

1 Jeffrey A. LeVee (State Bar No. 125863)
Emma Killick (State Bar No. 192469)
2 Courtney M. Schaberg (State Bar No. 193728)
Sean W. Jaquez (State Bar No. 223132)
3 JONES DAY
555 West Fifth Street, Suite 4600
4 Los Angeles, CA 90013-1025
Telephone: (213) 489-3939
5 Facsimile: (213) 243-2539

6 Joe Sims (admitted *pro hac vice*)
JONES DAY
7 51 Louisiana Avenue, N.W.
Washington, D.C. 20001-2113
8 Telephone: (202) 879-3939
Facsimile: (202) 626-1700

9 Attorneys for Defendant
10 INTERNET CORPORATION FOR
ASSIGNED NAMES AND NUMBERS
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12 UNITED STATES DISTRICT COURT
13 CENTRAL DISTRICT OF CALIFORNIA

14
15 VERISIGN, INC., a Delaware
corporation,

16 Plaintiff,

17 v.

18 INTERNET CORPORATION FOR
19 ASSIGNED NAMES AND NUMBERS, a
California corporation; DOES 1-50,

20 Defendants.
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Case No. 04 CV 1292 AHM (CTx)

**DECLARATION OF JOHN O.
JEFFREY IN SUPPORT OF
DEFENDANT INTERNET
CORPORATION FOR
ASSIGNED NAMES AND
NUMBERS' SPECIAL
MOTION TO STRIKE
VERISIGN'S SECOND, THIRD,
FOURTH, FIFTH, AND SIXTH
CLAIMS AS STRATEGIC
LAWSUITS AGAINST PUBLIC
PARTICIPATION (C.C.P.
§ 425.16)**

Date: May 17, 2004
Time: 10:00 a.m.
Courtroom of the
Honorable A. Howard Matz

1 I, John O. Jeffrey, declare:

2 1. I am an attorney admitted to the State Bar of California, and I am
3 General Counsel and Secretary of defendant Internet Corporation for Assigned
4 Names and Numbers ("ICANN"). I have personal knowledge of the matters set
5 forth herein and am competent to testify to those matters. I make this declaration in
6 support of ICANN's Motion to Strike VeriSign's Second, Third, Fourth, Fifth, and
7 Sixth Claims as Strategic Lawsuits Against Public Participation (C.C.P. § 425.16).

8 2. This motion concerns VeriSign's allegations that ICANN's statements
9 have interfered with VeriSign's ability to take certain actions with respect to the
10 .com registry of the Internet. VeriSign operates the .com registry pursuant to a
11 contract it entered with ICANN in May 2001. In order to understand VeriSign's
12 contract with ICANN for operation of the .com registry, it is helpful to understand
13 the manner in which the Internet's domain name system works.

14 **The Internet**

15 3. The Internet is a vast network of interconnected computers and
16 computer networks. Every computer connected directly to the Internet has a unique
17 number. These numbers, which are known as Internet Protocol ("IP") addresses,
18 are necessary for computers to communicate with each other over the Internet. An
19 example of an IP address might be: 98.27.241.30.

20 4. Because IP addresses can be cumbersome and difficult for Internet
21 users to remember or to use, the IP address system has been overlaid with a more
22 user-friendly system of "domain names," which associates a unique alpha-numeric
23 character string with a specific IP address.

24 5. Internet domain names consist of a string of "labels" separated by
25 periods. Top level domains, or "TLDs," are the labels found to the right of the last
26 period and include (among others) the domains ".com," ".gov," ".net" and ".biz,"
27 which are sometimes referred to as "generic" TLDs (known as "gTLDs"), and
28 domains designating countries or other geographic areas such as .us, .fr, and .uk,

1 referred to as “country code” TLDs (known as “ccTLDs”). There are
2 approximately 250 different top level domains, including both gTLDs and ccTLDs,
3 administered and operated by numerous different entities, both inside and outside of
4 the United States.

5 6. The Internet is accessible by tens of millions of users throughout the
6 world. According to the Internet Systems Consortium, VeriSign's .com registry
7 accounts for approximately 45% of all the Internet domain names registered in the
8 world. A true and correct copy of the article "Distribution by Top-Level Domain
9 Name by Name, Jan. 2004," is located on the Internet at
10 <http://www.isc.org/index.pl?/ops/ds/reports/2004-01/dist-by-num.php>, and is
11 attached hereto as Exhibit 1.

12 ICANN

13 7. ICANN is a not-for-profit corporation that was organized under
14 California law in 1998. ICANN's mission "is to coordinate, at the overall level, the
15 global Internet's systems of unique identifiers, and in particular to ensure the stable
16 and secure operation of the Internet's unique identifier systems." Bylaws, Art. 1,
17 § 1. A true and correct copy of ICANN's Bylaws is attached as Exhibit B to
18 ICANN's RJN.

19 8. In November 1998, the United States Department of Commerce
20 (“DOC”) entered into a Memorandum of Understanding (“MOU”) with ICANN.
21 The MOU granted ICANN responsibility for, among other things, the technical
22 management of the domain name system. True and correct copies of the MOU, and
23 its amendment 6, are attached as Exhibits C and D to ICANN's RJN. ICANN
24 continues to operate today pursuant to the MOU, as amended, which provides the
25 context for most of ICANN’s activities. The DOC, however, retains ultimate
26 approval over many of these activities, as explained in the MOU.

27 9. To fulfill its mission, ICANN seeks to develop consensus wherever
28 possible, and it pursues that goal through public debate, public comment, open

1 meetings, and regular website updates regarding its activities. Thus, the bulk of
2 ICANN's activity, including "announcements" and "demands" of the nature alleged
3 in VeriSign's complaint, occurs either on the Internet or in meetings open to the
4 public. For example, ICANN's quarterly Board meetings are open to the public. It
5 maintains open and transparent processes, and regularly posts on the Internet its
6 minutes, transcripts of its meetings, and other important information and
7 correspondence. ICANN's website is located at <http://www.icann.org>.

8 10. One of ICANN's functions has been to enter into contracts with the
9 operators of various Internet "registries." These companies maintain the "zone" or
10 "master" file for the "top level domains" of the Internet. TLD registries are, in
11 some senses, similar to phone books in that the registry operators maintain a list
12 (and a variety of other relevant information) about each of the domains within the
13 TLD. ICANN presently has contracts with a number of registry operators.
14 VeriSign operates the registry for the .com and .net TLDs pursuant to the most
15 recent registry agreements between VeriSign and ICANN, which were entered into
16 in May 2001 (the "Registry Agreements"). Those contracts, approved by the U.S.
17 Department of Commerce, specify the manner in which VeriSign will operate these
18 registries. A true and correct copy of the .com Registry Agreement is attached as
19 Exhibit E to ICANN's Request for Judicial Notice ("RJN") filed in connection with
20 ICANN's motion to dismiss dated April 5, 2004.

21 11. On or about September 15, 2003, VeriSign implemented a "wildcard"
22 in the .com zone as part of a new feature it referred to as "Site Finder." VeriSign
23 provided no notice to ICANN or to the public that it would be adding the wildcard
24 to the .com registry. On October 3, 2003, Paul Twomey, ICANN's president, sent
25 VeriSign a letter, stating that the introduction of the wildcard violated the .com
26 Registry Agreement with ICANN, that VeriSign must suspend the change, and that
27 failure to suspend would cause ICANN to enforce its contractual rights under that
28 agreement. Had VeriSign not elected to suspend the wildcard, I do not believe that

1 ICANN would have had any alternative for pursuing its contract rights other than to
2 follow the dispute resolution procedures under the Registry Agreement, which
3 ICANN was seriously and in good faith contemplating. A copy of the October 3
4 Letter is attached as Exhibit F to ICANN's RJN.

5 12. In response to ICANN's October 3 Letter, VeriSign removed the
6 wildcard.

7 I declare under penalty of perjury that the foregoing is true and correct. This
8 declaration was signed on April 12, 2004, at Marina del Rey, California.

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John O. Jeffrey