

November 15, 2011

Commentary on S.968, the Preventing Real Online Threats to Economic Creativity and Theft of Intellectual Property Act of 2011; and H.R.3261, the Stop Online Piracy Act.

The Anti-Phishing Working Group (APWG.org) is an industry association focused on eliminating identity theft and fraud on the Internet. The APWG has over 1,500 member companies and agencies representing financial institutions, security companies, ISPs, e-commerce companies and law enforcement agencies.

Since 2003, the APWG and its members have been fighting fraud, theft and impersonation on the Internet, which has cost US companies billions of dollars in direct and indirect financial losses.

As an industry group of over 1,500 companies, we support the rights of copyright holders to protect their works. However, in our examination, the PROTECT IP bill in the Senate, and it's House counterpart, the "Stop Online Piracy Act," propose technological regulations that would not only impede security on the Internet, but that would potentially result in new kinds of financial fraud against consumers and businesses in the United States.

Requiring U.S.-based DNS providers to re-route the Internet traffic of consumers of infringing content will have the unintended consequences of driving consumers to non-U.S.-based DNS providers. These providers can easily reroute requests to online banking and e-commerce sites to criminal websites located outside of the United States. This will create a new cyber crime fraud economy that will threaten e-commerce and banking in the United States. Additionally, the proposed technical measures requiring DNS providers to reroute traffic will break the improved Internet security measures that the Department of Homeland Security has been working towards for many years (DNS-SEC), in conjunction with the Internet and Security industries.

Therefore the APWG Board of Directors and Steering Committee expresses our disagreement with the proposed PROTECT IP bill and the Stop Online Piracy Act.

Again, we support the rights of copyright holders, but we believe that this proposed legislation will create technological problems on the Internet that will result in new kinds of cyber crime and a reduction in the security of the Internet. We recommend that this bill not be approved, and that a more carefully considered approach be taken that will consider the after-effects of such legislation. It is in the best interests of everyone in the United States that we protect the security not only of our copyrighted materials, but also of our banking and e-commerce systems.

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