

**SUMMARY OF REMARKS ON INTERNET TOP-LEVEL DOMAINS
TO THE COPA COMMISSION**

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- Top level domains (".com", ".gov" or ".uk") are important guideposts in the Internet and they help users navigate a medium that could otherwise be too complex
- In 1998, the Internet Corporation for Assigned Names and Numbers (ICANN) was created to, in part, address Internet administrative matters
- NSI has been supportive of the creation of new global TLD's and has encouraged ICANN to do so rapidly, but with due care and caution
- While all TLD's are technically equal signposts, they have evolved along fairly different lines: country code TLD's; global TLD's; and special TLD's
- This evolution has caused considerable controversy as precise definitions are developed and refined (e.g. the difference between "open" and "closed" TLD's)
- Nowhere has the controversy been greater than in proposals to create either new global TLD's, particularly if they are "open"
- Open, globally-accessible TLD's raise important trademark infringement issues, which have been the subject of study by WIPO and other since 1997
- Chartered, or closed TLD's tend to raise fewer trademark questions than they do enforcement questions
- Ultimately, the Internet is a global medium (over half of its users are non-American) and thus it must be administered globally or it will degenerate
- Finding globally-acceptable mechanisms to administer chartered TLD's has been a daunting task, partly because of national industrial policies
- Another major obstacle to the establishment of chartered TLD's has been cultural differences: people in different societies see things/terms differently
- For example, in order to illustrate how we thought a new chartered TLD might be organized quickly, we suggested the concept of a ".banc" TLD
- It did not take long to understand that, even with the use of a fairly loose term like "banc" (vs. the word "bank") there were many different perspectives globally
- It is in this context that we have examined the idea of creating a ".sex" or similar adult-oriented domain on a global scale

- We have no objection to the creation of an adult TLD, however it is clear that doing so internationally raises more issues than if it were done only for the U.S.
- This could be done under the ".US" TLD, which has not been very much exploited, and is the subject of a current Commerce Department review
- If an adult TLD were to be created on a global scale, it could be either open to anyone who wished to register in it or open only to certain registrants (i.e.closed)
- If it were open, then it would raise fewer issues of finding a common definition, although it might not be easy to find a commonly agreed upon word
- But any open TLD will raise important trademark infringement issues, whether it is for adults or not
- If it were closed (sometimes called "chartered") in the sense that only certain types of registrations would be permitted, then major administrative issues arise
- Who would define who may register and who may not? Who resolves disputes over compliance? Who should be the gatekeeper for such a TLD?
- Moreover, adult material is subject to extensive regulation in most countries and - depending on the definition used- is illegal in others
- Accordingly, it is likely that by simply registering in an adult TLD, a registrant would subject themselves to investigation (perhaps prosecution) in some countries
- At a minimum, there would be some temptation for some governments to require that adult material be posted only in an adult TLD
- Conversely, if a registrant whose site posted adult material failed to locate that site in an adult TLD, could they then be prosecuted for failing to give adequate notice of the adult nature of their site?
- These are complex questions that would take some time to sort out even if the TLD were for American only. Any global TLD would be more complex.
- In sum, we at NSI are supportive of the creation of new Internet TLD's and have urged rapid expansion with due care and caution
- We have no objection to the creation of an adult-oriented TLD, but recognize and ask others to recognize, that it raises complex international questions that will take some time to understand and address. These would be fewer if the TLD were only for Americans.
- We're happy to support the Commission in its further work in this area

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