

## Your Dot ORG Domain May Soon Cost More

12.04.19 | Linda J. Rosenthal, JD



As if there isn't enough already for nonprofit organizations to juggle and worry over this holiday season as the biggest fundraising period draws to a close.

Now, there's word that the annual cost of your all-important internet "dot ORG domain" name may soon skyrocket – perhaps dramatically.

Why? There's a drama currently unfolding involving three nonprofits that are part of the "Internet ecosystem" created by pioneering scientists and engineers in the 1990s and early 2000s. These brilliant trailblazers – along with their U.S. government and university sponsors – recognized the need to create order in the vast primordial soup of lightning-speed progress in this exciting new technology. You may have heard of one or more of these important 501(c)(3) organizations: [The Internet Society \(ISOC\)](#), [Internet Corporation for Assigned Names and Numbers \(ICANN\)](#), and [Public Interest Registry \(PIR\)](#).

More to the point, though, the problem is with certain highly placed insiders who appear to have been dazzled by dollar signs; hundreds of millions of them – or possibly billions. And, in hindsight, the impressive independent boards dropped the ball on oversight. There were weak conflict-of-interest rules in place – or none at all – and unheeded warnings along the way over the years. Can anything be done? Perhaps.

### *Dot ORG Domains: What's Up?*

In [Dot Org Registry Sold to an Investment Firm](#) (November 21, 2019), Roger Montti of *Search Engine Journal* sets the stage with an easy-to-read explanation of how in the world the nonprofit organization created to manage and protect the registration system for the dot ORG domains and keep prices low was "sold" to a dummy for-profit "investment firm" newly created and controlled by wayward insiders. He includes a helpful flow-chart showing how these individuals concocted and carried out their audacious self-dealing scheme.

In [Private Equity Is Going to Ruin the .Org Domain System and Screw Nonprofits](#) (November 19, 2019) and in [Internet world despairs as non-profit .org sold for \\$\\$\\$\\$ to private equity firm, price caps axed](#) (November 20, 2019), the reporters flesh out more details of this massive con. They also discuss the conflict-of-interest issues and list the many unanswered questions about this shady deal.

In a nutshell, the insider intrigues culminated in two key events this year, the most recent in mid-November 2019. Combined, these transactions may, indeed, “screw nonprofits” in a big way.

In June, ICANN inexplicably – and over massive opposition by the internet community as well as organized philanthropy – lifted the long-standing cap on the prices for dot ORG domains.

In November, PIR – created and controlled by ISOC in 2002 to manage the Dot ORG domain registry – was sold to a newly formed for-profit “investment firm,” Ethos Corporation. Part of the deal is that PIR will (somehow) shed its nonprofit status.

Along the way, there are at least two other for-profit entities – Abry Partners and Donuts Internet Registry – that figure in this tale, along with at least five or so insiders who jump back and forth between the nonprofits and the for-profits.

#### *Action on Dot ORG Domain Danger*

For the record, the internet community joins the global philanthropy sector in outrage over these shenanigans. The headlines (above) demonstrate the anger and resolve to reverse these actions as does an earlier one: [Internet industry freaks out over proposed unlimited price hikes on .org domain names](#) (April 26, 2019).

The sale is not set to close until the first quarter of 2020. All indications show that this disastrous deal will be forcefully opposed within and beyond the internet community.

The [National Council of Nonprofits](#) (NCN) posted a call-to-arms in its December 2, 2019 issue of its newsletter, *Advocacy Matters*. “The proposed sale would put the rights to more than 10 million domains in the hands of venture capitalists, who – without the longstanding cost controls in place to protect nonprofits – could take more than \$750 million dollars from nonprofit missions. The conversion of the .org registry to for-profit control raises the specter of corporate interests shutting down websites that do what nonprofits do: speak truth to power.”

NCN has sent a new letter – it had spearheaded earlier nonprofit sector efforts opposing the lifting of the price cap – to The Internet Society. There are already 11,000 signatures. “Decisions affecting .org must be made with the consultation of the nonprofit community, overseen by a trusted leader.” In

that letter, NCN and the other signatories make clear that if The Internet Society is not up to this job, it should be replaced.

*Conclusion*

It's been suggested that a way that nonprofits may protect themselves in anticipation of an expected sharp jump in prices next year is to quickly move to renew their dot ORG domains for the maximum allowable period which may be as long as ten years.