

DRM-X Digital Rights Management White Paper



Haihaisoft Limited

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I 、 ABOUT HAIHAISOFT

Haihaisoft, founded in 2004, is the global leader in digital rights management industry. Haihaisoft offers content protection and related solutions that enable businesses to maximize the value of their digital content products. Haihaisoft's services and solutions are deployed by companies in entertainment, consumer electronics, gaming, software, information publishing and corporate IT markets to solve industry-specific challenges.

II . HAIHAISOFT DRM-X PRODUCT INFORMATION

PRODUCT DEFINITION

Haihaisoft DRM-X provides the unique, cost-effective and highly secure on-demand DRM service that you can easily protect, publish, and sell Audio/Video and documents. It gives you total control over who accesses your digital content and under what terms, enabling you to increase revenue, bring products to market faster, and attract new customers.

With the revolutionary technology of DRM-X, it supports the most popular media formats, such as, Windows Media (WMA, WMV, and ASF), Real Media (RM, RMVB), Flash Video (FLV), MP4, MP3, AVI media, SWF Flash movie and PDF document.

With its own secure DRM algorithm and architecture, it solved the FairUse4WM crack problem of Microsoft DRM completely. It's the most secure DRM product in the industry.

BRAND POSITIONING

Haihaisoft DRM-X's Brand Positioning:

DRM-X is the world's most powerful digital rights management (DRM) system.

Haihaisoft DRM-X Digital Rights Management System:

Haihaisoft is the world's leading DRM provider that focusing on DRM research and development.

 It is the world's first DRM system solved the FairUse4WM crack problem of Microsoft's Windows Media DRM;



- It's the world's first DRM system supports all the major media formats and PDF document.
- It's the unique DRM system includes the most innovative technology to protect your content copyright:
 - 1. Haihaisoft Smart Streaming. Streaming your content without needs any media-server, but saves bandwidth cost. Learn more...
 - 2. Dynamic Watermark Technology. DRM-X provides dynamic watermarking capabilities on protected media content. A watermark is the text includes a Username and text message that is superimposed over the media files. <u>Learn more...</u>
 - 3. Open XML Web Service allows you integrate DRM-X with any kind of your existing system. Learn more...
- It's the world's first completely closed set of server-based digital rights management system; unique DRM platform with very fast update speed.
 Haihaisoft DRM-X usually updates every month to ensure its high security and stability. You are not only buying software, but best services.

TARGET CUSTOMER

Haihaisoft DRM-X's target customers: All digital content owners, providers and individuals.

Haihaisoft DRM-X currently usages apply to:

- (1) The original content of large-scale enterprises (movies, music and video production provider).
- (2) eBook publishers.
- (3) eLearning and Distance Learning;



- (4) Company Core Assets. Audio/Video and PDF documents;
- (5) Personal Content Creation. Sell Music, Tutorial and Video Online;

PRODUCT CONCEPT

1. Solve Headache Piracy Problem:

Concept Background:

The growing problem of piracy, the legitimate interests of all types of enterprises cannot be guaranteed. In the United States, including film, video games, tapes and software, including piracy, every year over 58 billion dollars of economic losses, loss of 373,000 jobs, ah and that this figure has been on the rise. With the domestic culture industry, the rise of software piracy issues are also increasingly prominent, the situation urgent.

In 2007, Microsoft Windows Media DRM technology cracked by the software named FairUse4WM software. It caused enormous economic losses, because in most areas of DRM products are based on Microsoft's platform for developers. And Microsoft did not offer to present specific and feasible solutions, but also enable users are very disappointed and worried.

2. The Solutions:

From 2003, before Haihaisoft founded, Haihaisoft founder Haibo Shi and Hairui Shi started studied the DRM industry deeply. They found that there were many architecture problems of many exists DRM solution providers, such as Microsoft, Sony, and MacroVision. All of the solutions don't have the real-time updating capability, and lack of protection of DRM server side. Once it cracked, there is almost no solution.

Now Haihaisoft changed the situation, DRM-X provides every component can be easily updated. Haihaisoft provide DRM as service. It enables customers get latest DRM version to against piracy.



PRODUCT ARCHITECTURE

Haihaisoft DRM-X based-on a new architecture. It consists of three parts:

1. DRM-X SERVER SIDE:

- Authenticate users, and generate licenses for end users in real-time.
- Online Control Panel. Manage DRM-X rights permissions, users, and groups.
- XML Web Services. It provides interfaces you can integrate with your system.

2. Online encryption tools include:

- DRM-X Audio/Video Packager.
- DRM-X PDF Packager.
- DRM-X SWF Flash Movie Packager.

With online encryption tools, it enables content providers get the latest DRM-X packager, and it guarantees content providers applied the latest security level.

3. POWERFUL CLIENT SIDE VIEWER:

Haihaisoft Universal Player

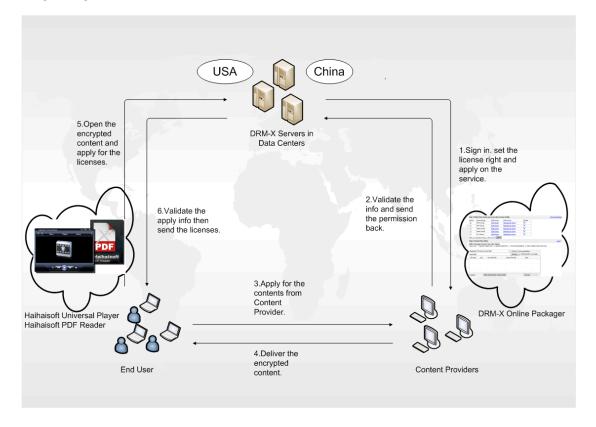
Haihaisoft Universal Player: Total downloads more than 5 million times worldwide. It awarded by Soft Informer as Editor's pick 5 Stars software. It offers great new ways to store and enjoy all your music, video, pictures, and recorded TV. It supports playing more than 400 media formats and the media files protected by DRM-X. <u>Learn more...</u>

Haihaisoft PDF Reader

Haihaisoft PDF Reader is a free PDF document Reader and Printer, with very small size(only 3.4MB, supports multiple languages), extremely fast launch speed and rich feature set. It is also for reading PDF document protected by DRM-X platform. <u>Learn more...</u>



Workflow:



Step 1. Content owners bought DRM-X online service account or DRM-X Server edition. You can also get a full functional free trial account.

- **Step 2.** Protect content. Login to your DRM-X Account in IE. IE will prompt you install DRM-X packagers in Protect Audio/Video, Protect PDF and Protect SWF page. You can encrypt your files here and setting rights and create end user accounts.
- **Step 3.** After content owners protected content and settings rights. Content owners can publish the encrypted content through online download, distribute data CD/DVD or share it in P2P networks. DRM-X protected content can be securely distributed to anywhere. Content owners still control the rights.
- **Step 4.** View Protected Content. End users open the protected files from Haihaisoft Universal Player and PDF Reader. After purchased user or authorized user enters their username and password authenticated successfully, they will obtain a license immediately to open protected files. It just takes a few seconds.



Haihaisoft DRM-X is very easy to use both for content owners and end users. It's straightforward.

HAIHAISOFT DRM-X FEATURES AND PRICES

Haihaisoft DRM-X Features:

Features	Premier Account	Business Account	Server Edition
Haihaisoft DRM-X Audio Video Packager	•	•	•
Haihaisoft DRM-X PDF Packager	Ø	•	Ø
Haihaisoft DRM-X SWF Packager	0	•	Ø
Haihaisoft Universal Player	Ø	•	Ø
Haihaisoft PDF Reader	0	•	S
DRM-X Online Management System	Ø	•	0
Integration with third-party platform (Offers APIs and integrated help documentation)	•	•	•
Blacklist to prevent malicious programs		•	Ø
Hardware Authentication		●	•
Dynamic Watermark Showing Username		•	•

Haihaisoft DRM-X Prices:

Fee Options	Monthly Fee (USD)	Includes Free Licenses	Additional Licenses Cost
Premier 3	\$50	800	\$0.07
Premier 4	\$100	1200	\$0.05



Fee Options	Monthly Fee (USD)	Includes Free Licenses	Additional Licenses Cost
Business 5	\$120	1600	\$0.04
Business 6	\$180	2500	\$0.03
Business 7	\$280	3600	\$0.02
Business 8	\$550	8000	\$0.01
Business 9	\$980	15000	\$0.007

Learn more about Haihaisoft DRM-X Server Edition, please download Haihaisoft DRM-X Business Server Edition White Paper

Ⅲ、HAIHAISOFT DRM-X FEATURES

Support PDF and All Major Media Format

With Haihaisoft DRM-X revolutionary technology, it supports the most popular media formats, such as, Windows Media (WMA, WMV, and ASF), Real Media (RM, RMVB), Flash Video (FLV), AVI, MP4, MP3 media, and PDF document. It is the first DRM platform which can support the world's 3 software giant's format: Microsoft Windows Media, RealNetworks Real Media, and Adobe Flash Video and PDF file format.

Persistent Protection

DRM-X "locks" digital media files with a license key to maintain content protection, even if these files are widely distributed. Each license is uniquely assigned to each computer. This prevents illegal distribution of digital media files.

Strong Encryption

DRM-X Packagers include proven encryption schemes that ensure distributed documents and media files are not exposed to piracy or other illegal use.



Separately Distributed Licenses and Content

Licenses are issued independently of the actual documents and media files, providing maximum flexibility and allowing wide distribution of content. Each time a file is opened, Haihaisoft Universal Player or Haihaisoft PDF Reader checks to see if the consumer's computer has a license. Consumers who do not have a valid license are directed to a license registration page.

Blacklist

DRM-X Blacklist feature enable content owners control and block screen capturing software.

Authentication combined with End users' Computer Hardware ID

End User Authentication combined with Computer Hardware ID feature restricts End Users can only acquire license in customers own computer, and prevent password share.

Dynamic Watermark Showing Username

DRM-X provides dynamic watermarking capabilities on protected media content. A watermark is the text includes Username and text message that is superimposed over the media files. In a rights managed media file, the watermark can be applied dynamically as the media file is played in Haihaisoft Universal Player or ActiveX player online. The watermark is not editable by users and is not permanently stored in the media file. The location of the watermark is customizable by administrators in DRM-X control panel Rights management and can contain pre-defined text such as an information classification as well as the user's name and message.

Solved the FairUse4WM crack problem

With its own secure DRM algorithm and architecture, it solved the FairUse4WM crack problem completely.

Easy-to-Change Licensing Terms

Because licenses and protected files are stored separately, licensing terms can be changed on the licensing server without the need to redistribute or repackage the file.

Solved the FairUse4WM crack problem

With its own secure DRM algorithm and architecture, it solved the FairUse4WM crack problem completely.



Integrate with your website

You can easily integrate DRM-X platform with your own system by consuming Haihaisoft DRM-X XML web service.

The Haihaisoft DRM-X XML web service provides the interface that your website can deliver license to customers. For example, when a customer ordered a protected content from your website, when customer plays the content, it will prompt your website customized login page, after customers input Username and Password of your websites account and done the payment, they will get the license immediately to play the protected file.

You could read the Haihaisoft DRM-X XML Web service document online and integrate with your system by your developers: Integrate with your system

The following flash video tutorial will help you understand how DRM-X works for you:

View Video Tutorial

IV CUSTOMER'S BENEFITS

THE HIGHEST RETURN ON INVESTMENT

Turing rights into revenue have always been a challenge for the entertainment and publish industry. As content becomes increasingly digitized, protecting it from unauthorized use and distribution will mean the difference between revenue gain and revenue loss, and therefore ultimately impact the viability of business in the digital age.

Haihaisoft DRM-X is a flexible and powerful platform based-on Haihaisoft's own DRM engine that makes it possible to protect and securely deliver documents and media files on the internet. This benefits everyone who wants to create, deliver, or publish e-books, movies and music content by offering the content protection necessary to ensure that content owners make high-quality content available, and the portability to ensure that consumers can enjoy their content wherever they may be.

- Content owners to protect their digital media and documents content by packaging files with robust encryption algorithms
- Content owners and content service providers to experiment with new business models through the flexibility of the Haihaisoft DRM-X platform



Consumers to find, acquire, and play or read content virtually anywhere

HIGH-QUALITY CUSTOMER SERVICE

Haihaisoft knows server is very important for customers. We will listen to customers' comments and suggestions, and provide prompt services.

Haihaisoft DRM-X secures your digital contents, and our services help you monetize your content.

V 、 HAIHAISOFT CUSTOMERS

Haihaisoft DRM-X is widely adopted by large and small companies worldwide. As the large number of customers, the following are listed according to only a few examples, according to industry customers:

1. Government



The government of Shanghai

2. University



Peking University

3、High School Education



BestEDU.org

4. Software



Softeacher.com



5、Video



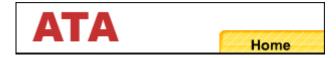
VideoGuider.dk

6. Career Consultant and Success training



Rocky Liang --- Rocky101

7. Language Training



ATA Beijing

8. Computer Training



MLDN Beijing

9. Information Security



Arden Software (UK)

10、Entertainment



mooziko.com

VI 、 ABOUT HAIHAISOFT



THE WORLD LEADER IN ON-DEMAND DRM

ABOUT HAIHAISOFT

Haihaisoft, founded in 2004, is the leader in digital rights management industry. Haihaisoft offers content protection and related solutions that enable businesses to maximize the value of their digital content products. Haihaisoft's services and solutions are deployed by companies in entertainment, consumer electronics, gaming, software, information publishing and corporate IT markets to solve industry-specific challenges.

Haihaisoft's mission is: Powering Digital Content Trade, and makes content securely accessible and valuable.

To fulfilling that mission, Haihaisoft needs to solve the serious content pirates problem in the world. From 2003, the founder Haibo Shi and Hairui Shi started to build the DRM system and release the first product Riboo Media DRM Protector. Haihaisoft developed a new approach to protect content: content owner just needs to register an account online and then can easily protect, publish, and sell almost all Audio/Video format and PDF documents in a single system. All software are kept updating to against pirates. The content protection has never been so easy and reliable.

Since it was founded in 2004, Haihaisoft has grown to include 4 core websites and includes various solutions and service to fulfill Haihaisoft's mission. Haihaisoft solutions and services include Live P2P broadcasting, Media Encoding, Media Streaming, Customizing Media Player, and Customizing PDF Reader.

Here is the brief overview of 4 Haihaisoft websites.

HAIHAISOFT CORPORATE WEBSITES

Haihaisoft's Mission: Powering Digital Content Trade.

Haihaisoft offers content copy protection, digital rights management, and related solutions that enable businesses to maximize the value of their digital content products.

DRM-X Platform's Mission: Powering Digital Content Protection.

DRM-X.com Platform provides the unique, cost-effective and highly secure on-demand DRM service that you can easily protect, publish, and sell Audio/Video and documents.

Media-DRM Platform's Mission: Powering Digital Media Protection.

Media-DRM.com Platform, offered as a monthly service, enables the secure deployment of



digital audio and video media to PCs, network devices and the Windows CE family of products including Windows Mobile devices, Smartphones and Portable Media Player.

DRM Magazine's Mission: Delivering the most important DRM technology publication in the world.

DRM Magazine (DRMMag.com), the guide to DRM Technology, it delivers the most important DRM technology publication in the world, and the comparative reviews of DRM products.

VII. HAIHAISOFT'S PROFESSIONAL TECHNICAL SUPPORT

If you still have any questions about Haihaisoft DRM-X Server Edition.

Please feel free to contact us!

http://www.haihaisoft.com/Contact.aspx



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