

# **Will Public Policy Destroy or Nurture an Industry?**

## **The Issues Facing A Global Unfettered Internet Industry**

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AT&T Solutions*

**AT&T SOLUTIONS**

Domain Naming

Encryption

Security

Communication

Electronic Commerce

# INTERNET

Information Provision

Marketing

Entertainment

Appropriate Content

Privacy

Censorship

Intellectual Property

# Censorship



Malaysia



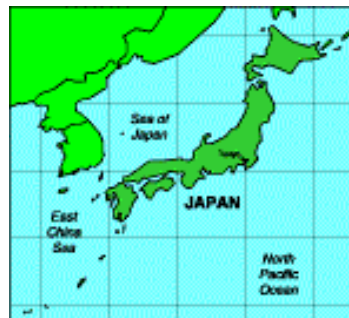
Philippines



Taiwan



Hong Kong



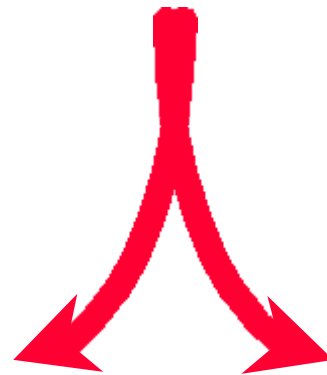
Japan

## 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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How to make a call

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[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**

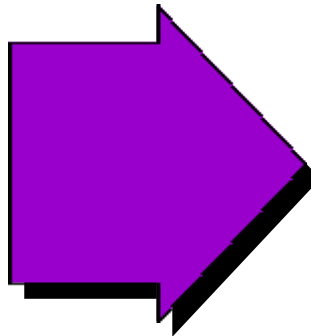
**.int**

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?**

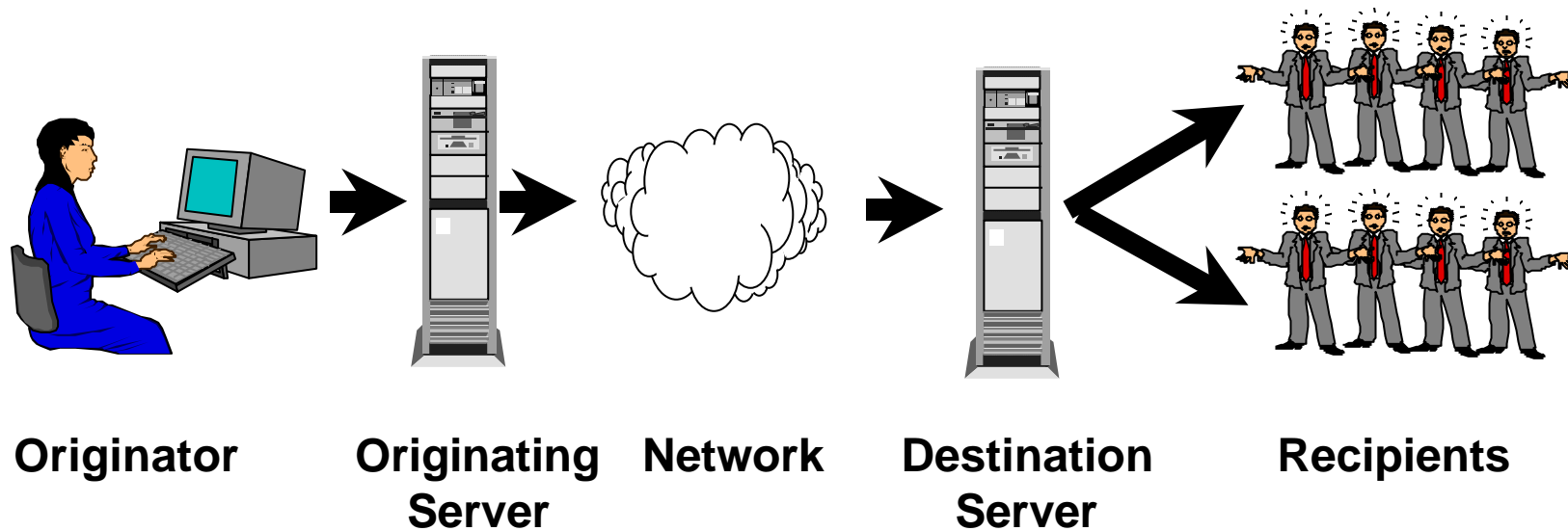


- **Governments?**
- **Commercial Sector?**
- **ISP?**
- **Multilateral Institutions?**



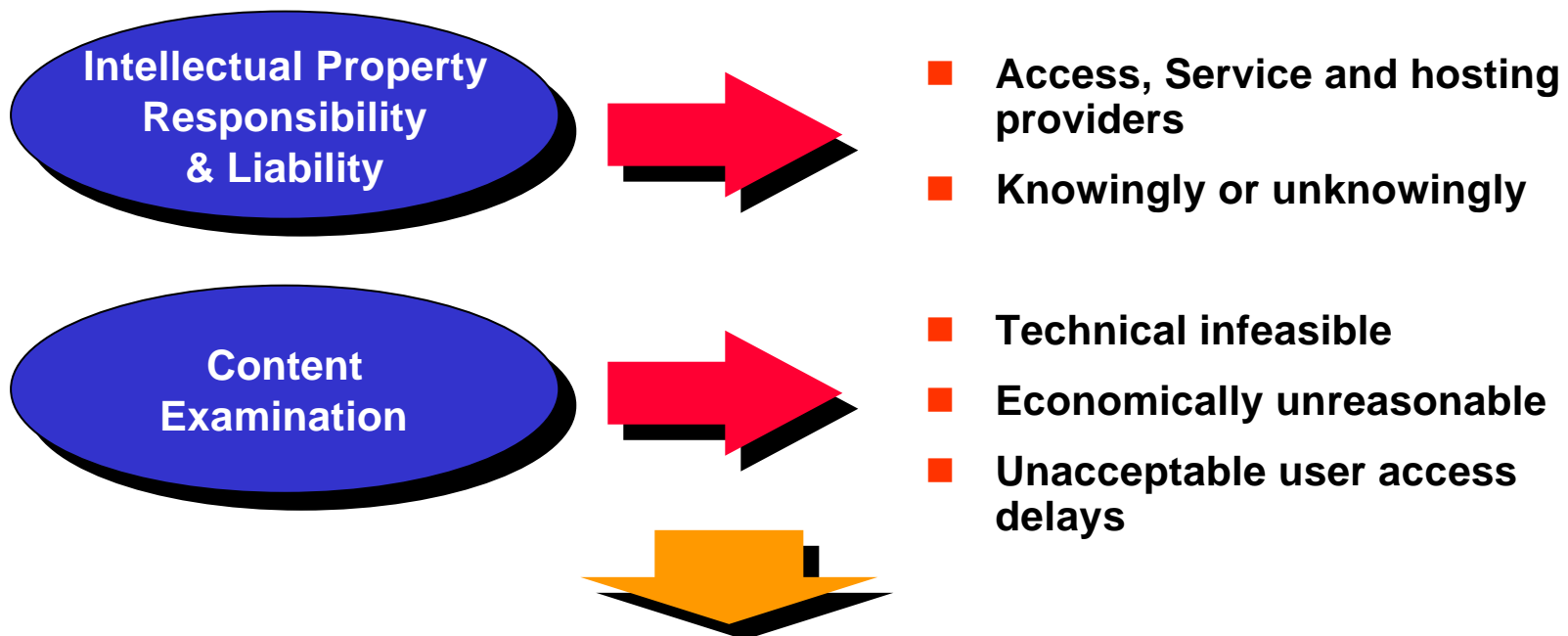
# Intellectual Property

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

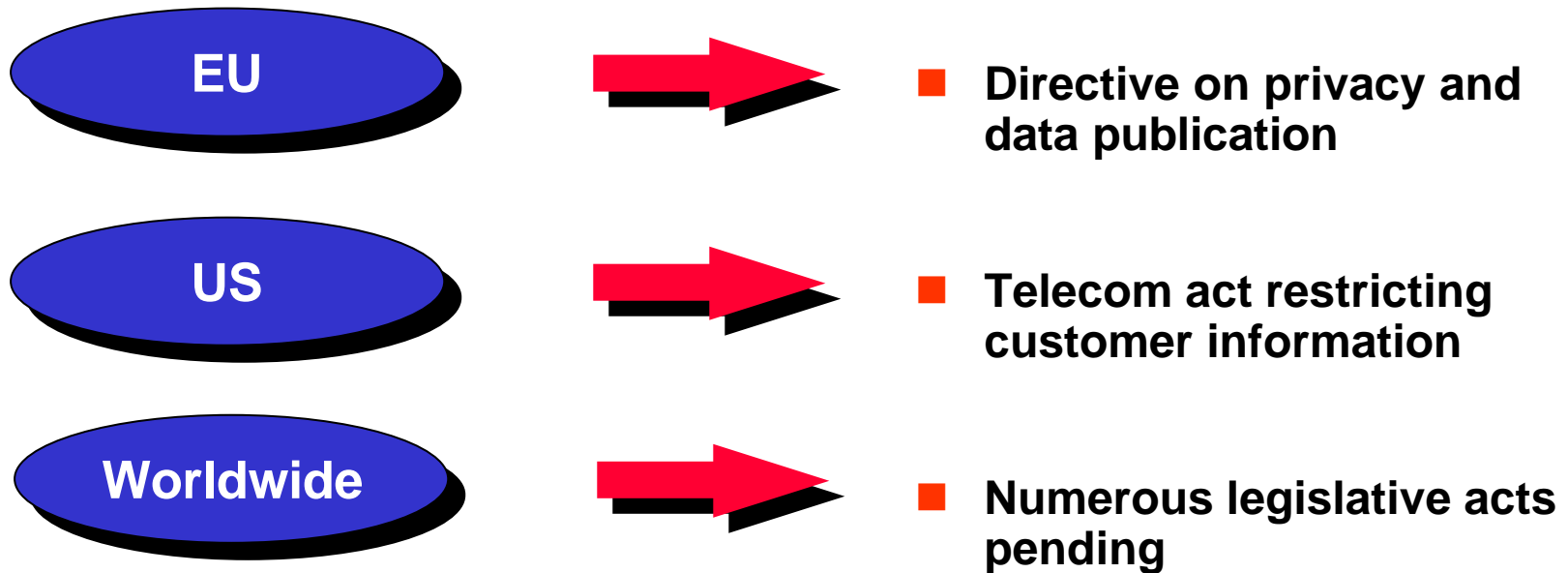


- Transactional data
- Subscription data
- Surfing data

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

# Privacy

There is a global trend towards privacy legislation



# Privacy

Opinion:

Voluntary measures are aimed at sustaining customer trust

Inform



- Our policy
- Their choice

Customer Data



- Not for sale
- Permissive BU sharing

Database Marketing



- Optional removal



... 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



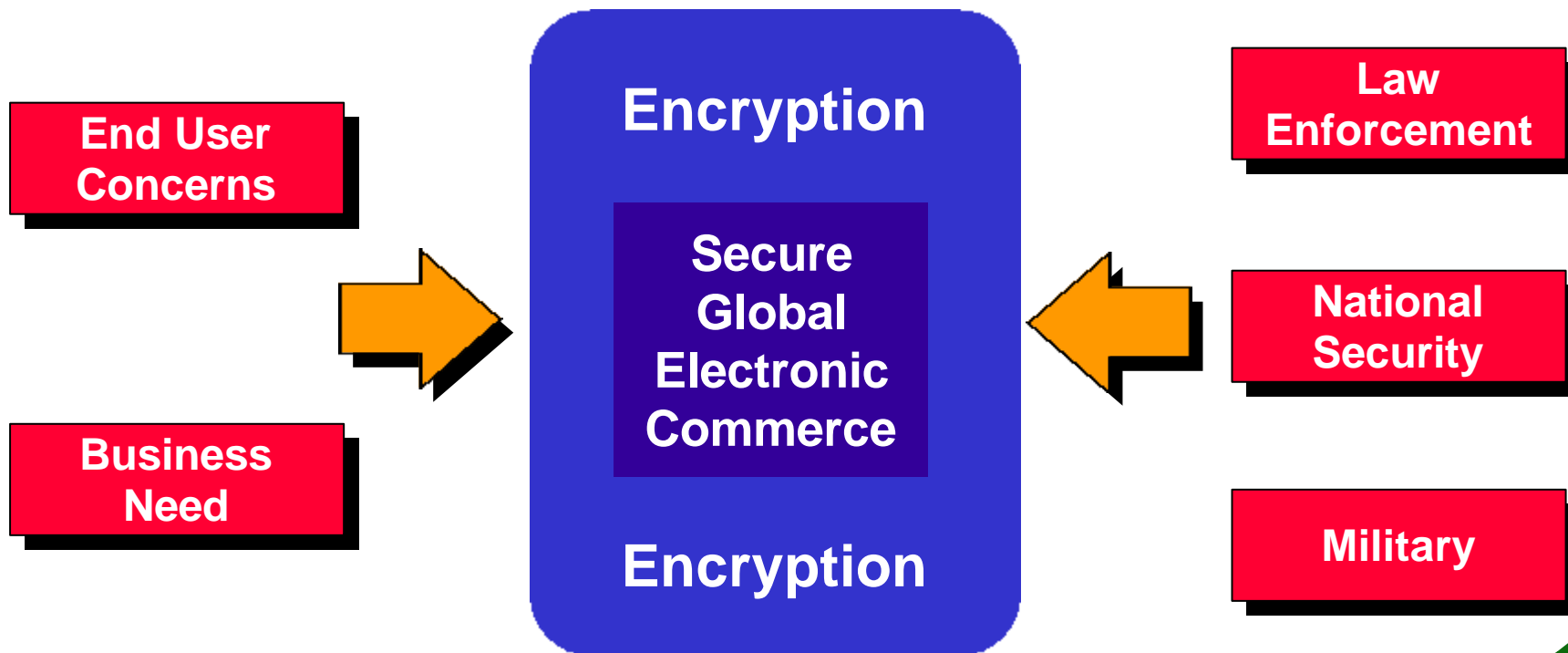
**“It is when we all play safe that we create a world of the utmost insecurity”**

**Dag Hammarskjold**



# Security & Encryption

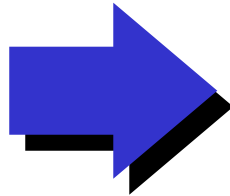
The debate over security & encryption policies involves multiple and often conflicting objectives



# 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**