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Today's News

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Global Business Presses for IGF Renewal As Nations, Regions Adopt its Model

The top priority for the Internet Governance Forum now is its own continuation, said Cisco Senior Director of Strategic Technology Policy Art Reilly in an interview Friday. The IGF, which holds its fifth meeting September 14-17 in Vilnius, Lithuania, has a five-year mandate which ends next year, and the International Chamber of Commerce, which Reilly represents there, wants it to carry on, he said. Other key issues are Internet resources, security/privacy and, for the first time, cloud computing, he said. Meanwhile, the IGF model is successfully spreading to the local and regional level, said Marilyn Cade, a longtime participant in ICANN and Internet governance activities.

The ICC created Business Action to Support the Information Society, a mechanism to enable the global business community to take part in the activities and processes arising from the World Summit on the Information Society, Reilly said. BASIS identifies issues likely to come up at IGF meetings, polls business sector views and represents its collective interests, he said. It also publishes position papers on key issues, he said.

Three major, and intertwined, topics are security, privacy and lawful interceptions of communications, Reilly said. The ICC has just updated its best practices and recommendations on a broad range of Internet and information and communication technologies issues, including a new section on legal interception, he said. The intercept recommendations came at the request of several developing countries who, as more Internet networks roll out, are becoming interested in the issues, he said. The business sector wants to ensure that any regulations enacted are clear, practical and don't impose unnecessary costs on communications services providers and consumers, he said.

Lawful interception is connected to privacy and security issues, Reilly said. Businesses are clearly concerned about cybercrime and other security issues but also about privacy, which affects consumer confidence and human rights, he said. Some privacy requirements can pose security

challenges, such as rules that ban interception or allow users to evade it through encryption, he said. There are special cases, however, such as child online protection, where privacy is more important, he said.

Emerging technologies such as cloud computing may raise new Internet governance issues but they should be handled within existing IGF structures, Reilly said. From a business standpoint, it's more appropriate to set up groups to examine new issues within the ongoing constellation of players than to create new mechanisms for each, he said. This year, cloud computing is the designated "emerging issues" theme. A workshop will look at its policy and technical aspects and begin to explore possible Internet governance considerations, the IGF said.

The IGF is likely to evolve over time, Reilly said. The business sector would like more participation by developing countries and there's already some effort to bring that about, he said. For the Vilnius meeting, Cisco has provided licenses for remote participation in meetings, he said.

One area that doesn't need change is the open forum IGF meetings provide for frank discussions, Reilly said. Some want the meetings to produce "output documents" — negotiated text — but the current process is more constructive, he said.

The effects of the IGF are being felt around the world, said Cade. "The growth and activities of the national and regional IGFs are a significant example of the positive impact of the IGF itself," she said.

The regional and national forums are drawing information and knowledge from the IGF, tailoring it to their national concerns, and then enhancing the IGF itself, creating a "virtuous circle," Cade said. But even more significant is the growing understanding at national level — across governments, civil society and business — about the IGF, she said. There are eight regional and 15 national IGFs already, including the U.S., and new initiatives are under discussion in India, New Zealand and Australia, the Pacific Islands and Canada, she said.

The Aug. 11-13 East Africa IGF focused on strengthening critical Internet resources in the region, said Alice Muniya of the Association for Progressive Communications. Issues included how to strengthen country-code top-level domains in the region, affordable broadband access, and cybercrime and cybersecurity, she said. Key challenges facing the region are how to make the EA-IGF relevant by ensuring it produces concrete results and regional certification for ICT training, she said. — *Dugie Standeford*

'Bellwether' Review, Chamber Says

Web Video 'Highly Unlikely' to Rival Pay-TV, Comcast and NBCU Say

The burgeoning market in online video is "highly unlikely" to become a full-fledged pay-TV competitor anytime in the "foreseeable future," Comcast, NBC Universal and NBCU parent General Electric told the FCC. Consumers and programmers alike see Web video as a complement to and not substitute for service from multichannel video programming distributors (MVPD), they said in the last round of comments on commission review

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of Comcast's planned purchase of control in NBC Universal. Union and telecom foes of the deal represented by ex-FCC Chairman Kevin Martin and companies including EarthLink disagreed with Comcast and NBC Universal in filings posted Friday to docket 10-56. They and direct broadcast satellite companies contend the rapid growth of online video, in some instances including over-the-top Web programming seen on TVs, is making it more of a competitor to cable.

"Technological, pricing-related, and rights-related" hurdles for video on the Internet make it unlikely the format will compete directly with pay-TV service, Comcast and NBC Universal said. "Even assuming that an online video distributor designed to replace traditional linear MVPD service were to emerge, any attempt to foreclose that distributor would be unprofitable for the joint venture" of the merging companies, they said. They made similar contentions in earlier FCC filings (WID May 6 p6), while over-the-top video providers and Comcast rivals believe Comcast-NBC Universal threatens online video competition.

"Given the substantial bandwidth requirements of online video distribution, any online distributor competitive with Comcast's MVPD service would be complementary to Comcast's" broadband operations, the merging companies said. "Given the highly competitive and open nature of the Internet, it would be impossible for the combined entity to 'foreclose' the distribution of independent content." The cable operator will follow the FCC's 2005 net neutrality principles, agreed to when Martin was chairman, regardless of what happens with the reclassification of broadband transport or net neutrality rule enactment, Comcast and NBC Universal said. "Indeed, the pendency of those proceedings underscores that issues involving ISP network management practices are not transaction specific and should be addressed on an industry-wide basis."

Comcast and NBC Universal "ignore" the growing threat the cable operator's business faces from online video programming distributors (OVPD) and the increasing chance that company will try to stanch competition, EarthLink said. "While Applicants are correct that there are challenges facing OVPDs, these hurdles are no more fundamental or unalterable than those of any new technology that disrupts a settled market. Indeed, the fact that multiple OVPDs have already made significant inroads into the market shows online video is not likely to remain solely a complement to traditional linear video." EarthLink is among companies seeking broadband conditions on Comcast-NBC Universal (WID June 23 p7).

The online implications of the deal are a major concern because the Internet is increasingly a necessary component to traditional TV platforms, said Dish Network. It said Comcast's views of the video market are defined by the traditional broadcast, cable and satellite platforms, whereas other companies are considering a present and future where online programming changes the video market. "Comcast does not address satisfactorily the risks to MVPD competition from foreclosing or hampering access to that crucial component," Dish said. The FCC should either reject the deal or adopt merger-specific conditions to prevent threats to video competition, the company said. "The proposed transaction constitutes a fundamental reordering of competition within the media landscape, one that should motivate the Commission to act decisively in order to maintain a vibrant and rapidly evolving marketplace."

The deal would let Comcast-NBC Universal "exploit" an online loophole "under which Comcast could migrate NBCU programming to the Internet or to mobile or on-demand platforms, where Comcast could then deny it to competitors or restrict access to consumers", said DirecTV. That could let Comcast supply NBC Universal content in HD or 3D while giving rivals only standard definition, make content available for itself before competitors or provide rivals with different length content that would allow for fewer ad opportunities, it said. The proposed public interest benefits Comcast claims, which include more Spanish-language programming and faster VoD, "either are already occurring without this transaction or would likely do so."

Rural telco groups that want the FCC to ban Comcast-NBCU from requiring MVPDs to buy a channel they don't want in order to get the rights to distribute one they do want, similar to curbs sought by the American Cable Association, also want conditions on Web video. The commission should forbid Comcast-NBC Universal from "any actions that impair the availability of online video content — whether the content is controlled by the Venture or by unaffiliated providers," said the Fair Access to Content & Telecommunications Coalition, National Telecommunications Cooperative Association and Western Telecommunications Alliance. "The withholding of online content, or the granting of access only under onerous or discriminatory terms, is a significant threat to the development of the online video market and to telcos seeking to compete with cable as MVPDs and/or" ISPs, the three groups said. Consumer acceptance of Web video as an alternative to pay-TV "flies in the face" of Comcast and NBC Universal's contention of a complementary market, they said.

Comcast-NBC Universal "would foreclose that evolution," said the Communications Workers of America. It's represented by Martin, along with the rural telco groups. The combined company could limit the ability of over-the-top (OTT) service providers to get a wide range of video programming, the CWA said. "Despite Applicants' assertions now that online video is a complement to cable television, both Comcast and NBC have argued that online video is a competitive offering," including in Comcast FCC filings on video competition, the union said. "A growing body of evidence demonstrates that OTT video is emerging and will continue to grow as a challenge to the current model of multi-channel distribution of programming." — *Jonathan Make, Tim Warren*

ITIC Talks Continue

Open Internet Strongly Urged at Free Press Gathering

The FCC needs to act to enact network neutrality rules, said Commissioners Michael Copps, Mignon Clyburn and Sen. Al Franken, D-Minn. At a community gathering sponsored by Free Press in Minneapolis late Thursday, they also criticized the Verizon-Google proposal and warned of the proposed Comcast-NBC Universal merger. Meanwhile, members of the Information Technology Industry Council met multiple times this week seeking a joint understanding of net neutrality, a spokeswoman confirmed Friday. The group represents companies like Microsoft and Cisco.

On putting on an event without net neutrality critics, Free Press President Josh Silver told us Friday the only opponents of net neutrality are "the largest ISPs, their proxies and the same free-marketers who cheered the deregulation of banks and offshore oil drilling industries." "While we believe in robust debate, we also know that the telecommunications industry is the second largest political machine in Washington," he said, citing the large resources used by critics to fight net neutrality. Every public discussion need not include the ISP's and their proxies who will do just about anything to protect their interests, he said.

Copps and Clyburn both endorsed FCC Chairman Julius Genachowski's proposal to reclassify broadband as a telecom service under Title II of the Telecom Act. "It's calling an apple an apple," Copps said. Copps and Clyburn also stressed the importance of net neutrality for all Internet products. It's not about regulating the content on the Internet, Clyburn emphasized. Franken, who recently has been active supporter of net neutrality, concurred: "I believe net neutrality is the First Amendment issue of our time."

Copps said some broadcasters, particularly those of the smaller, independent variety, do "an excellent job" serving the public interest and informing communities. But the FCC has made it "awfully difficult for such broadcasters to survive in the newly concentrated environment," he said. He slammed broadcasters for taking free spec-

trum in the interest of the public good and failing to live up to their promises. He also criticized the cable industry's programming and consumer bills. The FCC took the industry's word too quickly in both cases and it should stop doing so, he said.

"The Verizon-Google Gaggles wants to build a world of private Internets that would vastly diminish the centrality of the Internet that you and I know," Copps said. "Deal-making between big Internet players isn't policy-making for the common good," he said. "They want a tiered Internet. 'Managed services' is what they call this. 'Gated communities for the Affluent' is what I call them." "Any proposal that treats fixed and mobile broadband differently would be impossible for me to support," Clyburn declared, citing the increasing number of minorities accessing the Web from wireless devices.

"We can't let companies write the rules that we the people are supposed to follow. Because if that happens those rules will be written only to protect corporations," Franken said. He urged the FCC to oppose any efforts to undermine net neutrality and to impede the flow of information online. Franken also urged blocking the proposed Comcast-NBC merger, citing the negative evidence of the impact of media consolidation on the marketplace of ideas. "It is about nothing less than the future of all communications and democracy itself. ... As goes the Internet goes journalism, education, entertainment, community engagement, innovation and our economy," Silver said.

It's absolutely critical that Chairman Genachowski act before the mid-term election and "make good on President Obama's promise to the American people to preserve and protect net neutrality," Silver told us Friday. "If he fails to act immediately, he will betray the President, he will betray his own legacy at the FCC, and he will betray the American people," he said. Free Press plans to have up to two gatherings before the mid-term election, he said. — *Yu-Ting Wang*

Agencies

The FCC should be more precise in defining entities covered by proposed FCC cybersecurity efforts, said Qwest in a meeting last week with the Public Safety Bureau. Also, the carrier said historic regulatory approaches to network security and reliability may not work for the Internet protocol world, a late Thursday exparte filing said. Qwest backs public-private partnerships on cybersecurity, and federal agency coordination is needed, it added.

States

Congress should amend the Communications Decency Act so it no longer protects Craigslist and other online sites posting prostitution and human trafficking ads, said Massachusetts Attorney General Martha Coakley in a Thursday press statement. "At the present time, Craigslist and other 'providers and users of interactive computer services' are largely shielded from civil and criminal liability by Section 230 of the federal Communications Decency Act. This must change," said Coakley. The Massachusetts Attorney General's office plans hearings this fall on the public safety impact of the shield, Coakley said: "I believe we will learn from these hearings that Congress should take action, and amend this statute to eliminate this immunity protection." The Attorney General's office will also hold a statewide summit on victim assistance issues including human trafficking, she said.

International

U.K.-based Fasthosts launched an online storage solution that archives valuable business data, the company said in a press release. Fasthosts Secure Online Storage uses "a highly scalable cloud-based model to deliver easy-to-use, fast and highly secure storage on demand." It also uses secure sockets layer (SSL) standards to transfer data and features drive mapping, web browser access and file transfer protocol (FTP) access, Fasthosts said.

Industry Notes

Veeam Software launched a free version of its Veeam Reporter management tool for VMWare, the company said in a press release. "It offers the core functionality of the full version," including comprehensive data collection, multi-user support and Microsoft SQL Server back end.

MindBody, a cloud-based business management software provider, received a \$14 million investment from two venture capital firms, the company said in a press release. The investment was by Bessemer Venture Partners and Catalyst Investors. The company's software-as-a-service (SaaS) solution includes "web-based scheduling, e-commerce, integrated payment processing and reporting capabilities." The funds will be used to "accelerate the pace of our product development" and expand the company's global reach, MindBody said.

Disney Online reached 36 million unique visitors in July, breaking its prior high of 34 million unique visitors set in June 2009, The Walt Disney Company said Thursday. Unique visitors in July rose 16% from June, driven by increased traffic to Disney Games, Disney Channel and Disney Movies, the company said. Disney Online also hit a record 56.4 million video streams for kids age 6-14 and its share of the Web video viewing population grew to a new high of 14%, the company said. "The online environment sets a very competitive landscape, making record-breaking traffic numbers like these a tremendous achievement," said Disney Online Executive Vice President and Managing Director Paul Yanover.

Virgin Mobile India collaborated with GetJar to offer its customers more options in mobile applications, GetJar said in a press release. The alliance with GetJar, the world's largest independent apps store, will allow Virgin's customers to access "a wide gamut of applications ranging from games, education, social networking" and other popular applications.

Washington Internet Daily Calendar

- Aug. 22-24 Technology Policy Institute's Aspen Forum, St. Regis Hotel, Aspen, Colo. — 202-828-4405
- Aug. 24 Sen. Amy Klobuchar's broadband summit, featuring FCC Chairman Julius Genachowski, 10 a.m., University of Minnesota — 612-727-5233
- Aug. 25 Wireless Communications Association free webinar on 4G proliferation, 11 a.m. — www.wcai.com
- Aug. 25 USTelecom free webinar on what telecom carriers should know about Google Voice, 1 p.m. — webinars@ustelecomwebinars.org

- Sept. 12-16 Fiber-to-the-Home Conference, Venetian Hotel, Las Vegas — www.ftthconference.com
- Sept. 13-15 International Telecommunications Society European regional conference, Aalborg University, Copenhagen, Denmark — www.itscopenhagen2010.net
- Sept. 15 New York Institute of Technology cybersecurity conference, 8 a.m., NYIT Auditorium, 1871 Broadway, New York City — events@nyit.edu
- Sept. 19-27 SANS Network Security conference, Caesars Palace, Las Vegas — info@sans.org
- Sept. 20-21 Pennsylvania broadband summit, Radisson Penn Harris Hotel, Camp Hill, Pa. — <http://xrl.us/bhs3vf>
- Sept. 21-23 GridWise Alliance Global Forum, Reagan International Trade Center, Washington — www.gridwiseglobalforum.org
- Sept. 22 Copyright Alliance panel on innovation in the copyright community, 9 a.m., location to be determined. Trade show, noon, Room 106, Dirksen Building — www.copyrightalliance.org
- Sept. 23 FCC monthly meeting, 10:30 a.m., 445 12th St. SW, Washington
- Sept. 27 Online privacy panel co-sponsored by Technology Policy Institute, noon, 1101 K St. NW, Washington — events@technologypolicyinstitute.org
- Sept. 28-30 New America Foundation workshop on Broadband Act of 2011, 1899 L St., N.W., Suite 400, Washington — http://www.newamerica.net/events/2010/the_broadband_act_of_2011



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