212.979.0642

April 9, 2012

To: City Councilmember Rosie Mendez

Dear Rosie.

This is a matter of great urgency. The City of New York has engaged in a contract with a Virginia-based company, Neustar, to apply to the Internet Corporation for Assigned Names and Numbers (ICANN) to operate the .NYC Internet Top-Level Domain (TLD).

There are a number of reasons why outsourcing the .NYC domain in this way is not in the best interests of the City, nor of our community.

- A New York City-based company already has rights to the .NYC domain. The .NYC domain was originated 1996 and is owned and operated by my company, name.space, inc., which is based entirely in New York City. name.space created this domain, not ICANN. Neither Neustar nor ICANN have rights to this domain. This puts the City in direct conflict with our existing business operations.
- 2. **The City benefits more from name.space's operation of the domain.** The financial benefits reported by the contractor in the media (\$3 million per year) are far below the potential revenues that .NYC can yield if operated within our City and run truly in the interest of our City with a more creative, civic-oriented business model like the one **name.space** seeks to implement.
- 3. Exploitation of name.space's creation by ICANN and Neustar hurts name.space and the City. The potential revenues from .NYC are but a fraction of the total revenues that name.space would earn operating its established portfolio of hundreds of TLDs (potentially reaching \$1 billion per year or more), which again would inure to the City's benefit.
- 4. The City is inadvertently participating in this wrongful conduct. By participating in a contract with Neustar, the City is in effect endorsing the corrupt practices within the ICANN process which favors incumbent industry players and inside members of the ICANN organization, and discriminates against small businesses, startups, and community organizations by its high application fees and complicated application process.

I ask you as a concerned citizen, member of your district, affected small business and committed member of our community, to **urge the City Council to hold an emergency vote to withdraw the agreement that the City has made with the Virginia-based contractor.** Instead, the City should recognize **name.space**'s existing rights and support our ability to conduct business in the City of New York, while pursuing our mission to serve our community to bridge the digital divide, provide affordable broadband, and to bring digital literacy and skills to our citizens who need it the most. **name.space** originated and created this domain. It is just plain wrong to support these other companies as they step in and take advantage of **name.space's** innovation and hard work. Together, we can put the City where it belongs in the digital economy – at the core of innovation, creativity, employment, and community benefit.

Sincerely,

Paul Garrin founder, name.space http://namespace.us