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U.S. Department of Commerce
National Telecommunications Administration
1401 Constitution Avenue, N.W., Room 4725
Washington, D.C. 20230

Re: Internet Policy Task Force
Information Privacy and Innovation in the Internet Economy
Notice of Inquiry

Dear Sir or Madam,

Please accept these comments in response to your Notice of Inquiry dated April 23, 2010.

The Go Daddy Group, Inc. is an Arizona company which consists of eight ICANN-accredited registrars, including GoDaddy.com, Inc. Today, Go Daddy is the world's largest domain name registrar, with over 41 million domain names under management. We are also a leading provider of secure website hosting, and other products and services that enable individuals and businesses to establish, maintain and evolve a presence on the Internet.

Go Daddy's position as the industry leader in the domain name registration and web hosting space gives us unique insight into the current challenges facing businesses that collect and use consumer information online. Go Daddy not only collects and utilizes the personal information of its millions of customers, but it hosts millions of websites through which its customers collect and use the personal information of millions of other online consumers. We are therefore responsible for the privacy and data security of the information of an enormous amount of Internet users, and we take our role extremely seriously.

In the absence of comprehensive federal privacy legislation, Go Daddy has successfully worked within and expanded upon existing privacy standards and guidelines to establish a wide array of security measures that protect the personal information of our customers. As recommended by the Federal Trade Commission, we believe that all companies collecting or storing consumer data should establish reasonable privacy

and security measures to protect such information, and should retain such data only as long as necessary. The FTC also mandates the use of appropriate data security technology and continuous internal employee training regarding privacy and security concerns, and Go Daddy has proactively implemented such measures.

Whenever possible, we allow our customers and users of our websites to opt-out of various types of information collection, and we have voluntarily instituted affirmative opt-in preferences for marketing and other types of optional communications and information collection programs. We do not sell our customers' information to third parties for any purpose, and we do not utilize or disclose the consumer information collected by our customers on their hosted websites. We educate and encourage our customers to utilize similar online privacy practices with respect to their own businesses and websites. We also offer a variety of online security products to help individuals and businesses protect their data.

The Existing "Notice and Choice" Framework is Sufficient to Protect Consumers' Privacy Rights, Particularly With Respect to Online Behavioral Advertising

Go Daddy believes that the existing privacy notice and choice framework is sufficient to protect consumer privacy rights, so long as it is consistently applied and vigorously enforced. We understand that the success of our business relies almost entirely on the trust of our users. To the extent that websites do not provide adequate notice of their privacy practices, or give users a choice as to how their information is used, their businesses will quickly fail. Thus, our approach to privacy, and the approach we advocate for our customers, combines front-end transparency, meaningful choice, and user education with back-end protections for data that limit how much information and for how long personal identifiers are maintained.

Go Daddy is particularly interested in the application of the notice and choice principles to online behavioral advertising. Online behavioral advertising supports the advertising and revenues necessary to encourage free Web content, while greatly reducing the amount of unwanted and irrelevant advertisements received by Internet users. The limitation of such advertising could undermine the viability of many online sites that provide free Internet content and services, resulting in the suppression of innovation, the limitation of choice, and an increase in prices for consumers. We therefore believe that behavioral advertising should be expressly permitted in any future federal privacy legislation.

Although Go Daddy supports the ability of online advertisers to make use of behavioral advertising, we are aware of the potential privacy concerns arising from this practice. We are also well-versed in the numerous

precautions and security measures that are in place to guard against the misuse or leaks of data collected through behavioral advertising.

First, there is a minimal risk of significant privacy breaches or data leaks associated with behavioral advertising. Online advertisers engaged in behavioral advertising do not collect sensitive personal information, such as user names, credit card numbers, Social Security numbers, credit histories or financial account information. Moreover, information collected is not linked to any specific individual. The information collected through behavioral advertising is connected only to unique codes identifying specific computers ("IP addresses"), and is not connected to specific individuals.

Second, as recommended by the Federal Trade Commission, all companies collecting or storing Internet user data should establish reasonable security measures to protect such information, and should retain the data only as long as necessary. The FTC also mandates the use of appropriate data security technology and continuous internal employee training regarding privacy and security concerns.

Third, companies engaged in behavioral advertising should provide clear, easy-to-understand notice to affected Internet users before using collected data, and ensure that opt-out procedures exist and are user-friendly. Many behavioral advertisers currently allow the user to "opt-out" of the program; however, Internet users may not readily know how to opt-out or it may seem overly burdensome to them. Go Daddy supports mandatory disclosure of the specific networks with which the site intends to share the consumer's information, and the use of prominent, understandable, easy-to-use opt-out procedures, consistent with the existing notice and choice framework.

Go Daddy Supports the Enactment of Federal Consumer Privacy Legislation That Would Preempt Conflicting State Law and Could Be Used to Work Toward International Harmonization

Although Go Daddy has successfully implemented self-regulatory privacy measures, as an interstate and global business we support the need for comprehensive federal privacy legislation that is generally consistent with other privacy laws around the world.

Currently, numerous state, federal and international laws and regulations impose a mixture of consumer privacy obligations on companies that collect information via the Internet. Stringent privacy and data protection laws passed in certain states, most recently Massachusetts and Nevada, purport to apply to all companies that collect personal information from residents of those states, regardless of the enacting state's general or

personal jurisdiction over the collecting entity. Thus, a sole proprietorship based in Arizona is "prohibited" from collecting personal information from even one Massachusetts resident unless the Arizona entity has ensured its compliance with the Massachusetts data security law. Similarly, U.S. businesses that collect the personal information of residents of other countries, most notably in the EU, are purportedly required to comply with the laws of those jurisdictions.

It is extremely difficult for private sector entities, particularly the small and medium-sized businesses which form a vast majority of online commerce, to sift through the morass of federal, state and international laws to determine which standards apply to them. The result is an uneven set of privacy protections for consumers and a stifling effect on interstate and international business. Go Daddy therefore supports the enactment of federal consumer privacy legislation, based on the notice and choice framework, which would create uniform U.S. privacy standards and could be used to work toward international harmonization.

Any proposed federal privacy legislation should require organizations to take reasonable steps to safeguard personal information, appropriate to the sensitivity of the information. We further believe that such legislation should apply to the collection of personal information both online and offline, in hard or soft copy. To avoid a continuation of the current state-by-state application of privacy laws in the U.S., we believe that any federal legislation should provide a baseline standard of protection that preempts any conflicting state or local law. Enforcement should be limited to experienced, competent consumer protection agencies, and penalties should be clearly defined.

Thank you for the opportunity to provide our perspective on these important issues. The practical application of proposed legislative and regulatory measures related to consumer privacy is critical to our business and to the businesses operated by our millions of customers.

Very truly yours,

GO DADDY.COM, INC.



Christine N. Jones
Executive Vice President, General
Counsel and Corporate Secretary

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