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BBC NEWS

Apple to end music restrictions

Apple Inc has agreed to start selling digital songs from its iTunes store without copy protection software.

At present, most music downloaded from Apple's iTunes store can only be played through an iTunes interface or iPod.

The agreement with Sony BMG, Universal, and Warner Music will end digital rights management (DRM) software currently attached to iTunes music.

The changes were announced at the end of the keynote address, at the Macworld conference in San Francisco.

Apple's senior vice president of worldwide product marketing, Phil Schiller delivered the speech, traditionally given by Steve Jobs.

"Over the last six years songs have been \$0.99 [79p]. Music companies want more flexibility. Starting today, 8 million songs will be DRM free and by the end of this quarter, all 10 million songs will be DRM free," he told the crowd.

Apple has also revised its pricing structure, offering a three-tier system with songs available for £0.59, £0.79 and £0.99.

At present, the firm has a one-price-fits-all strategy - currently £0.79 per track - with no subscription fee.

The new model will have a varied pricing structure, with what the company calls "better quality iTunes Plus" costing more.

" By the end of this quarter, all 10 million songs will be DRM free "
Phil Schiller, Apple

The move could potentially spell the end for DRM limited music, which was never popular with users or the record industry.

Mark Mulligan, a director with market analysts Jupiter Research, said the end of DRM in music- in its current form - was inevitable.

"The only reason it has taken so long is that the record industry has been trying to level the playing field, by giving away DRM free to everyone else, but even that hasn't dented Apple's share," said Mr Mulligan.

"Ultimately, what I think we're going to end up with [in the industry] is a new form of DRM. The more you pay, the less DRM you get bolted onto your music. Premium music will be DRM free, the cheaper it gets, the more shackles are attached," he added.

In 2007 Apple's CEO, Steve Jobs, published an open letter called 'Thoughts on Music' in which he called on the three big record companies to ditch DRM.

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