering the

content such that the Notification is disclosed prior to finalization of the order and payment.

and

The Notification shall be printed on the packaging of the MOD disc as delivered to the retailer or end consumer, as applicable.

EST Notification Requirements: CSS Licensees engaged in the manufacture of blank CSS Recordable DVDs for use in EST and CSS Licensees engaged in EST using CSS Secure Managed Recording and must provide Notification as follows:

The Notification shall be printed on the packaging of CSS Recordable DVDs and on the physical discs themselves.

and

The Notification must be disclosed to the consumer in the process of ordering the content such that the Notification is disclosed prior to finalization of the order and payment.

**PLEASE NOTE THAT AS A PRE-CONDITION TO COMMERCIALIZATION OF MOD OR EST SERVICES USING CSS SECURE MANAGED RECORDING AND AS A PRE-CONDITION TO THE SALE OF CSS RECORDABLE DVDs, CSS LICENSEES MUST COMPLETE AND SUBMIT TO THE DVD CCA AN ACKNOWLEDGMENT CONCERNING THESE CONSUMER NOTIFICATION REQUIREMENTS IN THE FORM ATTACHED TO THIS NOTICE.**

The completed and signed Acknowledgment may be delivered to the DVD CCA by mail, or fax, or scanned into a pdf format and sent via e-mail as follows:

**Mailing Address:**

DVD CCA  
225 B Cochrane Circle  
Morgan Hill, CA 95037  
United States of America  
Attention: DVD CCA Services

**Fax Number:**

1-408-779-9291

**E-mail Address:**

DVDCCA-services@dvdcca.org

**TESTING PROGRAM**

DVD CCA will extend its testing program to include testing for compatibility with CSS Recordable DVDs of DVD playback devices for which DVD CCA may otherwise be doing testing. The manufacturer of a DVD playback device found to be incompatible with CSS Recordable DVDs will be notified of that finding by DVD CCA. Such notice will be held confidential by DVD CCA unless/until disclosed by the manufacturer of the particular DVD playback device. Any further action, including posting a notice on the DVD CCA website (as described below), will be at the manufacturer's option.

DVD CCA will extend its testing program, to the extent economically reasonable, for playback compatibility of CSS Recordable DVDs with a number of samples of DVD playback devices. This program will test samples of CSS Recordable DVDs acquired in the marketplace for compatibility with a representative sample of DVD players. In the event that tested CSS Recordable DVDs are found to be incompatible with any such DVD players, then the manufacturer of such CSS Recordable DVD will be notified of that finding by DVD CCA. Such notice will be held confidential by DVD CCA unless/until disclosed by the manufacturer of the particular CSS Recordable DVD. Any further action, including posting a notice on the DVD CCA website (as described below), will be at the manufacturer's option.

Nothing in this Notice shall limit DVD CCA's ability to enforce the terms of the CSS License including, but not limited to, the use of any information or results gathered from the testing procedures.

**VOLUNTARY LISTING ON DVD CCA'S WEBSITE**

DVD CCA will maintain on its website a listing to which CSS Licensees who manufacture DVD playback devices may voluntarily submit the identification of their products which are known to be either capable or incapable of reliable playback of CSS Recordable DVDs. CSS Licensees who manufacture CSS Recordable DVDs may also voluntarily submit the identification of playback devices which are known to be either capable or incapable of reliable playback of that manufacturer's CSS Recordable DVDs. In either event, if a manufacturer submits such identification for listing on DVD CCA's website, then such manufacturer shall simultaneously submit to DVD CCA contact information for consumers so that consumers may contact the manufacturer with follow-up inquiries. DVD CCA shall provide such contact information on its website for follow-up questions from consumers.

**OTHER FORMS THAT MAY BE USED FOR CERTAIN SUBMISSIONS**

Within thirty (30) days of the date of this Notice, DVD CCA will make available on its website various forms related to this Notice, including a form that CSS Licensees may use to submit documentation concerning optical media meeting the definition of CSS Recordable DVD, a form that CSS Licensees which manufacture playback devices may submit to register to be informed of voluntary submissions made concerning optical media meeting the definition of CSS Recordable DVD, and a form that CSS Licensees may use to have their products listed on DVD CCA's website concerning playback compatibility. CSS Licensees need not wait for the availability of the foregoing described forms in order to make the various submissions or register interest as set forth in this Notice. CSS Licensees may use the mailing address, fax number and/or e-mail address of DVD CCA set forth above in this Notice.