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Leudelange, November 23, 2009

The Internet Corporation for Assigned Names and Numbers Rod Beckstrom, CEO Peter Dengate Trush, Chairman 4676 Admiralty Way, Suite 330. Marina del Rey, CA 90292 USA

Dear Rod, dear Peter.

After careful consideration, EuroDNS SA (Registrar ID: 1050) is submitting the following comments on ICANN's Draft Applicant Guidebook v3. Having followed the ICANN process for almost ten years, we feel it is important to speak now, taking into account the magnitude of contemplated changes and the expectations ICANN has created by launching the process, too many years ago.

I. On the process itself: Time for a timeline

Many would say that the new TLD process has been around forever but it helps to know that the "introduction for new gTLDs" was part of the strategy has recently as September 2004¹. Five years have gone by, during which many have invested money, time and efforts to participate in the process and provide the relevant information to stakeholders or customers.

It is important to note that biggest communication effort did not come from Registrars, or even other members of the community, but from ICANN itself. Major interviews² and advertising efforts³ have been published and those have greatly increased expectations from both the Community at large and the general public. Every time a new deadline is given and pushed⁴ we have to handle the frustration and confusion of our customers who are now increasingly reluctant to commit to what appears, at best, to be a moving target. We all know that, to succeed, such big projects need momentum and excitement. We are in danger of losing both.

Therefore, EuroDNS urges ICANN to commit to a real, reasonable and concrete time line. We can handle customers' frustration and expectations if we have, at long last, a fixed calendar with clear milestones. We will always happily explain the rules to our customers, but we need to know what they really are, soon.

¹ <u>http://www.icann.org/en/tlds/new-gtld-strategy.pdf</u>

 ² Interview of the then ICANN CEO in Les Echos, 23 juin 2008 : « In 2009 anyone will be able to register its own TLD ».
³ The Economist, January 2009.

⁴ See for example « applications for new top-level domains will be accepted starting in the first quarter of 2010 » in <u>http://www.icann.org/en/announcements/announcement-07may09-en.htm</u>

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II. On the Expression of Interest: knowing the landscape

The inquiries we receive on new gTLDs fit in two square categories: "can I take advantage of it" or "do I need to worry about it".

Yet, at present, we have no way of answering those rather basic questions. Indeed, with some ICANN officials quoted as saying that the number of new gTLDs will be "significant" or that "the limit would [only] be technical", some of our customers are gearing up for thousands of defensive registration while others aim for a "two domain names" TLD "because they [think] they can".

A clear EOI from the existing player would go a long way to provide clarity both in the current market and on what to expect in the next few years. Moreover, we would submit that even without the slightest interest in new gTLDs, any Registrar would find a potential, finite, number of future gTLDs useful, as it would play a great part in future (existing) TLD applications or marketing budgets.

At the end of the Seoul meeting, the ICANN board has shown it could listen to the Community it represents and move fast when innovative ideas where presented. An observer to the EOI WG, EuroDNS clearly supports the submitted paper and sincerely hopes this effort will bear fruits to provide a much needed clarity.

III. On categories and criteria for a community

We understand that, from a technical standpoint, new TLDs could all be seen as equal and just as various string of characters in the Root. However, expression from several stakeholders – and our customers – do show that there are indeed different needs for different TLDs. If one leaves the technical level, there is not much common ground between a cityTLD (.Berlin or .Paris) and a brand TLD (.Company or .Trademark) let along a generic (.Car or .Web). Different categories may have different needs and ultimately a specific time to market. We submit that, although the common ground should obviously be identical for all, acknowledging some specificities in advance would provide a much needed clarity and a faster process.

Additionally, ICANN does recognize there is no "one size fits all" approach since DAGv3 establishes a "Community Priority" against a "Standard" application. However, the former still lack defined examples



of Communities that a potential applicant could use to assess whether there is a merit in looking for a Community, ask for a potential backer... Or if their time would be better spent working on the basis of a "standard" application. This is particularly relevant since we were confirmed in ICANN Seoul that no change of typology will be allowed after the application is submitted.

IV. On Overarching Issues, Trademarks and Economic Demand

There is no question that putting a TLD in the Root is a huge responsibility: for ICANN, for the Community, for the TLD operator itself... However, being cautious should not block the need for innovation of this industry.

As a proud member of the Czech Arbitration Court's Advisory Board, EuroDNS believes in providing evolving solutions to Trademark issues in the Domain Name Space and does not support freezing the space to offer a fake comfort to trademark holders. Over the years, brand owners have managed to use the technology to their advantage in the past and have helped implement successful solutions to make the Internet a safer space. The UDRP was designed 10 years ago with the then-current issues in mind, we are confident that concrete and reasonable suggestions from the IRT (namely the URS and the Clearing House) would provide such solutions for the next decade.

EuroDNS is a supporter of the dotInnovate initiative and is glad to use the Henry Ford quote⁵: nobody can safely predict "demand" for something that does not exist yet. Successes like Facebook (whose "vanity URLs" operation have clearly demonstrated a consumer's needs for a different kind of identifier) and Twitter have demonstrated that a different use of the Internet can generate strong economic value. We have customers, right now, that are willing and able to move forward and invest in a new TLD, with a clear business plan in mind; we know several others exist out there: that should be enough to at least move forward.

Yours, sincerely,

Jean-Christophe Vignes Executive Vice-President & General Counsel

⁵ "If I'd asked my customers what they wanted, they'd have said a faster horse"