

Business

What's in a name? Try \$50 a year

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Shakespeare wrote that a rose by any other name would smell as sweet. Of course, Shakespeare didn't have to pay up to \$50 a year to use his name. But on the Internet, where a company's "domain" name can be one of the most important assets it has, a minor stink was raised last week when the agency that keeps track of domain names announced it would begin charging fees for them.

Amid the debate, a little-known fact surfaced about the Internet that exploded the myth that it is a totally free society: US taxpayers have been subsidizing the cost of registering Internet addresses for everyone from giant corporations like IBM to billionaires like Bill Gates.

"It's time for the Internet to move from taxpayer subsidies to user fees," said the Internet's NetworkInformation Center, or InterNIC, the registry that keeps track of Internet names. Until now, the National Science Foundation has footed the cost of domain name registrations through a cooperative agreement with Network Solutions, Inc.

The move by InterNIC may have been overdue. The debate over the legal use and ownership of domain names has been brewing for years, spilling into the courts with contentious battles between companies and speculators who had co-opted their names.

Domain names are the calling cards of Cyberspace. Some companies, like

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■ DOMAIN

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International Business Machines and Hewlett-Packard, use just their initials as their domain name, yielding the catchy ibm.com and hp.com. Citibank, on the other hand, uses its entire name, for the prestigious-sounding citibank.com.

The "COM" at the end of these names stands for the word commercial. Schools and other educational organizations have names ending in EDU (i.e. MIT.EDU, BU.EDU and HARVARD.EDU); GOV is reserved for US. government agencies, ORG for nonprofits, and NET for companies that provide Internet service.

For the Internet's first 25 years, domain names were handed out for free on a first-come, first-serve basis. Any individual or corporation could have whatever name they wanted, and there were no limits imposed.

That's how Chase Research Inc., of Nashville, Tenn., got dibs on cha-

se.com, much to the chagrin of Chase Manhattan Corp. John Markoff, a business reporter for the New York Times, commandeered nyt.com for his own private use, leaving the newspaper with the much less snappy nytimes.com. And Joshua Quittner, a writer for Wired Magazine, absconded with mcdonalds.com.

This year, however, with the Internet's explosive growth and sudden commercialization, there have been some significant changes in the 411 of cyberspace.

The first came earlier this year, when Network Solutions Inc., the company that runs the InterNIC, was named as a co-defendant in a trademark infringement lawsuit. InterNIC had registered the name knowledgenet.com to a computer consultant who wanted to set up a forum for exchanging technical information. Neither professed to know there was a company named KnowledgeNet in Palatine, IL — until KnowledgeNet tried to register

its name as a domain and found that it had already been taken.

"KnowledgeNet said 'that's our name and we want it,'" said Gordon Cook, who publishes the Cook Report on the Internet, a newsletter that follows the network. When Network Solutions denied KnowledgeNet's request, "KnowledgeNet came back and got their lawyers and took NSI to court," said Cook.

Today most of these sorts of problems are over: KnowledgeNet.com is firmly in the hands of KnowledgeNet, Inc., and mcdonalds.com is registered to McDonalds Corp.

The second shoe dropped last week, when InterNIC announced that domain names would no longer be free. Instead, there will now be a \$100 registration fee, which purchases use of the name for two years. After that, each additional year can be purchased for \$50, payable in advance.

Existing domain name holders will be required to renew their

names once a year for an annual fee of \$50. The fee of a direct Internet connection can range anywhere from \$600 to \$10,000 or more.

The \$50 yearly charge must be paid equally by individual consultants wishing their own domain name, and by mega-companies like Microsoft, which place all of their computers into the single microsoft.com. Nevertheless, most Internet policy makers fought against fees that were based on a company's size or usage of the net, arguing that this would give firms such as Microsoft, Sun and HP undue influence in the future development of Internet standards.

The registration fees will be used to fund InterNIC and to support the continued development of Internet standards.

Surprisingly, few local Internet access providers object that they will now be paying for what had been a free service. "Given the rapid growth of the Internet, we are not

surprised at the InterNIC's decision," says Mike Newman, marketing director for Internet Access Co. "I believe the fees will help InterNIC in the long run to administer their services more effectively."

Indeed, in recent months there has been a backlog of more than 10,000 companies, organizations and individuals waiting to have their domain names registered or have the information in the InterNIC's database updated.

One of the reasons, suspects JR Oldroyd, president of Terranet, another local service provider, is that some companies have obtained many different domain names for essentially the same computers. For example, in recent months Oscar Mayer has registered the names oscar-mayer.com, oscar-mayer.com, wiener.com, wienermobile.com and hotdog.com. But even Oldroyd's cus-

tomers have engaged in the practice.

"In recent months we have noticed an increase in the number of customers requesting multiple domains," says Oldroyd. "Multiple domain requests add administrative overhead to our names server maintenance folk. This can be frustrating since we frequently see domains being registered and then being left unused. Perhaps the NIC's charging policy will reduce the load all around."

While charging for domain names is big news for companies and organizations directly on the Internet, the charges won't be applied to most Internet users. Companies like America Online and Prodigy need just a single domain name to allow their users to get e-mail at the domains aol.com or prodigy.com. Split more than a million ways, \$50 isn't much.

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