



December 11, 2009

Mr. Kurt Pritz
Senior Vice President, Services
Internet Corporation for Assigned Names and Numbers
4676 Admiralty Way, Suite 330
Marina del Rey, CA 90292 USA

Dear Kurt,

Neustar appreciates the opportunity to submit comments on the “Expressions of Interest in new gTLDs” concept. Neustar generally supports the concept of an Expression of Interest (EOI) phase to help ICANN and the community avoid further delay in the introduction of new TLDs and to ‘right-size’ the infrastructure and resources needed to manage the application review process in an efficient and cost-effective manner.

However, Neustar does not support this additional process if it adds bureaucracy or further delays the timeline for launch. We also do not support the EOI concept if it results in an increase to the currently proposed \$185,000 application fee. An EOI phase with a non-refundable deposit requirement could result in substantially fewer applications than previously projected. This in turn could lead ICANN to seek an increase to the application fee to recover historical costs of the new TLD program. If the EOI concept is implemented, it must not result in an increase of the application fee. To the contrary, with predictability and certainty on the number of applications it will receive, ICANN can avoid over-building the infrastructure and potentially reduce the application fee.

Below is Neustar’s response to each question posed in the ICANN solicitation located at <http://icann.org/en/public-comment/#eoi-new-gtlds>.

1. How do we ensure that participation in the EOI accurately represents the level of interest?

ICANN must ensure that the Expressions of Interest (EOI) phase is widely communicated to potential applicants who have not closely followed the process to date. A reasonable amount of time must be allowed to give potential applicants the opportunity to participate, and to review and understand the latest version of the Draft Applicant Guidebook. Neustar recommends opening the EOI phase following the issuance of the next version of the DAG, to ensure potential respondents are evaluating the most recent developments.

2. Should only those who participate in the EOI be eligible to participate in the first round when the program officially launches?

Yes, only those who participate in the EOI should be eligible to submit applications during the first round of the program. The primary benefit of the EOI phase is that it provides predictability and certainty around the number of applications so ICANN can allocate resources in an efficient and cost-effective manner, and to accurately evaluate the impact on root zone scalability. To allow others to participate in the first phase would undermine those benefits.

3. Should a deposit be required for participation in the EOI?

Yes, a deposit should be required. Such deposit should be substantial enough to discourage EOI responses by parties not committed to submitting an application, and to prevent gaming.

4. If there is a fee, under what circumstances should there be refund?

ICANN should be required to issue a full refund in three specific cases:

1. If an applicant can demonstrate a subsequent change to the DAG or to the program timeline materially impacted their business plans and/or their TLD concept.
2. ICANN must establish a firm timeline for program rollout that EOI respondents can rely upon to develop business plans. If ICANN does not begin accepting applications for new TLDs by the end of 2010, an EOI respondent should be eligible for a full refund.
3. If an EOI respondent elects to not submit an application due to a competing application for the same string identified through the EOI process, they should also be eligible for a full refund.

Otherwise, to prevent gaming, no refunds should be issued.

5. What information should be collected from EOI participants?

EOI participants should submit:

- (1) Applied for string;
- (2) Name of Company/Organization;
- (3) Contact information
- (4) Type of application (IDN, community-based, single-entity, etc.)

6. Must the responder commit to go live within a certain time of delegation?

No.

7. What are the implications for potential changes to the Applicant Guidebook after the EOI participation period closes?

If material changes are made to the Draft Applicant Guidebook that negatively impact EOI respondents and cause them to not submit an application, ICANN should provide a full refund. Otherwise the implications of potential changes are manageable.

8. What are the potential risks associated with the EOI?

The greatest risk associated with the EOI concept is that it delays launch of the new gTLD program and simply becomes another layer of bureaucracy in an already complex process. The risk to applicants is that the current proposal requires companies and organizations to commit to a process that has not yet been finalized.

Neustar supports the introduction of new TLDs and we look forward to the release of the next version of the Draft Applicant Guidebook.

Sincerely,

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