



June 1, 2010

Via email: privacy-noi-2010@ntia.doc.gov

National Telecommunications and Information Administration
U.S. Department of Commerce
1401 Constitution Avenue, NW, Room 4725
Washington, DC 20230

Re: Network Solutions' Response to the Notice of Inquiry on Information Privacy and Innovation in the Internet Economy

Network Solutions, a leading provider of Internet-based services for small businesses, provides these comments to the Department of Commerce's ("Department") National Telecommunications and Information Administration ("NTIA") in response to the Notice of Inquiry on information privacy and innovation in the Internet economy.¹ Network Solutions supports efforts to foster the free flow of information online and the growth of a strong, secure Internet ecosystem. The Department should take steps to remove impediments to online commerce and ensure regulation does not hinder online innovation and the emergence of new product and services offerings.

Network Solutions has long supported the Department's mission and efforts to foster an open and free Internet. Network Solutions has frequently participated in the Department's efforts to promote and improve the coordination, security, and management of the Internet's Domain Name and Addressing System, and supported the Department's arrangement with the Internet Corporation for Assigned Names and Numbers ("ICANN"). We look forward to working with the Department as it explores ways to foster online innovation and commerce, and to continuing our relationship with the Department.

Further, we present our comments below in response to the Department's Inquiry:

I. The Department is appropriately engaged in a process to identify specific concerns.

The Department has initiated an appropriate process for identifying specific issues and concerns before developing any recommendations concerning privacy and data security frameworks. Network Solutions believes it is vital that specific issues be identified, analyzed, and publicly commented on before any recommendations are made. Such a process will insure that the scope of recommendations is not overly broad which will minimize unintended consequence on unrelated matters and business practices.

II. The Department should support industry self-regulation.

Network Solutions also recommends that the Department recognize the important role of self-regulation in addressing privacy concerns. Self-regulatory frameworks play a critical role in industry. These programs are designed to be flexible so that they may be applied across different sectors of industry and adapt to changes in the marketplace. In addition, self-regulatory programs are widely adopted by companies in all industries. These characteristics make such programs a valuable tool. We suggest that the Department acknowledge the role of self-regulatory frameworks and that these programs be made part of any recommendations.

¹ 75 Fed. Reg. 21226 (April 23, 2010).

The Department should avoid recommendations that would impose new burdens on businesses or unreasonable restrictions on how data may be collected, used, or transferred. The Internet has experienced explosive growth and continues to expand. This growth is fueled by online innovation and emergence of new business models that deliver products and services that consumer's desire. This has all been possible through market competition and the absence of broad and prescriptive regulation on Internet activity. Privacy and data security frameworks should appropriately address consumer privacy concerns while enabling the development of new and innovative products and services. This balance is particularly relevant to small businesses. The current framework permits small businesses to flourish and compete in the marketplace. Imposing onerous regulations on small businesses would serve as a barrier to entry, which would reduce competition and the availability of a rich offering of products and services.

The Department's recommendations should focus on removing obstacles to electronic data flow to foster economic growth and online innovation. Network Solutions understands that the Department must balance its goal of easing the flow of data while ensuring concerns related to privacy are being addressed. The current notice and choice framework appropriately balances these issues. This effort should not be used as a means to impose restrictions on the transfer, process, collection, or use of data. Imposing new obligations or burdens on companies, particularly small businesses, would have a negative impact on commerce and the availability of products and services.

The Department should not recommend imposing a one-size-fits-all privacy or security regime, and instead, promote standards that are flexible and able to be tailored to the particular company, activity, and the data involved. We believe it is important that a company have the ability to create and adopt standards appropriate for its size, nature of its operation, and information involved, and addresses the specific risk or concern faced by the individual company.

III. The Department should ensure that no recommendations impede or frustrate ICANN's mission.

Privacy is a global issue and global self-regulation prescribed by organizations such as ICANN is the best approach. The Department should ensure that any recommendation, concerning either domestic or international frameworks, does not impede or frustrate the purpose and mission of ICANN and its work in the domain name industry. As the Department is aware, it has had a unique relationship with ICANN from the inception of the organization through the recent Affirmation of Commitments. The Department should consider the impact any proposed recommendation may have on ICANN and its participating stakeholders including registrars and registries. Registrars and registries should not be held to more onerous obligations than their international counterparts, or be subject to requirements that conflict with their obligations currently owed to ICANN.

Thank you for considering our comments. We look forward to working with the Department of Commerce and NTIA as it considers these issues. Please contact me on 703-668-5515 or at shammock@networksolutions.com with any questions.

Sincerely,



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