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June 4, 2013

VIA EMAIL ONLY ([comments-gac-safeguard-advice-23apr13@icann.org](mailto:comments-gac-safeguard-advice-23apr13@icann.org))

Mr. Fadi Chehade  
President and CEO  
ICANN  
12025 Waterfront Drive  
Suite 300  
Los Angeles, CA 90094-2536

**Re: Comments on GAC Safeguard Advice**

Dear Mr. Chehade:

Verizon appreciates the opportunity to submit these comments to ICANN regarding how ICANN and the new gTLD Board Committee should address the Governmental Advisory Committee's ("GAC") advice outlining safeguards applicable to broad categories of new gTLD strings.

Verizon supports and commends the GAC collectively, along with individual government representatives, for raising important concerns and suggesting specific safeguards. Many of the new gTLDs discussed by the GAC were the same ones Verizon internally flagged as spaces where potential fraud and abuse could occur. We further applaud the GAC for serving an important public interest function inside ICANN's multi-stakeholder process.

We support the GAC's six identified safeguards that apply to all new gTLDs, including WHOIS verification and checks, mitigating abusive activity, security checks, documentation, handling complaints and consequences. Variations on these common sense safeguards are already best practices employed by companies providing e-commerce services on the front end (e.g., data verification, terms of use, security checks) and back end (e.g., providing documentation, handling complaints and consequences) to protect consumers. Unfortunately, our experience in litigating cybersquatting cases, including against ICANN accredited registrars, shows ICANN stakeholders have benefitted and exploited the absence of such safeguards to the detriment of businesses, consumers and law enforcement.

We note that some commenters ask ICANN to opine on, research or define what is meant by "applicable law" in the GAC safeguards. We would note that any business operating in the global environment today is already required to comply with any number of applicable laws. Compliance with applicable laws is a standard term in most contracts. It should not be a surprise that any

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company, including supposedly sophisticated registrants, who are taking on the important societal role of operating an Internet registry, should not also be required to familiarize themselves with the applicable laws of the jurisdictions in which they will be doing business.

Verizon believes that it will be important for ICANN and the Board to consider the GAC's advice on additional safeguards for certain "closed" or exclusive generic gTLDs and ensure that such registries serve the public interest. We believe one possible avenue for adding specific public interest requirements is to build on the idea of remediation steps proposed by Australia in the GAC Early Warning submission from November, 2012. Australia specifically urged that various closed gTLD applicants "should specify transparent criteria for third party access to the TLD...[that] should be appropriate for the types of risks associated with the TLD, and should not set anticompetitive or discriminatory conditions related to access by third parties." Australia went on to urge that "these criteria should form part of any binding contract with ICANN," and "be subject to clear compliance oversight by ICANN." See, e.g.,

<https://gacweb.icann.org/download/attachments/27131927/Phone-AU-80942.pdf?version=1&modificationDate=1353431757000&api=v2>

ICANN could investigate whether concerns about certain closed generics can be addressed by employing additional safeguards that effectively convert a "closed" gTLD to a "managed" gTLD. ICANN should create criteria to ensure that access to second level domain registrations are open to all qualified third party registrants who are not partners, affiliates or customers of the gTLD registry applicant. For example, in certain regulated areas, third parties holding a license or contract to provide services from a governmental regulatory body (and their customers and partners) should be provided with equal access to second level domain names in the new gTLD. For all closed gTLDs, ICANN will need to create policies that (1) address antitrust and other anti-competition concerns; (2) minimize the risk of potential consumer confusion for users who may not realize that the information, products and services promoted are provided via a closed or restricted registry; (3) appropriately and fairly define the class of potential second level domain name registrants; (4) prevent onerous and potentially anticompetitive registration fees; and (5) explore any necessary security and operational safeguards to minimize fraud, abuse and consumer complaints. Verizon supports Australia's advice that all created criteria form part of a registry's binding contract with ICANN and that ICANN take on compliance oversight for such activities.

We do not believe it would be sufficient for a closed registry simply to seek an exemption from this requirement based on the number of domain names it may choose to register for itself in the closed space. The need to protect against consumer confusion or potential anti-competitive conduct is not simply a matter of how many domain names the registry may register for its own purposes. Even a closed registry that chose to register only a single domain name in a closed gTLD could still provide access to an unlimited number of domain names for its partners, affiliates and customers, while restricting access to competitors, non-affiliates or those who are not customers. Consumers who choose to register a domain name or search online using websites associated with a closed space may not realize that registry is in fact provided by a single entity and the information, products and or services are provided by one entity or a select few. It is

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therefore important that the “public interest goal” must be interpreted in the broadest possible manner to ensure competition and avoid consumer confusion.

Verizon reiterates its support for the multi-stakeholder process as reflected in ICANN and appreciates the opportunity to provide input on the GAC advice as an important part of this framework.

Thank you for the opportunity to provide these comments and for your consideration of this important issue.

Sincerely,

A handwritten signature in blue ink that reads "Sarah B. Deutsch" followed by a date "1/14/13".

Sarah B. Deutsch  
Vice President & Deputy General Counsel