

To: The Department of Commerce Internet Policy Task Force
From: The Coalition Against Unsolicited Commercial Email (CAUCE)
Date: August 1st, 2011
Subject: Comments on "Cybersecurity, Innovation and the Internet Economy"

Thank you for the opportunity to comment on your recent Green Paper.

Who We Are:

CAUCE North America Inc., an all-volunteer consumer advocacy organization formed in March, 2007, has moved beyond its original mission of encouraging the creation and adoption of anti-spam laws to a broader stance of defending the security and privacy interests of the average Internet user. CAUCE is led by a combined Board with a cumulative century of experience in the field of Internet advocacy.

Our Position On The Department of Commerce Green Paper:

Given our focus on defending the interests of the average Internet user, we appreciate any attempt to improve cyber-security. However, after reading your green paper, we're left wondering:

Will the work you propose to undertake actually improve the cyber-security of small businessmen and businesswomen -- the entrepreneurs who have historically created and driven the "Internet Economy", and if so, how soon, and how?

Many of those sole proprietorships and small partnerships are precisely the sort of average Internet users CAUCE is meant to represent, and which we hope are also important to the Department of Commerce.

As noted by the Small Business Administration,¹ small firms:

- Represent 99.7 percent of all employer firms.
- Employ half of all private sector employees.
- Pay 44 percent of total U.S. private payroll.
- Generated 65 percent of net new jobs over the past 17 years.
- Create more than half of the nonfarm private GDP.
- Hire 43 percent of high tech workers (scientists, engineers, computer programmers, and others).
- Are 52 percent home-based and 2 percent franchises.
- Made up 97.5 percent of all identified exporters and produced 31 percent of export value in FY 2008.
- Produce 13 times more patents per employee than large patenting firms.

It was those sorts of entrepreneurs -- American small businessmen and businesswomen -- who created many of today's Internet giants, and whom we will likely be looking to in the future to create our next Apple or Facebook or Google.

Small businesses should be an integral part of your investigations and your planning moving forward. We also ask you to look hard at your timeline for executing the work you are proposing. If you will be helping small businessmen and small businesswomen improve their cyber security, when will that happen? Small businesses can't wait decades or even years for the help they really needed yesterday.

While guidelines or best practices documents tailored to the needs of small business are important, small businesses also need real usable technical cyber security solutions that will help to keep them -- and their customers -- safe online. Will your program of work result in the creation of those products and services, and at a price that small businesses can afford to purchase?

Small businessmen and businesswomen are floundering in "rough cybersecurity seas." As one example relevant to the interests of CAUCE, spam and malware that it can deliver are known methods for effectuating system attacks. Internet services providers are potential targets of malware and also essential to stopping the propagation of spam and malware to customers. A small internet service provider of which we are aware has had the costs of necessary antispam systems increase \$20,000 in one year. That amount is not a sustainable price increase for many small ISPs and more affordable commercial options are limited.

¹ <http://web.sba.gov/faqs/faqIndexAll.cfm?areaid=24>

This kind of situation has the potential to drive many small ISPs out of the email business, resulting in an undue concentration of users in just a handful of large email providers. A commercial security marketplace with more options for small businesses is essential, with enough market options that competition keeps pricing down at affordable levels.

The Department has opportunities to foster the creation of such products and services through the National Institute of Standards and Technology Small Business Innovation Research (SBIR) contract program.² Contract opportunities could be structured to foster the short-term commercialization of cyber security research into market-ready products *for* small businesses, *by* small businesses. The Department of Commerce also could consider offering grants as is done by other agencies that participate in the SBIR program. If the Department of Commerce doesn't have the existing research base to drive a grants-driven SBIR program, it should consider partnering and helping to fund such a program with a more traditional research-funding agency such as the NSF, NIH, or Department of Energy.

Thank you for considering these comments, and as always, we'd be happy to elaborate on our position further if you have any questions. Please don't hesitate to get in touch.

Sincerely,

Neil Schwartzman, Executive Director
CAUCE North America
POB 727,
Trumansburg, New York
14886
neil@cauce.org

² www.sbir.gov; www.nist.gov/tpo/sbir