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Technology: 4 tips to managing Internet governance risks

Internet governance developments have reached a tipping point

BY R. SHAWN GUNNARSON
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A basic point of my earlier posts is that Internet governance presents business risks. But what can counsel do to manage them?

This post offers a few suggestions. It summarizes the regulatory environment and suggests how Internet governance can be added as an element of strategic planning for any business—but especially for those businesses whose reliance on the Internet is profound, and whose risk from changed Internet policies is high.

Regulatory Environment

- ICANN is the Internet's unseen regulator. Its unique global authority allows it to set the terms by which access to the Internet is available.

- ICANN's policies can disrupt business plans. Its decisions to allow for new generic Top Level Domains (gTLDs), such as .Canon and .NYC, and to allow for a TLD dedicated to adult content (.XXX) are two recent examples.

- ICANN's policy-making is intensely active. Proposals, counter-proposals and modifications are happening all the time. The intensity of this activity means that anything less than total currency is inadequate to be aware of salient risks, much less to safeguard an organization from them.

Internet governance occurs in an unusually challenging regulatory environment. Managing the resulting risks suggest the need to incorporate Internet governance into an organization's strategic planning.

Incorporating Internet Governance

- Sound strategy begins with a fundamental understanding of the institutions and relationships that drive Internet policy. They have a unique history and legal framework that drive and constrain available policy choices.

- Determine how your organization relies on the Internet. What Internet policies does it depend on? Do you know the exact points where your organization is at greatest risk? Does a proposed policy offer previously unconsidered opportunities?

- Keep informed of what ICANN policies are being considered and be prepared to advocate for or against them

- Incorporate the analysis of Internet governance-related risks and opportunities into the organization's strategic plan. Clearly map out how they relate to the other risks and opportunities that confront your organization.

Managing the risks of Internet governance requires an awareness, in short, that they may impact every kind of organization relying on the Internet and the time to respond is now.

Internet governance is no longer the special concern of the information and communications technology sector (ICT). A recent study by McKinsey Global Institute finds that 75 percent of the economic growth attributable to the Internet comes from companies not directly associated with ICT. Internet governance has entered the mainstream of management issues that must be understood and mastered for an organization to effectively pursue its goals.

Developments in Internet governance have reached a tipping point. For a business whose reliance on the Internet runs deep, it is no longer prudent to stand by waiting for conflicted policy issues to be sorted out by others. Just as it would be ill-advised to operate a chemical plant without understanding the demands of the EPA and engaging the notice-and-comment process when a proposed rule will affect business operations, a similar forward-looking approach is necessary when it comes to Internet governance, and to ICANN.

About the Author

R. Shawn Gunnarson

R. Shawn Gunnarson is a shareholder and business attorney specializing in information technology with Kirton McConkie. He can be reached at (801) 328-3600 or sgunnarson@kmclaw.com

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