

Publishers Phase Out Piracy Protection on Audio Books

By BRAD STONE

3 March 2008

[The New York Times](#)

SAN FRANCISCO -- Some of the largest book publishers in the world are stripping away the anticopying software on digital downloads of audio books.

The trend will allow consumers who download audio books to freely transfer these digital files between devices like their computers, iPods and cellphones -- and conceivably share them with others. Dropping copying restrictions could also allow a variety of online retailers to start to sell audio book downloads.

The publishers hope this openness could spark renewed growth in the audio book business, which generated \$923 million in sales last year, according to the **Audio Publishers Association**.

Random House was the first to announce it was backing away from D.R.M., or digital rights management software, the protective wrapping placed around digital files to make them difficult to copy. In a letter sent to its industry partners last month, Random House, the world's largest publisher, announced it would offer all of its audio books as unprotected MP3 files beginning this month, unless retail partners or authors specified otherwise.

[Penguin Group](#), the second-largest publisher in the United States behind Random House, now appears set to follow suit. Dick Heffernan, publisher of Penguin Audio, said the company would make all of its audio book titles available for download in the MP3 format on eMusic, the Web's second-largest digital music service after iTunes.

Penguin was initially going to join the eMusic service last fall, when it introduced its audio books download store. But it backed off when executives at Pearson, the London-based media company that owns Penguin, became concerned that such a move could fuel piracy.

Mr. Heffernan said the company changed its mind partly after watching the major music labels, like Warner Brothers and [Sony](#) BMG, abandon D.R.M. on the digital music they sell on [Amazon.com](#). "I'm looking at this as a test," he said. "But I do believe the audio book market without D.R.M. is going to be the future."

Other major book publishers seem to agree. Chris Lynch, executive vice president and publisher of Simon & Schuster Audio, said the company would make 150 titles available for download in an unprotected digital format in "the next couple of months."

An executive at HarperCollins said the publisher was watching these developments closely but was not yet ready to end D.R.M.

If the major book publishers follow music labels in abandoning copyright protections, it could alter the balance of power in the rapidly growing world of digital media downloads. Currently there is only one significant provider of digital audio books: Audible, a company in Seattle that was bought by Amazon for \$300 million in January. Audible provides Apple with the audio books on the iTunes store.

Apple's popular iPod plays only audio books that are in Audible's format or unprotected formats like MP3. Book publishers do not want to make the same error originally made by the music labels and limit consumers to a single online store to buy digital files that will play on the iPod. Doing so would give that single store owner -- Apple -- too much influence.

Turning to the unprotected MP3 format, says Madeline McIntosh, a senior vice president at the Random House Audio Group, will enable a number of online retailers to begin selling audio books that will work on all digital devices.

Some bookstores are already showing interest. The [Borders Group](#), based in Ann Arbor, Mich., introduced an online audio book store in November using D.R.M. provided by [Microsoft](#). Its books cannot be played on the iPod, a distinction that turns off many customers. But Pam Promer, audio book buyer for Borders, said the company welcomed moves by the publishers and planned to begin selling MP3 downloads by early spring.

A spokesman for [Barnes & Noble](#) said the retailer had "no plans to enter the audio book market at this time."

Publishers, like the music labels and movie studios, stuck to D.R.M. out of fear that pirated copies would diminish revenue. Random House tested the justification for this fear when it introduced the D.R.M.-less concept with eMusic last fall. It encoded those audio books with a digital watermark and monitored online file sharing networks, only to find that pirated copies of its audio books had been made from physical CDs or D.R.M.-encoded digital downloads whose anticopying protections were overridden.

"Our feeling is that D.R.M. is not actually doing anything to prevent piracy," said Ms. McIntosh of Random House Audio.

Amazon and Audible would not comment on whether they would preserve D.R.M. protections on their own audio books, citing Securities and Exchange Commission restrictions surrounding the recent acquisition.