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COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

WASHINGTON, DC 20510-6125

WEB SITE: http://commerce.senate.gov

December 28, 2011

The Honorable John Bryson Secretary Department of Commerce 1401 Constitution Avenue, N.W. Washington, DC 20230

The Honorable Lawrence Strickling Administrator National Telecommunications and Information Administration Department of Commerce 1401 Constitution Avenue, N.W. Washington, DC 20230

Dear Secretary Bryson and Administrator Strickling:

I am writing to you about the Internet Corporation for Assigned Names and Numbers' (ICANN) plan to expand generic top-level domains (gTLDs). On January 12, 2012, ICANN intends to allow interested organizations and companies to begin applying for new gTLDs. As a result, hundreds of new gTLDs could be added to the Internet as early as 2013. ICANN itself has acknowledged that this expansion will be one of the most significant changes the Internet has experienced.

I am concerned that this expansion of gTLDs, if it proceeds as planned, will have adverse consequences for the millions of American consumers, companies, and non-profit organizations that use the Internet on a daily basis. As you know, I previously raised these concerns earlier this month when the Senate Committee on Commerce, Science, and Transportation held a hearing on "ICANN's Expansion of Top-Level Domains." During the hearing, I recommended that ICANN proceed slowly with gTLD expansion. Based upon the testimony of ICANN's representative at the hearing, ICANN does not appear to be taking this approach.

I am now asking that you work with your international counterparts and ICANN to ensure that ICANN's plan to expand gTLDs is implemented in a cautious, limited manner, which minimizes the likelihood of negative impacts.

At the Committee's hearing, witnesses speaking on behalf of more than a hundred companies and non-profit organizations explained that ICANN's current plan for gTLD expansion will likely cause millions of dollars in increased costs related to combatting

cybersquatting. Under the current plan, companies and non-profit organizations will be compelled to "defensively" register thousands of second-level domains and hundreds of gTLDs to protect their brands and trademarks. Because these companies and non-profit organizations will have no intention of using many of these "defensive registrations," they will largely be unneeded, additional costs resulting from ICANN's plan for gTLD expansion.

Last week, the Federal Trade Commission wrote to ICANN to "highlight again the potential for significant consumer harm resulting from the unprecedented increase in new gTLDs." Among other recommendations, the FTC urged ICANN to implement the new gTLD program as a "pilot program," substantially reduce the number of gTLDs introduced in the first application round, and strengthen ICANN's contractual compliance program by hiring additional compliance staff.

Prominent economists that ICANN hired to evaluate the new gTLD program reached similar conclusions. In an analysis they submitted to ICANN in 2010, they suggested that ICANN implement the program through "discrete, limited rounds" because the costs and benefits of the new program were unknowable.

Given that experts, the nation's chief consumer protection agency, and a substantial percentage of both the business and non-profit community agree that gTLD expansion should be implemented in a limited manner, I believe it is prudent for you to ask ICANN to reevaluate its current plan. Because it does not appear to adequately address many of the anticipated negative impacts and costs, I believe you should consider asking ICANN to either delay the opening of the application period or to drastically limit the number of new gTLDs it approves next year.

I remain fully committed to the multi-stakeholder approach to Internet governance and ICANN's role in it. I am writing to you because I am concerned that ICANN's plan for gTLD expansion, as it is currently structured, does not address the concerns that many stakeholders have raised. The companies, non-profit organizations, and consumers that will be affected by gTLD expansion are important stakeholders in the Internet community and their voices should not be ignored.

Sincerely,

John D. Rockefeller IV

Chairman

cc:

Kay Bailey Hutchison Ranking Member