



UNITED STATES DEPARTMENT OF COMMERCE
The Assistant Secretary for Communications
and Information

Washington, D.C. 20230

OCT 4 2012

Dr. Stephen D. Crocker
Chairman of the Board of Directors
Internet Corporation for Assigned Names and Numbers
4676 Admiralty Way, Suite 330
Marina del Rey, CA 90292-6601

Dear Dr. Crocker:

On January 3, 2012, the National Telecommunications and Information Administration (NTIA) sent a letter encouraging the Internet Corporation for Assigned Names and Numbers (ICANN) to address a number of issues as you moved forward with the introduction of new generic top-level domain names (gTLDs). These issues included activities related to law enforcement and trademark protection. Today, I write to acknowledge the positive steps ICANN has taken and to highlight concerns that surfaced in recent meetings with industry stakeholders related to the lack of progress on new trademark protection tools.

NTIA recognizes that progress has been made in several areas. First, ICANN has made a significant effort to accommodate the law enforcement recommendations, as endorsed by the ICANN's Governmental Advisory Committee (GAC), in a new Registrar Accreditation Agreement (RAA). Once implemented, the new RAA will provide law enforcement and consumer protection officials with additional tools to address fraud and abuse in the domain name system (DNS). In addition, ICANN's recent announcement that the contract compliance division has been elevated to report directly to ICANN's new President and Chief Executive Officer (CEO), Mr. Fadi Chehadé, is a welcome sign of our shared understanding of the importance of this function. Finally, while recognizing the Board's acknowledgement of the recommendations of the Whois Review Team in June, I encourage you to make implementation of those recommendations a key priority. Their effective and timely execution will help resolve the challenges that have plagued the Whois issue for many years and will be reviewed as part of the next Accountability and Transparency Review Team (ATRT).

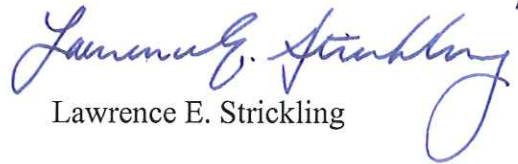
NTIA remains concerned, however, regarding the limited progress of the Trademark Clearinghouse and the Uniform Rapid Suspension system (URS). It is critical to the success of the new gTLD program that ICANN implement these and other new trademark tools, as specified in the applicant guidebook, prior to delegation. Since our recent meetings with industry, we recognize that ICANN has published an update on the clearinghouse and issued a request for information (RFI) for a URS service provider. As part of the RFI process, we would encourage ICANN to ensure that stakeholders have a role in evaluating the information and proposals presented. While these are welcome steps in moving to closure, NTIA reminds ICANN that, as the URS was envisioned as a low cost alternative to the Uniform Domain Name Dispute Resolution Policy (UDRP), it is imperative that all fees associated with the URS remain low. In addition, since the

URS is expected to serve as a tool for the quick resolution of cybersquatting claims, ICANN should take steps to ensure that the Trademark Clearinghouse and the URS are linked in a manner that facilitate efficiencies and cost savings, as well as provide for efficient default judgment procedures.

Lastly, we encourage ICANN to explore additional trademark protections across all TLDs, existing and new, through community dialogues and appropriate policy development processes in the coming year. Industry stakeholders have presented a variety of suggestions to reduce the cost of defensive registrations (e.g., trademark blocking mechanisms) and others have suggested enhanced safeguards for new gTLDs targeted at creative sectors. While not taking a position in support of any specific proposal at this time, NTIA does believe that ICANN should continue an open and transparent dialogue between all actors in order to find solutions to these issues which have come into clearer focus since the release of the 1,930 applications this past June. Whatever process ICANN follows, trademark holders should provide clear fact-based descriptions of the challenges they encounter in the global DNS and registries and registrars should clarify issues relating to the technical feasibility and costs of implementing any additional protections.

As the ICANN community continues to grapple with policy and technical issues, including the introduction of new gTLDs, NTIA encourages all stakeholders to actively participate in the multistakeholder model of DNS coordination. Within the Obama Administration, we believe that maintaining and extending this model is important for ensuring the continued growth and innovation of the Internet. For its part, NTIA will continue to be an active member of the GAC working with stakeholders to ensure a stable, secure and interoperable DNS.

Sincerely,



Lawrence E. Strickling

cc: Mr. Fadi Chehadé, President and CEO, ICANN