



Chairwoman Edith Ramirez  
Commissioner Julie Brill  
Commissioner Maureen Ohlhausen  
Commissioner Joshua Wright  
Federal Trade Commission  
600 Pennsylvania Avenue, NW  
Washington, DC 20580

November 14, 2013

Dear Chairwoman Ramirez, Commissioner Brill, Commissioner Ohlhausen, and Commissioner Wright:

As an applicant for several new generic Top Level Domains (TLDs), Dot Registry, LLC is keenly aware of the concerns that have been expressed by the Federal Trade Commission over the development and launch of ICANN's new gTLD program. We wholeheartedly agree that if key TLDs such as the corporate identifiers (.inc, .llc, .llp, and .corp) are launched and operated without proper safeguards there is the potential for consumer harm and instances of fraud. As the only community based applicant for these strings, we not only share these concerns, but have proactively invested in the security of these gTLDs and the creation of stringent registration policies that protect both consumers and businesses in the United States.

What alarms us is the potential that ICANN could allow applicants, foreign and domestic, to operate the registries for these key corporate identifier extensions as generic extensions allowing for a no holds barred, wide open market place that allows anyone, regardless of their legitimacy, to register a corporate extension domain. Even more concerning is the recent ICANN Board response<sup>[1]</sup> to the Government Advisory Committee (GAC) indicating their preference for a post delegation scheme that would allow bad actors to register and operate fraudulent websites until they are discovered by law enforcement authorities, at which time they simply abandon the domain name and move to a new one. Anything short of mandatory verification at the time of registration will open these TLDs up to the real potential for fraud and consumer harm. The Commission, through the US representative on the GAC, should be pushing for more stringent protections for consumers and future registrants in these TLDs.

These corporate identifier extensions are not like the hundreds of other generic terms that have been applied for. Research shows that .inc will be one of the most popular extensions for registrants, as it has a very specific meaning and specific reputation in the eyes of consumers. As the oldest form of organized business in the United States, corporations are held to a high standard of operating policies, reporting requirements, and oversight. When a consumer sees the abbreviations inc., llc., llp., or corp. after a company name, they have the expectation that the business is a legally registered entity entitled to conduct business in the United States.

After significant research into the regulations and requirements for corporate registrations in the United States, we decided to apply for these corporate identifier strings as a Community Applicant. In the ICANN new gTLD program, community applicants voluntarily carry significant additional responsibilities compared to a standard applicant. We agreed to limit registrations to only members of our described community and we are not permitted to change registration policies or guidelines based on market trends or company whims. As a community applicant, we are charged with very specific tasks:



- 1) Identify the community we plan to represent. Make a clear connection between the extension and the party we represent, and prove that this is a widely known association.
- 2) Describe the admittance requirements to the proposed community (not in regards to registering a domain, but in the world as a whole) and identify what characteristics its members commonly share.
- 3) Indicate why this community deserves to be protected and specifically delineated on the Internet, while explaining in detail how we plan to accomplish those tasks.
- 4) Garner support from the community we plan to represent, which must be in written form and supportive of not only your policies, but your businesses ability to responsibly carry out the task it is charged with.

In our case, we have defined our communities as Registered Businesses in the United States. Our registration policies clearly define that only a United States Limited Liability Company registered with its applicable Secretary of State or equivalent legal body, as verified by our company, would be allowed to hold an .llc extension (similarly the policy is duplicated with .inc, .llp, and .corp).

Further, their registered domain name must be consistent with that of their registered business name in order to eliminate consumer confusion and registrations would be annually verified with their applicable state agency in order to ensure that organizations are still considered active in the United States. Our policies expand to give us the ability to revoke domain names held by companies that have misrepresented themselves, participated in fraudulent activities, or are considered suspended by their Incorporated State.

We have spent years cultivating solid relationships with Secretaries of State across the country in order to ensure that our registration policies match the registration guidelines for businesses in all 50 states. With their valuable guidance and input, we have developed the ability to verify business registration information nationally and ensure that the domains we present to consumers will assist in decreasing business identity theft, consumer confusion, and promote stability in the Internet marketplace.

Many Secretaries have submitted correspondence<sup>[2]</sup> to ICANN in regards to their concerns related to the issuance of the corporate identifier extensions. On July 21, 2013 the National Association of Secretaries of State (NASS) passed a resolution<sup>[3]</sup> clearly expressing their opinion that these "safeguards and restrictions are only enforceable in the community application process." In the Honorable Al Jaeger's correspondence to ICANN dated March 23, 2012, Secretary Jaeger indicates that the corporate extensions only be given to, " businesses appropriately and legally registered in one of the various states."

The new gTLD program has encountered vast setbacks over the last two years, including opposition and glitches that could have never been anticipated. The concept of increased safeguards and operational securities for extensions such as the corporate identifiers has been brought to the forefront of this process multiple times by the GAC. The GAC has called for very specific assurances in regards to the responsible management of these extensions and the impact they might have on consumers. While ICANN has allowed applicants to submit Public Interest Commitments (PIC) increasing their security protocols, these documents are not considered binding and the vast majority of GAC feedback from applicants has been negative and non-compliant. In fact, at least one other applicant for these corporate identifier strings has language in these PIC Specs that allows them to unilaterally abandon these commitments "at their sole



discretion" in 2 years time. As a Community Applicant, we are contractually obligated to maintain our much more stringent registration policies as long as we operate the registry.

The mismanagement of corporate identifier TLDs could cause lasting damage to consumers and businesses, but like in any scenario, there are good applications and bad ones.

We strongly encourage the FTC to continue to press ICANN to listen to the concerns of the Secretaries of State and the GAC and proceed only with a community approach that proactively prevents the occurrence of fraud and ensures the protection of consumers. To operate these TLDs in any other manner would be to ignore the concerns of many for the benefit of a few who are willing to put profit ahead of proper protections.

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[1] <http://www.icann.org/en/news/correspondence/crocker-to-dryden-3-29oct13-en>

[2] <http://www.dotregistry.org/about/correspondence>

[3] [http://www.nass.org/index.php?option=com\\_docman&task=doc\\_download&gid=1435&Itemid=](http://www.nass.org/index.php?option=com_docman&task=doc_download&gid=1435&Itemid=)

Sincerely,

A handwritten signature in black ink, appearing to read "S. Jolles", with a long horizontal flourish extending to the left.

Shaul Jolles  
Dot Registry, LLC  
CEO