March 20, 2012

ICANN
Attn: gTLD Program
4676 Admiralty Way
Suite 330
Marina del Rey, CA 90292-6601

To Whom It May Concern:

As Delaware’s Secretary of State, I administer the State’s company registry and am responsible for protecting the integrity of Delaware’s legal entity registration system. Nearly one million legal entities, such as corporations and limited liability companies, (LLC) are organized in the United States under the laws of the State of Delaware.

The State of Delaware is the legal domicile of 63% of Fortune 500 companies, 55% of the firms listed on the two major U.S. stock exchanges, and 80% of new initial public offerings in the United States. Delaware is also the legal home to many of America’s largest private-held and non-profit companies and hundreds of thousands of subsidiaries and affiliates of major companies around the world.

I understand that the Internet Corporation for Assigned Names and Numbers (“ICANN”) will be accepting applications for new generic Top Level Domain (gTLD) name extensions this year. I have been informed that at least one firm – DOT Registry LLC – and possibly several other firms, plan to apply for the strings “.INC”, “.CORN”, “.LLC” and other potentially related extensions that state registries define as “company endings”.

I join a chorus of federal and state officials who urge ICANN to proceed cautiously and deliberately in any approvals of new gTLDs. Delaware’s view is that the granting of such name extensions creates a number of public policy issues and concerns – not the least of which is increasing the potential for fraud and abuse. As such, it is absolutely critical that if ICANN determines to grant such name extensions, that it does so in a restricted manner that is intended to protect consumers and the community of interest that exists among validly registered U.S. companies and my fellow State secretaries of state and other State company registrars that are responsible for administering the nation’s legal entity registration system.
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I therefore request that ICANN reject any request for the unrestricted use of “.INC”, “.LLC”, “.LLP”, “.CORP”, “.BANK”, “.TRUST” or similar commonly used company endings in the United States. The State of Delaware will object to the granting of such strings without restrictions.

I further request that, at a minimum, any approval for company ending strings be restricted in such a way that reasonably assures that the legal entity is, in fact, an active and validly registered legal entity in the United States, as DOT Registry LLC has proposed within its application. Specifically, any firm awarded the responsibility of administering such strings should be required to confirm whether the legal entity is validly formed according to criteria and documentation established by the states, and be required to check annually at renewal that the entity remains validly registered and actively in good standing according to criteria and documentation established by the states. The restrictions should further require that the homepage of such websites provide a mechanism that provides for the disclosure of the jurisdiction in which the entity is legally domiciled or include a geographic tag within the website name.

In order to reduce the risk of fraudulent activity, Delaware law places additional restrictions on the use of words such as “bank” and “trust” that are commonly associated with financial institutions. I therefore urge ICANN to seriously consider comment letters that have been submitted by the American Bankers Association and others urging ICANN to reject or place very significant restrictions on applications for the use of name extensions such as “.BANK” and “.TRUST”.

If you have any questions, please contact me or Richard J. Geisenberger, Chief Deputy Secretary of State, at 302-739-4111. Thank you for your consideration of this request.

Sincerely,

Jeffrey W. Bullock
Secretary of State

cc: Richard J. Geisenberger, Chief Deputy Secretary of State
    Leslie Reynolds, Executive Director, National Association of Secretaries of State