J.W. Ring (Oregon State Bar #85430) Preston Gates & Ellis LLP 222 SW Columbia Street 1 **Suite 1400** Portland, OR 97201-6632 3 Telephone: (503) 228-3200 Facsimile: (503) 248-9085 4 Kathleen O. Peterson (SBN 124791) Aaron M. McKown (SBN 208781) Preston Gates & Ellis LLP 5 1900 Main Street, Suite 600 Irvine, CA 92614 7 Telephone: (949) 253-0900 Facsimile: (949) 253-0902 8 Attorneys for Plaintiffs 9 DOTSTER, INC., a Washington corporation, GO DADDY SOFTWARE, 10 INC., an Arizona corporation, and eNOM, Incorporated, a 11 Nevada corporation 12 13 UNITED STATES DISTRICT COURT 14 CENTRAL DISTRICT OF CALIFORNIA 15 16 DOTSTER, INC., a Washington corporation, GO DADDY SOFTWARE, 17 Case No. CV03-5045 JFW (MANx) INC., an Arizona corporation, and eNOM, Incorporated, a 18 SECOND DECLARATION OF 19 Nevada corporation, CLINT PAGE IN SUPPORT OF PLAINTIFFS' MOTION FOR Plaintiffs, 20 PRELIMINARY INJUNCTION 21 INTERNET CORPORATION FOR October 6, 2003 1:30 p.m. Date: **ASSIGNED NAMES AND** 22 Time: NUMBERS, a California corporation, Ctrm: 16 Judge: John F. Walter 23 Defendant. 24 25 26 27 28

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I am the president and a stockholder of Plaintiff Dotster, Inc. ("Dotster"). I make this declaration of my actual knowledge, and after a review of documents maintained by Dotster in the normal course of business and a review of documents on file in this case or publicly available. If called as a witness I could testify to each of the following facts:

- 1. Dotster is one of approximately 50 domain name registrars ("Registrars") that compete to re-register domain names ("Domains") that expire or otherwise are deleted by the VeriSign Global Registry Services ("VeriSign"), a division of VeriSign, Inc. VeriSign operates the .COM and .NET registry (the "Registry").
- 2. In June, 2001 Dotster developed certain technology and processes to register expiring Domains and began marketing the service to potential domain registrants under the name "NameWinner". NameWinner operates on an auction model. Dotster was the first company to offer an auction service in the expired domain market, and one of the first to promote expiring Domains to consumers. The business was built on the demand we received by listening to our customers' desires to find "good" Domains. Most people found it difficult to find a good domain name because the consensus was that all the best names were already registered. We invested a significant amount of time and financial resources to bring the capability to customers.

## Implementation of WLS Will Devastate Dotster's Business.

3. Customers will be more likely to use the proposed Wait List Service ("WLS") than NameWinner because WLS will be offered at the Registry level. By offering to pre-sell Domains even before they expire, VeriSign offers a service that cannot be provided by Dotster. Dotster can only sell Domains upon expiration using NameWinner. WLS creates a single, first-come, first-served model that preempts the competitive process that currently exists. If the proposed WLS is implemented,

instead of simply deleting the name from the Registry as part of the Batch Delete process, VeriSign will first check to determine whether a WLS subscription has been purchased for the domain name.

- 4. Dotster is currently regarded as a leading company in the expiring Domain market due to the success of its NameWinner technology, and without the significant value provided by Dotster's NameWinner, Dotster's reputation will be harmed significantly.
- 5. Implementation of the proposed WLS will effectively destroy Dotster's NameWinner business. Valuable deleted Domains will not longer be available through bids using NameWinner because these Domains will likely be reserved through WLS subscriptions.
- 6. Implementation of the proposed WLS will significantly damage Dotster's domain name registration business. Dotster will lose the business that it otherwise would have received from registering Domains of NameWinner customers that secure the right to an expired domain name through NameWinner.

## Dotster Attempted to Engage ICANN in Dialogue Regarding WLS.

- 7. Dotster and other Internet stakeholders attempted to discuss their concerns with ICANN. For example, prior to the ICANN Board's approval of the WLS proposal, Dotster participated heavily in what Dotster thought would be an agreement with ICANN because the WLS proposal would directly impact the allocation of registered Domains.
- 8. In January 2002, when Registrars voted as the "Registrar Constituency," Dotster voted against the proposal to implement WLS as did <u>all</u> other Registrars that took a position on the matter.
- 9. Dotster participated in the Domain Names Supporting Organization Task Force (the "Task Force") that examined the WLS proposal. The information and opinions the Task Force received from ICANN indicated that ICANN believed that

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the Task Force needed to establish a consensus policy. Ultimately the Task Force reached a consensus that the WLS proposal should not be implemented, but ICANN then ignored the Task Force consensus recommendation and ICANN's Board approved a resolution authorizing ICANN's President and General Counsel to negotiate with VeriSign to establish WLS.

- 10. Dotster has made ongoing efforts to work within the ICANN established review procedures that are part of our Registrar Accreditation Agreement. For example, after the ICANN Board approved a resolution authorizing negotiations with VeriSign to establish WLS, I directed my legal counsel to submit a Request for Review under the ICANN's Independent Review Policy, and Dotster's request for review was submitted on September 9, 2002. A copy of the request for independent review is attached hereto as Exhibit 1, and is incorporated herein by reference.

  According to Sections 2.3.4 and 4.3.2 of Dotster's Registrar Accreditation Agreement, Dotster is to use the Independent Review Policy to request an independent review of ICANN's actions in situations where Dotster will be adversely affected by implementation of "ICANN standards, policies, procedures or practices". However, ICANN has not established the required Independent Review, even though it was required by Dotster's Registrar Accreditation Agreement with ICANN and by ICANN's then-current Bylaws.
- directed my legal counsel to submit a Reconsideration Request to again request that ICANN reconsider the Board's August 23, 2002 decision. The request was submitted to ICANN on September 12, 2002, and was timely filed in accordance with the thenapplicable Reconsideration Policy. A copy of the Reconsideration Request is attached hereto as Exhibit 2, and is incorporated herein by reference. ICANN did not respond to Dotster's Reconsideration Request until May 20, 2003! When ICANN did respond, ICANN recommended that no action be taken on Dotster's request. Dotster's

attempts to engage in a constructive discourse regarding Dotster's ongoing concerns related to the WLS have been repeatedly rejected by ICANN. I also feel misled by VeriSign's statements that load issues are driving the implementation of WLS, as the declaration of Benjamin Turner seems to state.

(See Turner Decl. ¶¶ 23, 24, 35-37). According to VeriSign's Responses to Domain Name Wait List Service Questions, dated February 15, 2001, page 6 and 7, "In August 2001, VGRS did implement rate-limiting technology. Since that implementation, VGRS has been able to manage registry load . . . . Second, registry load is no longer an issue. The multiple pools and rate limiting technology have solved that problem." (emphasis added). A copy of VeriSign's Responses to Domain Name Wait List Service Questions is attached hereto as Exhibit 3, and is incorporated herein by reference. VeriSign, in that same document stated that "... the registry load problems are solved . . . Registry load should not be a criterion for determining the proper course of action regarding deleted domain name registrations." Id. For VeriSign to argue that the load problems are threatening the stability of the Internet is misleading.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct, and that this declaration was executed on September 5, 2003 at Vancouver, Washington.

Lint Parox

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