

**Spam, Authentication and Ensuring the Promise of the Internet:
Welcoming Remarks on Day Two
FTC/NIST Email Authentication Summit
November 10, 2004, 8:30 a.m.**

Good Morning:

I am Jon Leibowitz – the newest Federal Trade Commissioner. Thank you all for being here at this very early hour to participate in the email authentication summit. I want to open the second day of the summit by encouraging everyone in this room with an interest in email authentication – whether an IP-based model, a signature-based model, or some other technology or combination of technologies – to work together to develop the tools necessary to help solve the spam problem. This a goal we all share and one that is attainable through cooperation and creativity.

With that said, let me say that I am delighted to be here this morning. Let me also thank the National Institute of Standards and Technology for co-hosting this event, for doing the “heavy lifting” yesterday in moderating some of the technical panels, and for helping us sort through the various authentication proposals and acronyms, from BATV, IIM and Domain Keys to SIDF and CSV (not to be confused with CVS).¹

As a courtesy to my colleagues on the Commission, let me add the usual disclaimer: The views I express here today are my own and are not necessarily those of the Federal Trade Commission or any other individual Commissioner.

The Federal Trade Commission has a special interest in the electronic marketplace. In

¹BATV = Bounce Address Tag Validation; IIM = Identified Internet Mail; SIDF = Sender ID Framework; CSV = Client SMTP Validation; and CVS = ubiquitous national drug store chain.

the past decade, a whole new free-flowing exchange of goods and information has emerged, with huge benefits for consumers. As this cyber-market has expanded exponentially, so too have technological challenges and the creativity of those engaging in cyber-fraud, theft, and misrepresentation. Simply put, we can't let spam, spyware, and spoofing undermine the promise of the Internet.

Most people have a visceral reaction to spam – and it's no wonder why. Consider the statistics – experts say that spam accounts for as much as 70 percent of all email and costs businesses \$10 billion a year – much of that passed on to consumers. It also costs consumers countless hours in wasted time and immeasurable frustration. Consider also that the vast majority of spam is deceptive – from false headers and phony identities to fraudulent offerings. Just look at the spam in our in-boxes:

- Ads for discount software – sometimes spelled w-e-a-r. (Here's a tip: if they can't spell it, you probably don't want to buy it from them);
- Unbelievably low-interest rate mortgages. (Look, Mom, I'm already approved!);
- Phishing expeditions by anglers looking to steal your financial account information and maybe even your identity; and
- Ads for “herbal viagra” and so-called “vitality products” that won't extend anything – except the time you spend on the computer trying to get rid of the spam, as well as the pop-up ads, spyware, viruses, worms, and other pestilence that it seems to breed.

Spam is a problem that has literally hit home with me. I have two young girls – ages seven and nine – who have just started to navigate the Internet, have their own email accounts, and are often online, “IM'ing” their friends. I am extremely concerned – and more than a little

For example, one of my staffers emailed a draft of my remarks home with “spam

hopefully to come to some resolution. Although figuring out a workable authentication system is not a panacea, it will help:

- Authentication will help reduce phishing – spam artists will have a harder time hiding their identities and posing as legitimate businesses;
- It will help ISPs reduce their reliance on their spam filters;
- It will help ISPs and law enforcement determine the domain where the spam comes from, improving our chances of identifying, locating, and catching deceptive spammers — and deterring others; and
- Most important, authentication will help ensure consumer trust (hk 3v4TD0.001 Tc-0etermIf5dth

So finish your coffee, go back to the summit, and please continue to work together in the future to benefit consumers.

Thank you.