



September 6, 2006

The Honorable Olympia J. Snowe
United States Senate
154 Russell Senate Office Building
Washington, DC 20510

Dear Senator Snowe:

We are writing to follow up on our August 23rd letter sent to you in your capacity as a member of the Senate Committee on Commerce, Science, and Transportation; and to commend you for the position you have taken on network neutrality as Chair of the Senate Small Business and Entrepreneurship Committee.

Members of the Distributed Computing Industry Association (DCIA), which have increased from two to eighty entrepreneurial companies in three years, will be severely harmed if planned discriminatory actions by major Internet Service Providers (ISPs) are permitted to proceed.

We strongly support your view that large ISPs should be prohibited from charging small websites and other Internet-based firms for faster delivery of their data.

Current anti-neutrality threats from these wealthy special interests are not only very real, but also have the potential to cripple consumer use of the Internet, which was developed by ARPA with taxpayer funding.

Asymmetric network services, as proposed by the ISPs, would end the ability of citizens to host their own web servers, e-mail servers, and other productivity-improving applications. In effect, such a regime would oppress individual Internet users, sharply curtailing the freedoms they currently enjoy on an even playing field with all other Internet users, including large corporations.

As one example of the kind of alternative our Members now offer the online marketplace, we would like to highlight the new Global File Registry (GFR), developed by DCIA Member Altnet, which is in the process of being introduced to federal and state officials in a series of meetings that began last week.

Attached is more information about GFR and the emerging distributed computing industry.

The United States was a country formed by the people and for the people, and the Internet, which in many ways represents a modern-day technological manifestation of this nation's democratizing principles, is now in jeopardy of being stolen from the people. We urge you and your Senate colleagues not to cave-in to pressure from special interest groups on this important issue.

We will contact your office shortly to discuss this matter in greater detail. Thank you for your continuing support of our developing industry.

Respectfully,

Martin C. Lafferty
CEO, DCIA

CC: Senate Small Business and Entrepreneurship Committee
The Honorable Christopher S. Bond
The Honorable Conrad Burns
The Honorable George Allen
The Honorable Norm Coleman
The Honorable John Thune
The Honorable Johnny Isakson
The Honorable David Vitter
The Honorable Michael Enzi
The Honorable John Cornyn
The Honorable John F. Kerry
The Honorable Carl Levin
The Honorable Tom Harkin
The Honorable Joseph I. Lieberman
The Honorable Mary Landrieu
The Honorable Maria Cantwell
The Honorable Evan Bayh
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Global File Registry (GFR)

GFR, developed by Altnet, one of eighty Members of the Distributed Computing Industry Association (DCIA), represents just one example of solutions, related to network-neutrality issues, being brought to the online marketplace by DCIA Members and other participants in the rapidly emerging distributed computing industry.

Such solutions directly address claims made by major ISPs that they need to impose discriminatory pricing regimes, which would be severely harmful, not only to small entrepreneurial Internet-based businesses, but also to consumers at large. GFR eliminates the argument that ISPs need to charge more for data delivery to recoup costs for increased bandwidth utilization by broadband customers.

DCIA P2P Media Summit (P2PMS) participant CacheLogic noted that peer-to-peer (P2P) file-sharing has increased to as much as two-thirds (65%) of download traffic and three-quarters (75%) of upload traffic on the Internet in recent years.

Research firms retained by major entertainment industry trade organizations have estimated that as much as nine-tenths (90%) of this traffic currently is comprised of copyright-infringing content.

GFR is a solution that will reduce such infringement to low single digits, thereby regaining the vast majority of bandwidth for future growth of legitimate services. With GFR deployed, there would be no need for major ISPs to impose discriminatory charges.

GFR has as its core a centralized database that contains the unique identifiers of millions of unauthorized content files collated on behalf of multiple rights holders.

Each content provider receives a secure authenticated login to the GFR database enabling it to track, take-down, and substitute authorized files of its copyrighted works on search engines, torrent sites, high-traffic portals, websites, and peer-to-peer (P2P) networks.

GFR neither invades user privacy nor impacts efficient delivery of authorized files and files of content that is not registered. It focuses totally on eliminating the transfer of illicit material, which also dramatically improves bandwidth utilization.

In short, GFR eliminates a key argument used by the ISPs in support of their proposed discriminatory practices.

Small entrepreneurial P2P companies themselves now comprise a rich spectrum of implementations: from supporting open networks to managing closed systems, from operating with proprietary protocols to working with multiple protocols, from offering primarily free user-generated content to providing ad-supported or subscription or paid download or hybrid access to catalogs and libraries of licensed content.

Major established P2P brands are at various stages of transitioning to entertainment industry sanctioned business models, and more recent entries now also compete for user acceptance and market share with their own named P2P offerings or as white-label service providers.

The key missing participants in what is already the most widely used medium for digital content redistribution continue to be the ISPs. The time is now right for ISPs to engage with content rights holders, P2P software developers and distributors, and solutions providers to define their roles, responsibilities, and remuneration for helping to complete what promises to be the most productive and efficient distribution channel in history.

The DCIA encourages Congress to support this approach, which we strongly believe will lead to a better Internet for all. We will be glad to provide more information and live demonstrations of GFR and other solutions developed by DCIA Members and other industry participants in support of the many benefits of maintaining network neutrality.