

**COMMENTS OF THE  
SOFTWARE & INFORMATION INDUSTRY ASSOCIATION (SIIA)  
on the  
New gTLD Applicant Guidebook Version 2 (V2)**

**Submitted April 13, 2009**

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The Software & Information Industry Association (SIIA) submits these comments on the above referenced subject, the updated “New gTLD Applicant Guidebook Version 2 (V2)” (“DAGv2”), released on February 19, 2009 (available at: <http://www.icann.org/en/topics/new-gtlds/comments-2-en.htm>). materials released by ICANN with regard to the launch of new generic Top Level Domains (gTLDs).<sup>1</sup>

SIIA submitted comments on version 1 of the Draft Applicant Guidebook,<sup>2</sup> and attended the ICANN meeting in Mexico City. SIIA staff and member companies have reviewed the comments submitted during the first comment period (which closed in December), the analysis provided by ICANN staff (in February), and the DAGv2, as well as many other rapidly occurring developments, commentaries and efforts surrounding the initiative. As we layout in more detail below, SIIA strongly believes that:

- With ICANN staff having laid out four “overarching issues that require further work so remain unchanged in the draft,”<sup>3</sup> a set of key thresholds has been identified that must all be fully addressed, through meaningful processes, before a full roll out of new gTLDs is undertaken. SIIA’s evaluation of the state of each of these essential overarching issues is that each is, at best, in very different stages of development.

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<sup>1</sup> Throughout this comment, main Draft “New Applicant Guidebook” (posted at <http://www.icann.org/en/topics/new-gtlds/draft-rfp-24oct08-en.pdf>) as the “DAG,” Page and section number references are to the various modules of that document.

<sup>2</sup> See “SIIA Comments on draft New gTLD Applicant Guidebook”, available at: <http://forum.icann.org/lists/gtld-guide/msg00142.html>.

<sup>3</sup> “Draft Applicant Guidebook: What You Told US”, released February 18, 2009, available at: <http://www.icann.org/en/announcements/announcement-3-18feb09-en.htm>.

By any measure, none of them appear to have ripened sufficiently to support ICANN's stated timeline for rolling at new gTLD's, even as some important steps have been taken in the context of one (perhaps two) of them.

- Our view that version 1 of the DAG did not address many of the important issues related to new gTLD's is extended, after careful review, to DAGv2, as well. Indeed, we are struck by how many of the specific issues that were raised in comments in December remain unaddressed (or even, for that matter, unrecognized) in the latest version.
- It is our view that, at a minimum, ICANN, through Board action if necessary, should postpone indefinitely the rollout of gTLD's due to the serious and fundamental issues that remain unresolved, and which are unlikely to be adequately addressed in the short timeline currently proposed. ICANN should instead focus on the areas of IDN's and ccTLD's, which were bundled with the original announcement of rollout of gTLD's.

As the principal trade association of the software and digital information industry, the more than 500 members of SIIA develop and market software and electronic content for business, education, consumers and the Internet.<sup>4</sup> SIIA's members are software companies, ebusinesses, and information service companies, as well as many electronic commerce companies. Our membership consists of some of the largest and oldest technology enterprises in the world, as well as many smaller and newer companies.

Our members are leaders in building the global online marketplace and promoting the digital economy, providing content and infrastructure that users around the world depend on. They rely on a robust, secure and predictable environment, which includes a reliable Domain Name System (DNS) and associated tools that permit the DNS to operate with confidence.

SIIA, its member companies, and its staff have been involved in ICANN since its inception in 1998. SIIA has strongly supported the role of ICANN over those years, and we have continuously worked to enhance the capacity of ICANN to carry out its responsibilities.<sup>5</sup>

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<sup>4</sup> Our website can be found at [www.sii.net](http://www.sii.net).

<sup>5</sup> Those responsibilities are outlined in the Joint Project Agreement (JPA) and, just as significantly, are identified in the "DNS White Paper"<sup>5</sup>, the statement of policy on the privatization of the Internet Domain Name System (DNS) issued in June 1998.

## Four Overarching Issues Must Be Addressed as a Key Threshold

SIIA commends the efforts of ICANN staff to review what it acknowledges are “hundreds and hundreds” of comments,<sup>6</sup> and appreciates the efforts to summarize these for the general public.<sup>7</sup>

As a general matter, based on SIIA’s review of the comments received last December, it is our view that, on the whole, serious doubt has emerged about the viability of expanding the number of gTLD’s at this time. Indeed, the staff recognizes, albeit in an understated manner in our view, that four “overarching issues need more examination and discussion before they can be changed in a future draft Guidebook” and that “these matters require more substantive discussion before changes to the Guidebook can be made.”<sup>8</sup> As a result, the process is at least TWO (if not three) draft Guidebooks away from any ‘final’ set of procedures and expectations, thus making roll out of the new gTLD’s virtually a technical and commercial impossibility according to the current ICANN timeline.

SIIA welcomes the steps that ICANN staff has taken to identify these four overarching issues. We believe that they reflect, at a minimum, essential fundamental questions that must be resolved, through meaningful processes, before any new gTLD’s can be rolled out consistent with ICANN’s mission and the expectations of the global Internet community. SIIA’s evaluation of the state of each of these essential overarching issues which follows leads us to conclude that each is, at best, in very different stages of development. By any measure, none of them appear to have ripened sufficiently to support ICANN’s stated timeline for rolling out new gTLD’s, even as some important steps have been taken in the context of one (perhaps two) of them.

**Security and Stability.** In the view of SIIA, this issue has received less than adequate attention by ICANN in the context of the proposal to implement new gTLDs. As ICANN staff admit, “the near coincident changes planned for introduction into the root zone - IPv6 records, DNSSEC, IDNs, and new TLDs – have not been analyzed for their combined impact on root zone operations.”<sup>9</sup> In the context of this concern, we note that the ICANN Board has requested the Security and Stability Advisory Committee and Root Server System Advisory Committee to jointly conduct a study analyzing the impact to security and stability within the DNS root server system of these proposed

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<sup>6</sup> Comment of Kurt Pritz, ICANN’s Senior Vice President, Services, “New gTLD 2nd Applicant Guidebook Q&A”, Transcript of the Workshop held in Mexico City, March 2, available at: [files/meetings/mexico2009/transcript-applicant-guidebook-qa-02mar09-en.txt](https://www.icann.org/files/meetings/mexico2009/transcript-applicant-guidebook-qa-02mar09-en.txt). (Hereinafter cited as “Pritz Transcript”)

<sup>7</sup> “New gTLD Draft Applicant Guidebook: Analysis of Public Comment”, issued February 18, available at: <http://www.icann.org/en/topics/new-gtlds/agv1-analysis-public-comments-18feb09-en.pdf>. (Herein after cited as “Staff Analysis”)

<sup>8</sup> Staff Analysis, p. 2

<sup>9</sup> Staff Analysis, p. 3.

implementations. To date, we are not aware of any steps that have been taken to implement this ICANN Board directive.

In our view, however, the focus on the implications for the root zone operations is too myopic given the fundamental changes that are likely to result from the dramatically expanded approach to bringing new gTLDs online. The effect on the root zone is just one of the key areas that touch on – as the staff indicate – “the concern regarding security abuses scaling with more TLDs”<sup>10</sup> and must be carefully reviewed.

Indeed, the implications for many commercial and non-commercial operations which act as key facilitators of DNS distribution must be identified, analyzed and considered in the increasingly complex and threatening environment in which security over the Internet takes place. The possibility that new gTLD’s will be introduced at this time of global economic uncertainty raises the stakes and risks for those who have committed to do business over the Internet. On the one hand, internal cost pressures flowing from the current environment means that if past estimates of the costs are a guide, then entities that rely on the DNS will have either to take resources from strategic goals (like product and service development, or marketing and customer support) to manage through the ramp up and implementation of any and all of the new gTLD’s, or underfund adequate transition efforts. On the other, registrars and registries who will take up the operations of the new gTLD’s will, themselves, face enormous pressure to cut corners and put added pressure on enforcement of their agreements, all to the detriment of achieving a key principle for ICANN, the stability of the DNS.

**Malicious Conduct.** As ICANN Staff indicated, commenters “expressed concern that expanding the number of TLDs would also expand malicious behavior on the Internet.”<sup>11</sup> SIIA concurs that this is a key issue that must be examined carefully and evaluated before a full rollout of new gTLD’s can be undertaken. As we have consistently stated, malicious behavior using false or misleading domain names costs our industry, as well as our society and individual consumers, billions of dollars trying to prevent phishing, false domain resolutions, fictitious identifies and other malicious behavior. Consumer protection authorities have, during previous rollouts, had to engage in significant alerts regarding scams.<sup>12</sup>

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<sup>10</sup> Staff Analysis, pg. 3.

<sup>11</sup> Staff Analysis, pg. 4.

<sup>12</sup> See, e.g., FTC Consumer Alert, “What’s Dot and What’s Not: Domain Name Registration Scams”, December 2000. See, also, “Email Scam Uses U.S. Stimulus Bill as Bait”, *Wall Street Journal*, march 25, 2009, available at: <http://online.wsj.com/article/SB123803264428843907.html>.

SIIA notes and appreciates the efforts at the recent ICANN meeting to hold a panel session on these questions. However, to date, it does not appear that any concrete steps have been taken to put in motion any specific efforts to identify, analyze and make recommendations on this critical issue, despite ICANN staff indicating in February that it would “be actively soliciting feedback on these topics over the next 60 days, and will share with the community options for improvements in these areas in the next several months.”<sup>13</sup>

**Trademark Protection.** SIIA concurs with ICANN staff that this was a key issue identified by commenters, and one which is a fundamental overarching issue. We applaud the action of the ICANN Board, which acted on the Intellectual Property Constituency’s proposal, which was widely vetted with key participants in the ICANN process, “to convene an Implementation Recommendation Team [IRT] comprised of an internationally diverse group of persons with knowledge, expertise, and experience in the fields of trademark, consumer protection, or competition law, and the interplay of trademarks and the domain name system to develop and propose solutions to the overarching issue of trademark protection in connection with the introduction of new gTLDs.”<sup>14</sup> SIIA’s General Counsel and SVP serves in the leadership of the IPC, and it is very encouraging to see that work has gotten underway quickly.

SIIA remains concerned, however, that the issue of effective implementation of Whois policies in any rollout of gTLD’s still needs to be assured. We continue to urge that this is a critical aspect of this overarching issue, as well as the prior overarching issue of malicious behavior, because it is essential that there be a way to ascertain responsibility for malicious or bad faith behavior.

**Demand/Economic Analysis.** SIIA concurs with the many comments submitted that this is a key area which remains outstanding as a predicate for rollout of any new gTLDs. As we noted in our prior comments, two years ago, the ICANN Board directed its President to commission an independent study of the “economic questions relating to the domain registration market,” including such basic issues as whether this constitutes one or many markets and whether registrations in different TLDs are substitutable.<sup>15</sup> The rollout of new gTLDs represents a major new initiative by ICANN, one with enormous implications for ICANN’s budget, the economic viability of existing registrars and registries, and the businesses and entities that depend on a stable, predictable Internet. We respectfully submit that Version 2, like its predecessor, lacks a requisite basis for this major undertaking.

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<sup>13</sup> Staff Analysis, pg. 4.

<sup>14</sup> See Resolution #7, [Protection for Trademarks in New gTLDs](#), adopted at the ICANN Board meeting, 6 March 2009.

<sup>15</sup> See ICANN Board Resolution, available at: <http://www.icann.org/en/minutes/minutes-18oct06.htm>

SIIA is deeply concerned that, based on the public actions to date, ICANN Staff do not appear to have carried out the directive of the ICANN Board on this matter. While one study has been made public<sup>16</sup> – following what amounted to almost outright protests at the Mexico City meeting – that study does not constitute the kinds of study that answers, directly, the questions posed by the Board, nor does it constitute a basis for evaluating the “effect of increasing the number of gTLDs before proceeding.”<sup>17</sup> SIIA comments on the preliminary reports on competition and pricing elaborate further on this point.

Taking these key overarching issues, as well as the dynamics of the global economic uncertainty, SIIA strongly recommends that ICANN focus its attention on the priorities at hand. In particular, there is much work left to do to implement the milestones of the Mid-Term review, as reflected in the substantial number of comments that the U.S. Department of Commerce received in February of 2008, in response to its notice of inquiry. As SIIA noted at the time,<sup>18</sup> “taking into account its commitments in the JPA, the implementation of the principles of the DNS White Paper, and the emerging challenges to maintaining a predictable and secure DNS, the road ahead should examine, before the current JPA terminates in September 2009, how the partnership between ICANN and the US Government should continue so as to improve ICANN’s governance and work and to meet the challenges ahead.”

The work required does not merely involve promoting greater confidence in the management of the gTLD process, but other critical areas such transparency and accountability, implementation of the multi-stakeholder model, contractor compliance/enforcement, and security and stability. It is our view that the process of evaluating new TLD’s and the resulting expansion has not promoted confidence, but rather confusion on the part of key stakeholders. Our industry’s experience does not convince us that ICANN has institutionalized its consideration of new TLD’s in a manner that takes into account the stability/security and governance impacts of quickly adding dozens of new TLDs.

If ICANN undertakes an expansion of gTLD’s at this point, it is difficult to see how the continued work identified in the Mid-term review can be accomplished adequately, much less at a high standard. It is the strong recommendation of SIIA that ICANN, through

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<sup>16</sup> “[Preliminary Report of Dennis Carlton Regarding Impact of New gTLDs on Consumer Welfare](#)”, posted March 4, 2009, on the ICANN website.

<sup>17</sup> Staff Analysis, pg. 4.

<sup>18</sup> Comments of the Software & Information Industry Association (SIIA), in response to the Notice of Inquiry: “The Continued Transition of the Technical Coordination and Management of the Internet's Domain Name and Addressing System: Midterm Review of the Joint Project Agreement” By DEPARTMENT OF COMMERCE National Telecommunications and Information Administration (Docket No. 071023616-7617-0), available at: [http://www.siiia.net/govt/docs/pub/ICANNcomments\\_20080214.pdf](http://www.siiia.net/govt/docs/pub/ICANNcomments_20080214.pdf).

Board action if necessary, indefinitely postpone the rollout of gTLD's and focus, instead, on the issues of IDNs and ccTLD's, which we believe are both high priorities of the global internet community, and have critical issues to resolve before their implementation.

## **Key Concerns Remain with DAGv2**

In our prior comments on Version 1, we identified a number of key issues that needed to be fully addressed. Unfortunately, our review of Version 2 finds that virtually none of them has been constructively dealt with in this latest version. We again respectfully request that the next iteration of the DAG reflect real progress on these issues:

A. Prevention of Adverse Business Impacts at the TLD Level. Version 1 posited a new mechanism, the Legal Rights Objection (LRO) procedure, which appeared generally to be the sole means that a brand owner has at its disposal within the ICANN process to prevent the recognition of a new gTLD that infringes, dilutes, or otherwise harms or weakens its mark, and/or that will threaten to cause confusion detrimental to the mark owner's customers and the public at large. Given the seriousness of this concern, SIIA strongly urged in its initial comments that this mechanism required much deeper elaboration before any objective, meaningful assessment can be made as to whether it is sufficient and promotes confidence and security among stakeholders. For example, it must be made clear at the outset that a party filing an LRO objection would not be barred from challenging in court ICANN's decision regarding the application that is objected to.<sup>19</sup> Our comments also urged that the number and expertise of panelists needed to be enhanced (SIIA urged a three-member panel). The lack of any appeal panel raised concerns about the reliability and coherency of the LRO decision-making process. The transparency of the LRO panel decision-making a process also needed more detail and input from experts.

*SIIA's concerns remain wholly unchanged after reviewing Version 2. As we read it, clarification was provided that a party filing an LRO objection "does not waive its right to defend its legal rights (e.g., trademark) before a court of competent jurisdiction merely by filing an objection to an applied-for gTLD."<sup>20</sup> However, most other specific concerns were rejected or ignored.*

B. Pre-launch Mechanisms to Prevent Abusive Registrations. SIIA found that Version 1 lacked a meaningful framework, much less even any criteria, for designing and implementing mechanisms to prevent abusive registrations in the new gTLDs. SIIA continues to believe this is a critical area that cannot be left to the whims of TLD

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<sup>19</sup> The DAG states on page 3-1 that an objector "accepts the gTLD dispute resolution process" suggests otherwise.

<sup>20</sup> Staff Analysis, pg. 86.

applicants. It is incumbent on ICANN to do more to ensure that these mechanisms are effective, accessible, low-cost and efficient for business and entities to use to protect their brands, names and reputations.

*SIIA notes that ICANN staff have identified this as an aspect of one of the overarching issues that needs much more extensive discussion and analysis, and as a result this area is thus left unchanged in Version 2. SIIA notes that this is a core focus of the work of the IRT, established by the ICANN Board at the March meeting.*

C. Stronger Protections against Abusive Registrations Post-Launch. In our comments on Version 1, SIIA stated that a key step to promoting confidence and stability is the establishment of meaningful, efficient mechanisms to facilitate expeditious detection, investigation and resolution of intellectual property infringements that occur at the second level in new TLDs after they are launched. (And if not at the second level, then the equivalent level where registrations are commonly made in the particular TLD's model). Unfortunately, SIIA found that provisions in the base contract regarding display of registrant contact information (via the Whois database) are wholly inadequate.<sup>21</sup> Additionally, new TLD applicants should be given greater incentives to provide additional mechanisms for combating abusive second level registrations post-launch, such as enhanced and expedited procedures for rapid takedown of registrations employed to infringe intellectual property rights (or to engage in other illegal behaviors); registry policies to enforce registrar compliance with applicable policies, including those relating to Whois data accuracy (including adaptation of ccTLD policies that facilitate cancellation of registrations backed by false contact data); commitments for vigorous enforcement of registry terms of service against registrants who violate them. SIIA strongly urges that the ICANN evaluation process favor proposals for thick registries over thin registries. This will allow for great transparency and accountability through more robust registry Whois services.

*SIIA notes that nothing in Version 2 reflects these concerns or incorporates any changes on this point. At most, it appears that the Staff analysis suggests that "ICANN is only requiring the publication of 'thin' Whois data due to the multitude of applicable laws (including data protection and privacy laws) in different jurisdictions."<sup>22</sup> This does not explain what has changed since the two previous new gTLD rounds to justify the 180-degree turn that ICANN has taken regarding registry Whois.*

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<sup>21</sup> Specification 4 to the base contract (see <http://www.icann.org/en/topics/new-gtlds/data-pub-24oct08-en.pdf>, provides that new gTLD operators will make only very limited data on registrations publicly available via Whois. It is apparently assumed that all the new gTLDs would be operated as so-called "thin registries." In all likelihood, the opposite should be assumed: that the new gTLDs will, based on the prior experience of new gTLDs, operate as thick registries. Thus, a full set of Whois data publicly available on each registration in the new gTLDs should be required, so that copyright and trademark owners (as well as law enforcement, consumers, and members of the public) will have ready access to this information. See, e.g., <http://www.icann.org/en/tlds/agreements/biz/appendix-05-08dec06.htm> .

<sup>22</sup> Staff Analysis, pg. 131.



#### D. Greater Confidence is Needed in the Process and Policy

As SIIA wrote in its previous comments, during the Mid-Term Review period, a lack of confidence was evident in prior processes of expansion of gTLD's. We urged that as the views of stakeholders are considered, and further work is done in response to comments, ICANN should demonstrate that it has incorporated the lessons of the prior gTLD expansions into its operations and basis for evaluating its implementation of the JPA. At minimum, SIIA indicated that these should include:

1. Fulfill the earlier commitment to engage in an independent study of the "economic questions relating to the domain registration market," including such basic issues as whether this constitutes one or many markets and whether registrations in different TLDs are substitutable. The study must also take into account the dramatic change in the global economic environment to assess whether the expansion of gTLD's could have a *detrimental* effect on the confidence, competitiveness and stability of the DNS.

*As noted above, this has been identified a key overarching issue. ICANN has not taken any steps that fulfill this basic threshold for a rollout of gTLD's.*

2. Develop and maintain a detailed schedule of events/milestones prior to application opening: with the short time period (seven or eight months) remaining before the application period is currently scheduled to begin, confidence in the process requires far greater certainty of the stages in the pre-launch timetable. This should include a timeline that is regularly updated with all the steps in the process such as when subsequent Draft Applicant Guidebooks are due, when comment periods open and close, what events the ICANN team has planned, and key events in the communication campaign. It should also include a timeline showing each of the post-submission steps.

*As a general matter, it appears that this has not been implemented. While ICANN staff have identified four overarching issues, only one of them appears to have a process in place to identify the issues, analyze the impact of the rollout of gTLD's, and propose potential answers for the global Internet community.*

3. It is essential that the transparency of the evaluation process be enhanced, as this was a problem identified in prior expansions. As a start, ICANN should produce a clear statement that no person or organization supplying consultancy services to ICANN during any part of the process can be involved in an application in any way. There must be an established mechanism for applicants to discern the evaluators of their application and be able to challenge them for cause shown.

*SIIA cannot find that any of these concerns have been incorporated into Version 2.*

4. ICANN should establish a dialogue that includes the contractors and DRSP providers as well as constituent parts of ICANN with relevant expertise so that the former, through open meetings with the community, can outline and explain draft procedures and receive feedback. Additionally, the role of public comment in the work of evaluators (including at the comparative evaluation phase) and of dispute resolution providers needs to be spelled out.

*It appears that the approach taken in Version 1 remains unchanged in this regard.*

In addition, there are some areas of policy which are of concern to businesses and entities that have invested heavily in the Internet to provide innovative products and services. These include:

5 Document and explain, by way of further examples, the types of organizations that would fit in the categories of “open” and “community-based.” It is incumbent on ICANN to explain the process of selection if there is ‘string contention’ between “open” and “community-based” applicants. It is without understatement to say that there are many issues around community provisions that all constituencies and stakeholders need to understand further. For example, could a business application (e.g., an application to run a gTLD for the exclusive use of a single company) ever be categorized as a Community-based application; if so, under what circumstances? Under what circumstances could a corporation qualify as an “established institution” with standing to pursue a Community Objection?

*SIIA continues to have concerns on this point. No clarifications appear to have been provided, and the definitions of “open” and “community-based” remain unchanged in Version 2. Indeed, it is deeply disturbing that, in response to the question of whether ICANN has decided not to allow the ‘community-based’ designation to apply to corporate brand owners, ICANN staff indicated that “It is wholly up to the applicant to select the type of application to file. ICANN will not verify nor change the type as such. ...No change of the applicant’s freedom to select the type of application to file is foreseen for the next version of the Applicant Guidebook.”<sup>23</sup>*

6. Document and explain key aspects of “String Contention.” Will semantic confusion (i.e., confusingly similar meanings) be a factor that the String Similarity Examiners take into consideration? Or would this only occur at the objection phase? For instance, would .corp trigger string contention with .biz? The DAG indicates that “auctions are one means of last resort”<sup>24</sup> to resolve string contention. However, SIIA notes that no other means are discussed. SIIA has serious reservations about auctions as a mechanism for awarding new gTLDs.

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<sup>23</sup> Staff Analysis, pg. 63.

<sup>24</sup> Section 4.3.

*SIIA notes that while some aspects of the issue of “string contentions” were clarified in Version 2, the fundamental lack of key aspects of how string contentions will work still need to be documented and explained. DAG v.2 does make it clear that auctions will be used as a mechanism for awarding new gTLDs, under a number of circumstances.*

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The introduction of new gTLDs has been and remains a vital interest to software and digital content industries. We carefully look at the introduction both from the vantage of being leaders in on-line commerce (providers of technology, content and services that empower the Internet) as well as our views as stakeholders in whether the fundamental principles of ICANN’s mission (reflected in the JPA and White Paper) are promoted.

As a practical matter, the introduction of new gTLD’s raises enormous potential costs and risks to those for-profit and non-profit entities that have invested heavily in doing business over the Internet. Taking into account the experience of the prior introduction of new gTLD’s, our industries’ experience is that significant resources have had to be devoted, perhaps even exponentially, for each single new TLD that has been introduced. This is due to the legal, technical and business operational impact imposed on our industries which require significant adjustment in monitoring, technology\product development and pro-active work to keep pace with the demands created by each new TLD and the associated registrations.

It is essential that any new gTLD should create a new and differentiated space and satisfy needs that cannot reasonably be met through the existing gTLDs based on selection criteria that will bring about TLDs for which there is legitimate demand from communities that have not been well served by the current TLDs. Such criteria, to serve the purpose of promoting greater competition and benefit the public interest, should work to prevent a proliferation of TLDs that are likely to simply lie fallow, or to depend for their viability upon unproductive defensive registrations. We respectfully submit that there is still a lack of assessment for the need for any new gTLDs that offer a clearly differentiated domain name space with mechanisms in place to ensure compliance with purposes of a chartered or sponsored TLD.

Instead, as our submission indicates, we are deeply concerned that under the new gTLD process embodied in the DAG, online businesses and entities may be faced with a far more extensive challenge to their intellectual property rights, their brands, and business operations, which they must combat using tools (such as defensive registration or anti-fraud strategies) that simply will not scale in an environment of hundreds of new gTLDs.

Taking into account Version 2, the discussions at the ICANN meeting in Mexico City, and the identification of four overarching issues, SIIA strongly observes that:

- each of these essential overarching issues is, at best, in very different stages of development. By any measure, none of them appear to have ripened sufficiently to

support ICANN's stated timeline for rolling at new gTLD's, even as some important steps have been taken in the context of one (perhaps two) of them.

- Version 2 of the DAG did not address many of the important issues related to new gTLD's. Indeed, we are struck by how few of the specific issue that were raised in comments in December remain unaddressed (or, for that matter, even unrecognized) in the latest version.
- It is our view that ICANN, through Board action if necessary, should postpone indefinitely the rollout of gTLD's due to the serious and fundamental issues that remain unresolved, and which are unlikely to be adequately addressed in the short timeline currently proposed. ICANN should instead focus on the areas of IDN's and ccTLD's, which were bundled with the original announcement of rollout of gTLD's.

SIIA appreciates the opportunity to submit its views and suggestions on the DAG. Our industry remains strongly committed and supports the role of ICANN in the technical management of the DNS. We look forward to continuing to work on this important initiative once staff have reviewed the comments and made public revised documents.