

December 8, 2010

Mr. Peter Dengate Thrush
Chairman
ICANN
4676 Admiralty Way, Suite 330
Marina Del Ray, CA 90292

Mr. Rod Beckstrom
President and CEO
ICANN
4676 Admiralty Way, Suite 330
Marina Del Ray, CA 90292

Ms. Heather Dryden
Interim Chair
ICANN Governmental Advisory Committee
1016 Electronics Niketan, 6 CGO Complex
Lodi Road, New Delhi – 110 003 India

Dear Chairman Dengate Thrush, President Beckstrom, and Chairman Dryden:

The undersigned business organizations and trade associations representing hundreds of thousands of global businesses write to express our continued strong concerns with the Internet Corporation for Assigned Names and Numbers' intention to introduce new generic top level domains (gTLDs) before it has adequately addressed concerns over consumer protection and the costs of defensive registrations.

ICANN formally acknowledged these concerns and committed itself to addressing them in the *Affirmation of Commitments* signed last September:

ICANN will ensure that as it contemplates expanding the top-level domain space, the various issues that are involved (including competition, consumer protection, security, stability and resiliency, malicious abuse issues, sovereignty concerns, and rights protection) will be adequately addressed prior to implementation.

Affirmation of Commitments, paragraph 9.3

We question whether all these issues have been sufficiently addressed to allow for the new gTLD application window to open in May 2011, as the ICANN Board now plans. Notably, while ICANN has made some progress on rights protection measures, the current plan still requires businesses to pay for defensive registrations in hundreds of new gTLDs, at prices that are unconstrained by ICANN or other bodies. These defensive registrations will be necessary to prevent consumer fraud and confusion on the part of users who are rightfully concerned about deceptive websites and online scams.

Moreover, the legal expenses and domain acquisition costs of defensive registrations will not be offset by potential economic or informational value to either registrants or Internet users. At the very least, ICANN must fine-tune its rights protection measures to minimize the new costs that would be imposed on the business community and consumers.

We do recognize that a wave of new gTLDs has the potential to bring innovation and greater competition to the domain name system. However, it is our strong belief that the latest draft of ICANN's new gTLD plan would not meet its *Affirmation* obligations to adequately address consumer protection and rights protection.

ICANN should not proceed with a wide-open gTLD program until those concerns are adequately addressed. If ICANN believes that its May 2011 target is set in stone, then it should follow the Governmental Advisory Committee's most recent advice to conduct "a small pilot programme" for a strictly limited number of gTLDs designed to serve linguistic, geographical, and cultural communities. As the GAC suggests, such a pilot could provide actual data that could be used "to refine and improve the application rules for subsequent rounds."

Thank you for your consideration of this important matter, and we look forward to working with ICANN on ways to minimize defensive registrations and consumer fraud arising from the introduction of new gTLDs, as well as to fully address the other issues specified in the Affirmation of Commitments. These issues have been highlighted consistently and need to be addressed before the business community can support to ICANN's gTLD plan.

Sincerely,

American Apparel and Footwear Association
American Financial Services Association
American Society of Association Executives
Association for Competitive Technology
Association Française des Entreprises Privées
Broadcast Music, Inc.
Confederation of Swedish Enterprise
Motion Picture Association of American, Inc.
National Association of Manufacturers
National Retail Federation
NetChoice
Retail Industry Leaders Association
Shop.org
Software & Information Industry Association
U.S. Chamber of Commerce
USTelecom