July 6, 2006

Ms. Fiona Alexander
Office of International Affairs
National Telecommunications and Information Administration
1401 Constitution Avenue, N.W.
Room 4701
Washington, DC 20230

Dear Ms. Alexander:

The Go Daddy Group, Inc. consists of three ICANN Accredited registrars including GoDaddy.com, the number one registrar in the World with over fourteen million domain names under management. The Go Daddy Group supports the continued transition of management of the Internet DNS to the private sector, and we appreciate this opportunity to respond to the questions you have raised regarding the progress of that transition to ICANN.

1. The DNS White Paper articulated principles (i.e., stability; competition; private, bottom-up coordination; and representation) necessary for guiding the transition to private sector management of the Internet DNS. Are these principles still relevant?

Yes, we believe those principles remain relevant, but our responses throughout this document will explain why we believe those principles have not yet been fully accomplished by ICANN, or have been completed too recently to say that the effort was successful.

Should additional principles be considered in light of: the advance in Internet technology; the expanded global reach of the Internet; the experience gained over the eight years since the Department of Commerce issued the DNS White Paper; and the international dialogue, including the discussions related to Internet governance at the United Nations World Summit on the Information Society (WSIS)?

Yes – openness, transparency, and accountability. These principles are touched upon in regards to certain specific core tasks within the MOU, but we believe they should be added as overall guiding principles for the effective transition of the Internet DNS management to the private sector. ICANN has been given responsibility for an important public trust that is to be executed through private, bottom-up coordination processes. To succeed, it is vital that all stakeholders:

- Have access to those processes;
- Fully understand the reasons for ICANN's decisions as a result of those processes;
- And have effective and unbiased recourse if they have reason to question those processes and decisions.

2. The DNS White Paper articulated a number of actions that should be taken in order for the U.S. Government to transition its Internet DNS technical coordination and management responsibilities to the private sector. These actions appear in the MOU as a series of core tasks and milestones. Has ICANN achieved sufficient progress in its tasks, as agreed in the MOU, for the transition to take place by September 30, 2006?

We believe some progress has been made, but not to the point where the USG should consider the transition complete. Regarding just two of the specific tasks set out in section II.C. of Amendment 6 of the MOU:

4. Continue to develop, to test, and to implement accountability mechanisms to address claims by members of the Internet community that they have been adversely affected by decisions in conflict with ICANN's by-laws, contractual obligations, or otherwise treated unfairly in the context of ICANN processes.

There are currently two accountability and review mechanisms defined in ICANN's bylaws:

- Reconsideration – This is basically the Board reviewing itself. The criteria the process calls for is restrictive and not useful for most instances where affected stakeholders question an action of the Board.
- Independent Review – This mechanism is entirely untested and has never been used.

We believe further independent review and evaluation of how these accountability mechanisms have worked, or will work, and the implementation of any adjustments recommended as a result, should be undertaken before any final transition is contemplated.

8. Continue the process of implementing new top level domains (TLDs), which process shall include consideration and evaluation of:

> *a. The potential impact of new TLDs on the Internet root server system and Internet stability;*
>
> *b. The creation and implementation of selection criteria for new and existing TLD registries, including public explanation of the process, selection criteria, and the rationale for selection decisions;*
>
> *c. Potential consumer benefits/costs associated with establishing a competitive environment for TLD registries; and,*

> *d. Recommendations from expert advisory panels, bodies, agencies, or organizations regarding economic, competition, trademark, and intellectual property issues.*

> *Define and implement a predictable strategy for selecting new TLDs using straightforward, transparent, and objective procedures that preserve the stability of the Internet (strategy development to be completed by September 30, 2004 and implementation to commence by December 31, 2004).*

A successful process for new gTLDs is an important element for introducing competition into the gTLD space. The trickle of new gTLDs we have seen so far has done little to change the market power that .COM has maintained since before the initial publication of the *DNS White Paper* in 1998.

The Policy Development Process that will ultimately recommend a process to fulfill the principles stated in task 8 above was initiated early December 2005. The current timeline calls for these recommendations to be presented to the Board at the end of this year, a best case scenario. It will be well in to 2007 before the evaluation of the success of any resultant process could even begin to be undertaken.

We believe it important not to complete the transition of the management of the Internet DNS until a successful and sustainable process for the introduction of new gTLD is firmly in place.

3. Are these core tasks and milestones still relevant to facilitate this transition and meet the goals outlined in the DNS White Paper and the U.S. Principles on the Internet's Domain Name and Addressing System? Should new or revised tasks/methods be considered in order for the transition to occur? And on what time frame and by what method should a transition occur?

We believe these core tasks and milestones are still relevant. We encourage the USG to consider ICANN's progress with each task carefully and consider these questions:

- In its efforts to complete these tasks has ICANN demonstrated a level of maturity within each that indicates it can operate independently without undue influence?
- For those tasks that have been completed, has sufficient time passed to make a fair evaluation of their success?

4. The DNS White Paper listed several key stakeholder groups whose meaningful participation is necessary for effective technical coordination and management of the Internet DNS. Are all of these groups involved effectively in the ICANN process? If not, how could their involvement be improved? Are there key stakeholder groups not listed in the DNS White Paper, such as those with expertise in the area of Internet

security or infrastructure technologies, that could provide valuable input into the technical coordination and management of the Internet DNS? If so, how could their involvement be facilitated?

AND

5. The DNS White Paper listed principles and mechanisms for technical coordination and management of the Internet DNS to encourage meaningful participation and representation of key stakeholders. ICANN, in conjunction with many of these key stakeholders, has created various supporting organizations and committees to facilitate stakeholder participation in ICANN processes. Is participation in these organizations meeting the needs of key stakeholders and the Internet community? Are there ways to improve or expand participation in these organizations and committees?

We believe more progress needs to be made toward the effective participation of the Governmental and At-Large Advisory Committees (GAC and ALAC respectively) within ICANN's processes. Recent announcements and work from both groups at the ICANN meeting in Marrakech, Morocco were encouraging, but there is much yet to do and time needed to test the results.

The GAC recently announced a commitment to more openness in its processes. And a review is being done on how the timelines for GAC input and advice can be extended, along with advance notice, for policy undertakings by the GNSO. These are positive steps and we look forward to seeing how they improve the effectiveness of the GAC's involvement with the GNSO's policy initiatives.

The ALAC is undertaking an endeavor to provide mechanisms for full participation of individual users, but it is yet to be seen if ICANN has or can provide meaningful mechanisms for participation that will encourage individual user involvement in its processes.

6. What methods and/or processes should be considered to encourage greater efficiency and responsiveness to governments and ccTLD managers in processing root management requests to address public policy and sovereignty concerns? Please keep in mind the need to preserve the security and stability of the Internet DNS and the goal of decision-making at the local level. Are there new technology tools available that could improve this process, such as automation of request processing?

Improving and automating request processing, and IANA root zone management in general, is long overdue. The recent announcement by ICANN of the licensing of the NASK e-IANA system is encouraging and a step in the right direction. We look forward to the testing of this new software sometime yet this year. Whether this fully addresses the needs of all parties relying on IANA is yet to be seen, but certainly cannot be fully determined by the end of September 2006.

7. Many public and private organizations have various roles and responsibilities related to the Internet DNS, and more broadly, to Internet governance. How can information exchange, collaboration and enhanced cooperation among these organizations be achieved as called for by the WSIS?

We agree that this is an important question, and one that should be answered prior to completing transition of management of the Internet DNS to the private sector. We believe this question is just now being addressed in the events leading up to the first meeting of the IGF, scheduled for October 2006 in Athens. Time will tell how this new Forum will exchange information with, collaborate with, or influence ICANN and its policy processes.

Sincerely,
Tim Ruiz
Vice President
Corporate Development and Policy Planning
Go Daddy Group, Inc.