

CADNA's Comments on the AGP Limits Policy and Draft Implementation Plan

The Coalition Against Domain Name Abuse (CADNA) is pleased to offer comments in support of the AGP Limits Policy and Draft Implementation Plan on behalf of the major brand owners that comprise its membership.

Although the add grace period (“AGP”) was initially adopted to enable registrars to correct errors in the domain name application process, it is increasingly used by domainers to test, or “taste,” the profitability of vast numbers of domain names. As the GNSO Council noted in its *Report to the ICANN Board - Recommendation for Domain Tasting*, “there is a consensus that measures should be considered to reduce domain tasting and that the add grace period should not be exploited for tasting purposes.” <http://gns0.icann.org/issues/domain-tasting/domain-tasting-board-report-gns0-council-25apr08.pdf>, at page 7.

In its Constituency Impact Statement regarding domain tasting, the Business Users Constituency noted that tasting is problematic for several reasons, including:

1. The most active domain name tasters are concentrated within a small group of accredited registrars...The AGP provides domain name registrars with an unfair competitive advantage over all other potential registrants since they have the technological capability to quickly add, drop, and identify names of value without incurring any cost, whether on their own accounts or on behalf of their customers....A practice that allows for the testing and subsequent return of non-profitable purchases is unheard of in nearly every other marketplace.
2. Domain tasting has led to an environment where tens of millions of domain names are caught up in the 5-day AGP at any given time. Because so many domain names are being added and dropped on a regular basis, domain name tasting has led to restricted choice as interested parties including individual registrants, small business, and corporations often find that the names they want are unavailable.
3. ...[T]asters are registering names to monetize traffic via PPC advertising. The ...practice of domain name monetization is not illegal, but...the combination of tasting and monetization has created an Internet environment that is counterproductive to providing all users with relevant experiences, and conducive to rampant cybersquatting.

GNSO Final Report on Domain Tasting, <http://gns0.icann.org/issues/domaintasting/gns0-final-report-domain-tasting-04apr08.pdf>, Annex 1.



According to the *GNSO Final Report on Domain Tasting*, the AGP Limits Policy is supported by the Intellectual Property Constituency, the Business Constituency, the Non-Commercial Users Constituency and the At Large Advisory Committee, and is not opposed by the ISP Constituency or the Registry Constituency. <http://gns0.icann.org/issues/domaintasting/gns0-final-report-domain-tasting-04apr08.pdf>, page 15.

Further, of the over 200 public comments on the Outcomes Report on Domain Name Tasting, a clear majority expressed the view that the disadvantages with domain tasting significantly outweigh the benefits and supported the abolition of the add grace period. <http://gns0.icann.org/issues/domaintasting/gns0-final-report-domain-tasting-04apr08.pdf>, page 31.

We applaud ICANN for acknowledging the increasing abuse of the AGP committed by a relatively small number of registrars and for taking definitive steps to address the issue in a balanced manner that protects both the public and the legitimate interests of registrars. While CADNA would support a new policy that removes the AGP completely, we also support the AGP Limits Policy in its current form. CADNA urges ICANN to implement the AGP Limits Policy at the earliest possible time, but in any event no later than March 1, 2009, the date proposed in the Draft AGP Limits Policy Implementation Notes.