

SealedMedia

Protecting Content for Sale

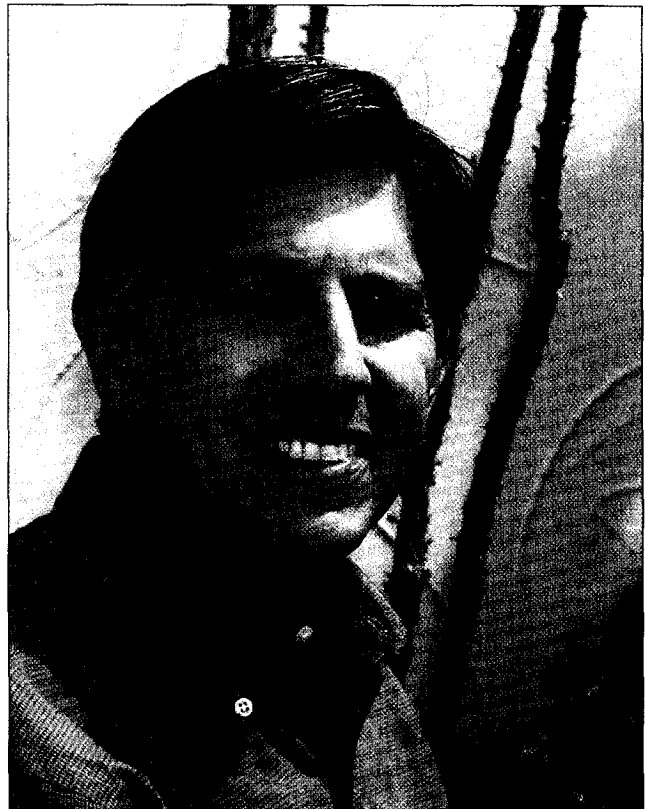
Web publishing can be a **\$30 billion business**, it's time publishers cash in.

JOHANNE TORRES

dot com values have crashed, online ad spending has dropped and according to Forrester Research, only one in five content sites are profitable today. Many content providers are choosing to stop giving away their valuable assets for free and protecting the content from illegal use to enable paid subscription models. "The times of giving stuff away for free are over. Publishers have realized that ad-supported models don't work. The answer for media companies is to protect content so it cannot be obtained by unauthorized users and to then sell it," says Alan Mutter, president, CEO, and director of SealedMedia.

Mutter considers online publishing promising. "Web publishing can be a \$30 billion business, it's time publishers cash in," says Mutter. He has been involved with content and publishing technologies for quite some time. Before joining SealedMedia in November 1999, Mutter previously led two Internet start-up companies. He served as president and CEO of InstantObjects, a company that developed and marketed a software application for publishing media content on the Web. SealedMedia is headquartered in San Francisco, California, and also has offices in Los Angeles, Boston, New York, and Beaconsfield, UK servicing the European, Middle Eastern, and African markets, as well as the Pacific Rim.

Mutter says that "Web advertising is widely believed to be ineffective because nothing compels a Web site visitor to pay heed to



Alan Mutter, CEO, SealedMedia

a banner ad. Subscription models might work, but right now only a few sites have tried this and they have been decidedly unsuccessful, TheStreet.Com is one example of this." The process of securing your content and changing to a subscription model can be lengthy, but with the right tools and a good marketing plan, content providers can start adding value to their assets and cash in on their content. "SealedMedia makes it possible to secure and sell digital content in a manner that is efficient for the publisher to implement and convenient for the user to obtain," says Mutter.

SECURING BEFORE SELLING

How does a publisher initiate a subscription plan and secure their content? "Usually publishers start by selling content archives of news, for example. This kind of content is commonly stored

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in a variety of formats and it's essential to find a solution to handle content in all forms, saving companies time and effort instead of having to change or reformat their content," says Mutter. The SealedMedia service supports a wide variety of media formats, file-based, buffered and streaming media in HTML, PDF, JPEG, MP3, and QuickTime formats. A Mac compatible version of the SoftSEAL Viewer is expected to be released early this year.

KEEPING DRM ON TOP OF YOUR LIST

"DRM should be a priority for media companies because it ensures that the value of an asset is protected. An unprotected asset will quickly lose its value on the Internet," says Mutter. Your company has to gather the tools to build a content-rights licensing platform. Finding a way to secure, manage the digital rights and other licenses is key when planning to sell content on the Web. DRM companies can package your content licensing according to the rules you choose, and these can be flexible when you decide to change the access to your content. Managing the digital rights for your content enables you to sell not the content itself, but its access.

Many services have been developed to protect media from illegal views and distribution. SealedMedia "protects content from unauthorized use, stopping viewing, printing, and screen-grabbing—all at the discretion of the content vendor. It has a very flexible licensing system that makes it possible for content vendors to deliver permissions to end-users in real time, and to persistently enforce rules regarding its use. Thus, we enable a broad range of business models, including free preview, pay-per-view, subscription and secure pass-along readership," Mutter explains. SealedMedia offers a software package that is installed

at the publisher's server, enabling content encryption and packaging with set access rules for content in all forms before its release and distribution. With this software, you can choose who views your content, how long they view it, and what can they do with it after download.

WORKING WITH SEALEDMEDIA


"After [publishers] make the decision to sell content, they meet with us with a set of ecommerce goals that we will help them achieve," says Mutter. When the clients meet with SealedMedia the publishers purchase the SoftSEAL software that seals and stores the content. During this process, the content is separated from the digital licenses, which are the preferences chosen by the publisher and stored on SealedMedia's license server. The sealed content is stored within the SealedMedia software application platform and interface at the client's side. "Publishers needed the flexibility to quickly change the access content rules, this way our service enables them, for example, to set different licenses for the same piece of content," says Mutter.

The sealed content is posted at the client's Web site with an option for the visitor to download the SoftSEAL viewer from either the content Web site or SealedMedia's Web site. The viewer then connects with SealedMedia's license server to buy a license for the piece of content in any format. Once the viewer buys the license with the access rules established by the publishers, the piece of content is unsealed and released by SealedMedia's license server, and the end-user can view the content, download it, print it, or whatever the license permits. If an end-user was to purchase a license that has a limitation on access time, when that time runs

SEALEDMEDIA
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CEO: Alan Mutter
No. employees: 56
Founded: 1996

out, the viewer loses the access to the content, and the content disappears. An internal clock is downloaded when the end-user buys the content license, terminating the access to the content when the agreement is over.

Content providers face a degree of difficulty when integrating a large amount of different services to their infrastructure. Asked how SealedMedia flow in publishers' systems, Mutter replied, "SealedMedia rapidly and easily integrates with existing IT systems used by media companies to author content, manage content, and display and serve it from their Web pages. The service integrates with billing and customer-management systems to enable a powerful ecommerce solution. Content owners use our service to seal content in their existing workflow and serve sealed content from their existing Web sites. We link to existing billing and CRM systems to enable secure content sales," explained Mutter.

DRM services like the one offered by SealedMedia could ease the process of managing the content rights for your properties automatically. Their interface for setting up the license rules seems to be easy to use. There are, however, clients who might want to keep the license server in-house rather than at SealedMedia's site. According to Mutter, SealedMedia has plans to launch an enterprise version of license server to be used in-house behind firewalls along with the SoftSEAL software. SealedMedia's SoftSEAL software and services' fees currently range from \$15,000 to \$25,000. 

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