

Will Public Policy Destroy or Nurture an Industry?

The Issues Facing A Global Unfettered Internet Industry

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AT&T SOLUTIONS

Domain Naming

Encryption

Security

Communication

Electronic Commerce

INTERNET

Information Provision

Marketing

Entertainment

Appropriate Content

Privacy

Censorship

Intellectual Property

Censorship



Malaysia



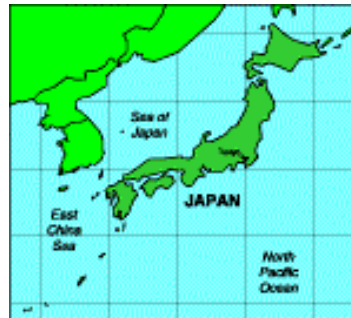
Philippines



Taiwan



Hong Kong



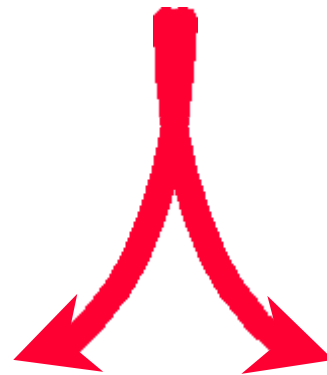
Japan

Censorship ... Who Cares?

- Controls counter-productive and don't work
- Criminal & other liability will stifle development

TRENDS

**Self interest
to protect industry**



**Government moves
toward individual
control**

Censorship

Recommended Position ...

- Industry Self Regulation
- End-user decision making/control
- State-of-the-art tools
 - Blocking/Filtering
 - “PICS”
- No ISP liability

Domain Naming

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- Sign up to Big Pond Home
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AT&T

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<http://www.kdd.co.jp>

What's New : Last updated April 1

[JAPANESE](#)

KDD

Japan's Global Communications

Worldwide Internet Services Provided by KDD Group



- [KDD America](#)
- [KDD Europe](#)
- [KDD Deutschland](#)
- [KDD Belgium](#)
- [KDD Nethall\(Brazil\)](#)
- [KDD TELECOMET Hong Kong](#)
- [KDD TELECOMET Singapore](#)

What's New

News Release

Company Profile

How to make a call

For Private Use

For Business Use

[Quality Motion](#)

KDD's low bitrate video player (FREE)

[JaMaPS](#)

Distributed digital mapping platform

Embassy Avenue

Document: Done

AT&T SOLUTIONS

Domain Naming

Transition to Commercial Environment requires Urgent Actions

NSI

NSF

IAHC

- Lack of “Globality”
- No Self-governance
- Name Collisions
- Exhaust Problems
- Trademark Issues
- Monopoly Control

CORE

gTLD's

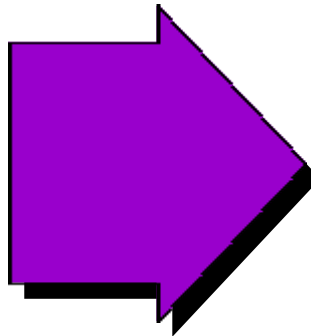
.int

Potential Authority Vacuum and Interim Operational Difficulties

Domain Naming

This issue highlights complex policy questions facing the Internet

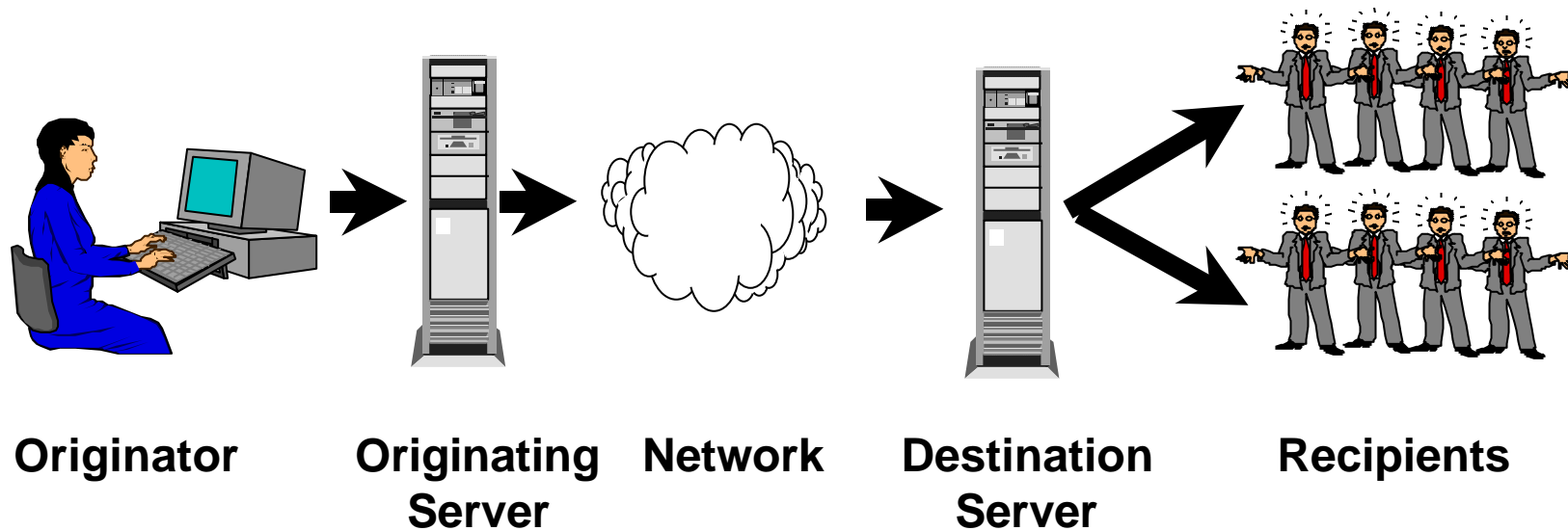
- **Who sets the rules?**
- **Who profit from domain naming?**



- **Governments?**
- **Commercial Sector?**
- **ISP?**
- **Multilateral Institutions?**

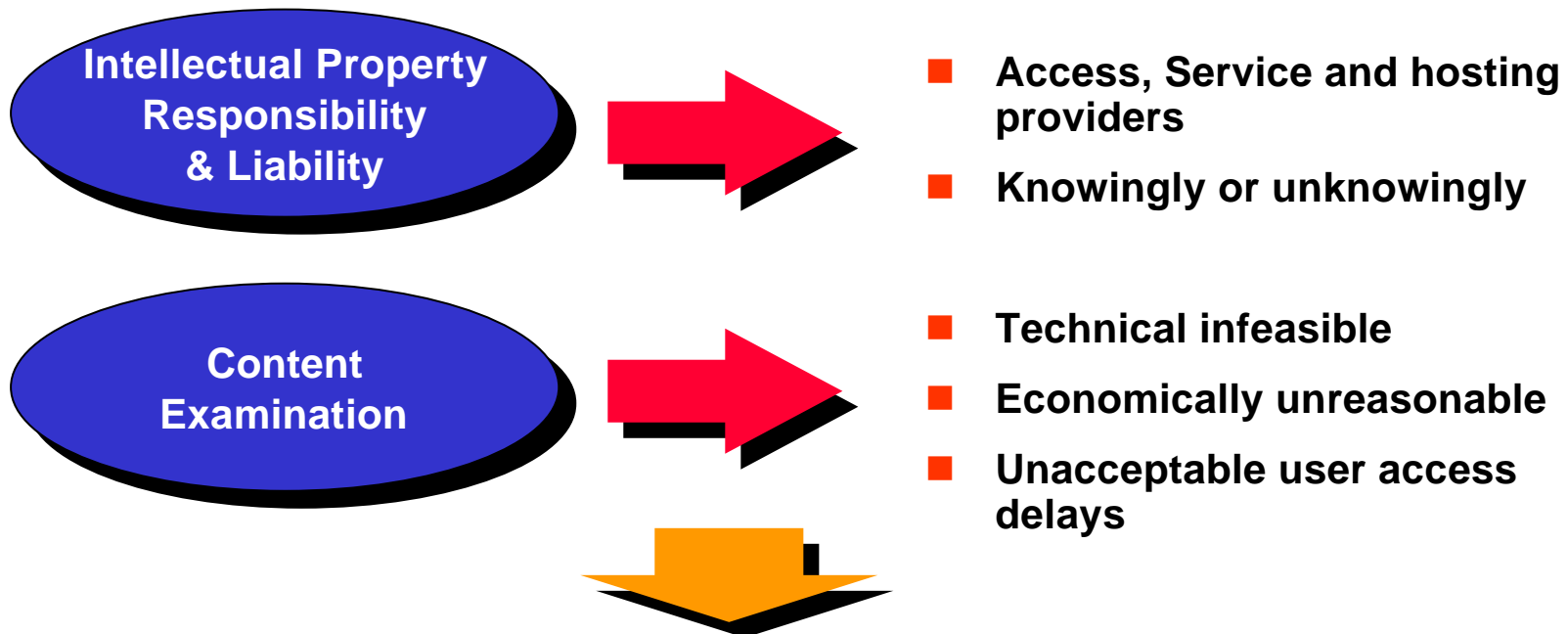
Intellectual Property

Copyright infringement can occur with or without industry consent



Intellectual Property

Proposed Legislation by Content Owners would be Onerous and Destructive



- If enacted, these controls could bring industry growth to a grinding halt

Intellectual Property

We recommend

- Legitimate protection of Intellectual Property is warranted
- However, “conduit” or hosting providers not liable
- Conditional responsibility for “offending” content
 - Proper notification
 - Failure to remove
 - No responsibility for ISP/Hosting services
- Industry and government consensus required
- Technology based safeguards preferable

Privacy

Information Privacy

An individual's claim to control the terms under which information is acquired, used and disclosed

■ "OLD" Generation



■ Transactional data only

■ "NEW" Generation



■ Transactional data

■ Subscription data

■ Surfing data

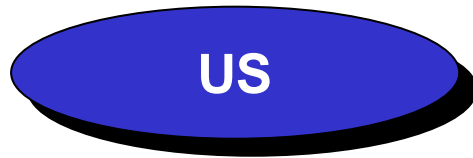
...And most users are unaware of what can be recorded/used about them

Privacy

There is a global trend towards privacy legislation



- Directive on privacy and data publication



- Telecom act restricting customer information

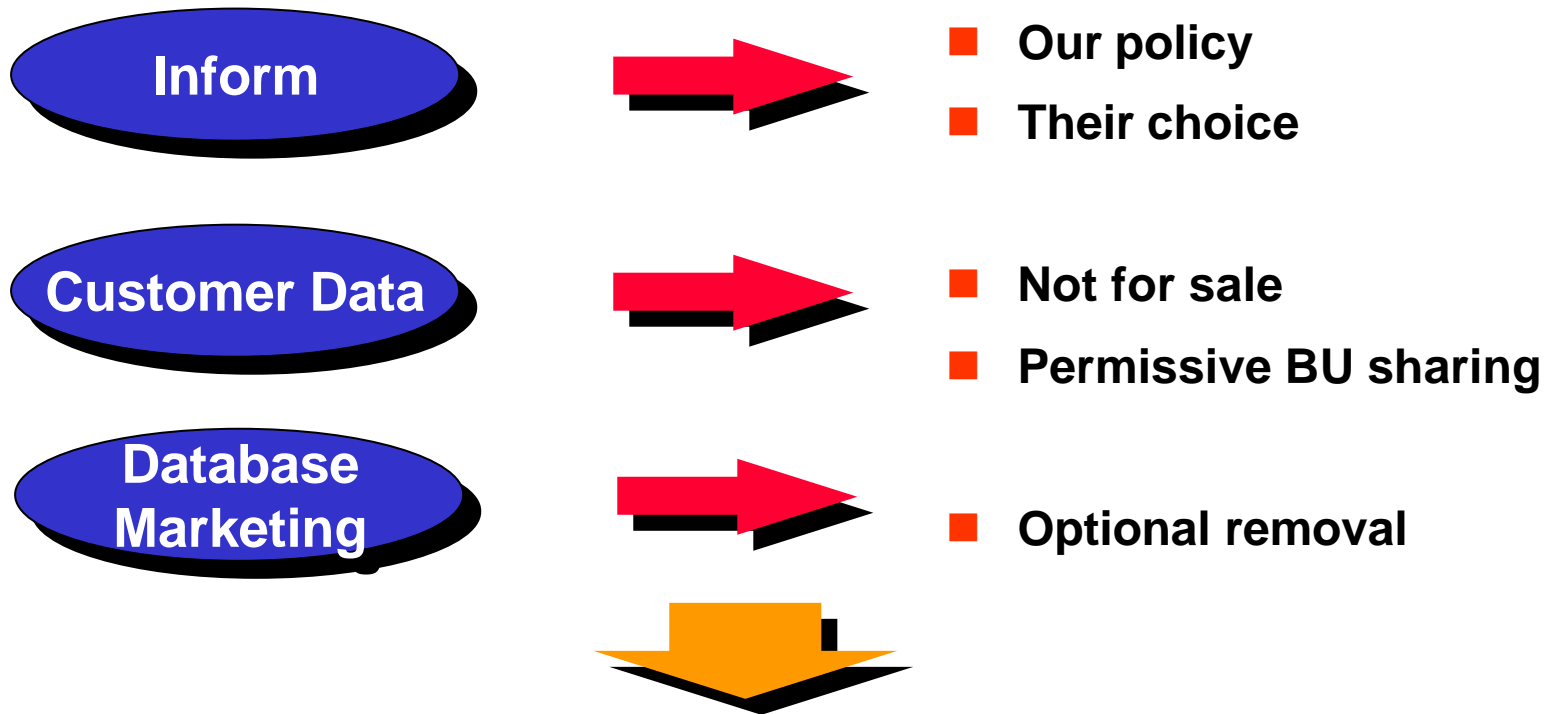


- Numerous legislative acts pending

Privacy

Opinion:

Voluntary measures are aimed at sustaining customer trust



... And we support a global agreement on privacy guidelines

Privacy

Addressing privacy concerns is a complex issue

- **Wide divergence in practices globally**
- **Global trend towards protection**
- **While competitive markets will help assure proper controls ...**
- **Some government controls may be required**



Harmonized set of global information principles will support industry growth

Security & Encryption

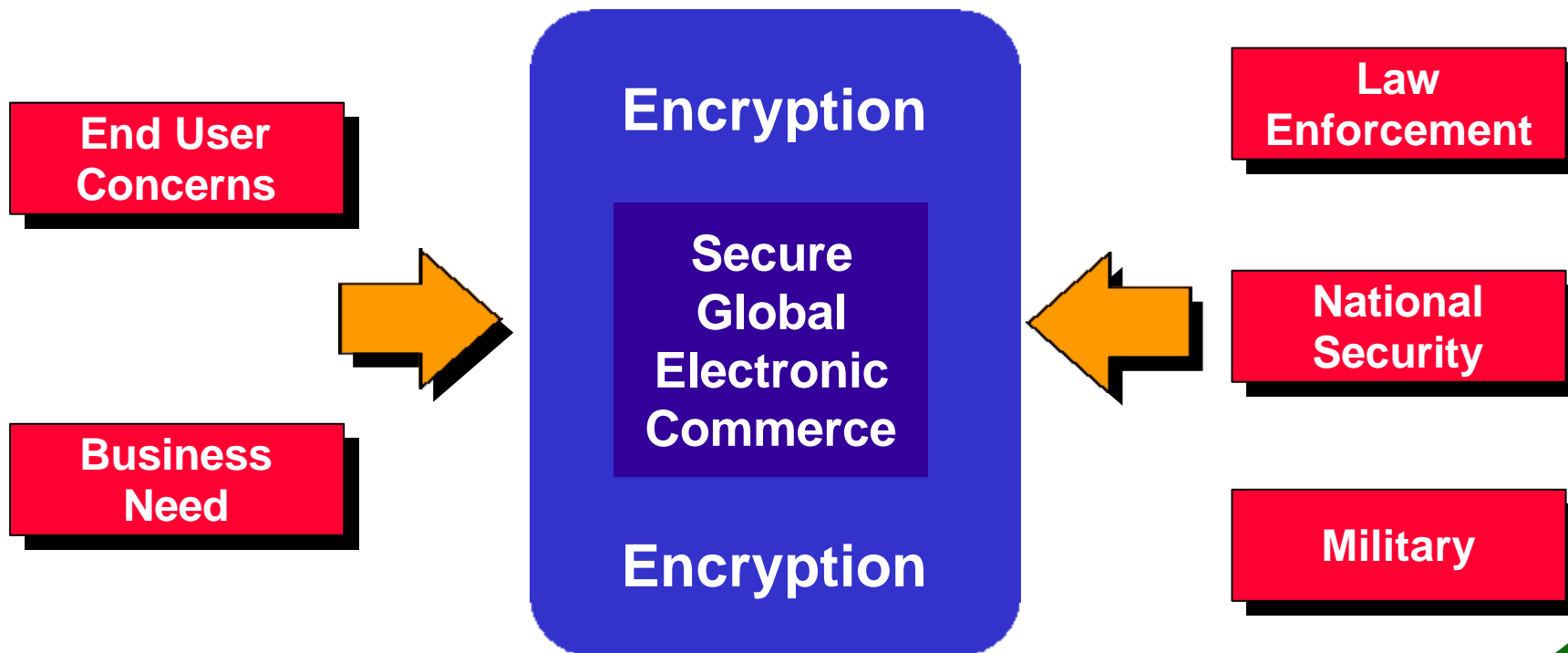


“It is when we all play safe that we create a world of the utmost insecurity”

Dag Hammarskjold

Security & Encryption

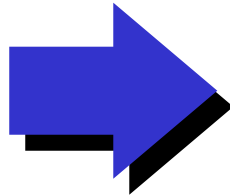
The debate over security & encryption policies involves multiple and often conflicting objectives



Security & Encryption

A global, industry led effort is required to address security issues

**Security
Policy
Elements**



- Strong commercial encryption technology
- Opposition to restrictions
- Discourage mandated key management
- Global policy harmonization
- Advocate & educate

Legal and Tax Issues

Legal frameworks and tax regulations developed generations ago do not reflect technical realities

Taxation

Tax Jurisdiction ?

“Intangible goods” Tax?

Tax Collection?

Tax Neutrality?

Legal Framework

Legal Jurisdiction ?

Contract Enforcement?

Libel & Consumer Protection?

Electronic Signatures?

Global harmonization & mutual recognition

... Policies need to reflect evolution from physical, geographic to electronic, geopolitical

Conclusion

- **Policy issues surrounding the Internet are compelling and complex**
- **Patchwork of ill-concerned laws and regulations will stifle innovation & development**
- **Policies need to be harmonized at a global level**
- **Industry must understand and lead development of coherent policies**