

Overall, AusRegistry is pleased with the current version of the Guidebook and its accompanying documentation. We thank ICANN Staff, Board, and Community for the countless hours spent working on what we consider to be a thorough, well written document which provides an appropriate vehicle for promoting competition, innovation and consumer choice in the digital world.

### **Economic Studies**

ICANN has commissioned several economic studies and spent a significant amount of money doing so. The Board has more than met its important task of ensuring economic studies are conducted prior to launching this New gTLD round. The conclusion in all of the studies has been consistent – “incremental benefits” are likely to outweigh “incremental costs”. But it’s impossible to know what the true benefits and cost will be. However, some compelling examples occurred in our industry recently which answers the questions which lie behind the reason for conducting economic studies. Those questions are: Is there demand? Will competition be created? Will users benefit from new and better products and services? The answer to all three questions is yes as evidenced by below.

- The recent success of .CO (600,000 registrations in 5 months)
  - 90% of .CO Registrants register 1-2 domains
  - 9% of .CO Registrants register 3-10 domains
  - 1% of .CO Registrants register 11+ domains
- The recent success of .PΦ, the IDN for .RU (500,000 registrations in one week)
- The number of new businesses & products that have been created since New gTLDs were approved by the ICANN Board in June, 2008. Examples are:
  - Registry Service Providers
  - New gTLD Consultancy Firms and Services
  - Legal firms adding additional products targeting New gTLD applicants

### **Application Window**

The application submission period has not been specified (section 1.1.2) in the PF-AGB. The recently published Delegation Rate Scenarios paper referenced a 90-day application submission period. Previous discussions and presentations with ICANN staff referenced a 30-day window. A 30-day window is the most appropriate and will help ICANN process batches in bite-sized chunks. A longer window creates an opportunity for applicants to procrastinate submitting their applications and provides no real benefits.

### **Vertical Integration**

The decision of the ICANN Board to allow vertical integration is a good one as it allows the market to operate freely, thereby creating long term benefits to consumers. It was time for the Board to make a decision as it was clear the community was unable to come to consensus. Allowing registry and registrar cross ownership, coupled with proper compliance measures (such as the Registry Code of Conduct) and expertise of appropriate competition authorities creates a competitive environment which ultimately drives innovation and creates choice.

### **String Requirements**

Significant changes from previously published guidebooks were made in the PF-AGB. The rationale for the changes is unclear and the new requirements are concerning. It appears that the PF-AGB string requirements are based on an IETF draft document which:

- is still a draft and not yet approved

- is an independent submission to the IETF, not from a working group and is the subject of much debate in the DNSOP working group
- is an attempt to set ‘policy’ not technical protocol restrictions in the IETF which is not the job of IETF, it is the job of ICANN
- has no clear consensus within the IETF and many are unsupportive of the draft

By using this draft standard, a number of domains which are technically allowable (i.e., allowed by the protocol) will no longer be allowed as TLD strings.

### 1.2.1

The wording in 1.2.1 states, *“The ASCII label must consist entirely of letters (alphabetic characters a-z)”*, disallows the use of numbers and hyphens (-) in ASCII TLDs. This change now disallows TLDs such as .3com (a large corporate brand), .gift4you, and .my-tld.

There is no rationale for disallowing numbers or dashes in ASCII labels (subject to the sensible restrictions published in the earlier guidebooks).

Any issues with domains that **begin** with numbers are associated with right-to-left (RTL) scripts, which realistically only appear in IDNs (see below).

If the concern is with the rendering issues experienced by names that contain numbers at the ‘.’ boundaries, and RTL IDN labels, it is already adequately addressed by the IDN BIDI rules documented in the IDNA RFCs.

### 1.3.1

Bullet point 5 of this section states that applicants must *“demonstrate they have made reasonable efforts to ensure there are no rendering issues”*, and if there are known issues they *“should document steps that will be taken to mitigate issues”*, in their application.

This should be required of ALL applicants that intend to allow registration of IDNs under their TLD, regardless of whether the TLD itself is an IDN. This change will adequately address any concerns with rendering issues of numbers at the ‘.’ in ASCII only TLDs. Alternatively, a rule could be made that RTL registrations are not allowed under TLDs (IDN and ASCII) that begin with numbers.

Also, there is no reason to disallow dashes. The language in previous Guidebooks regarding dashes was sufficient to address any potential issues with them.

### 2.1.2

*“The derived property value of all codepoints, as defined by IDNA, must be PVALID and be accompanied by unambiguous contextual rules where necessary.”*

It’s not clear what the rationale is for restricting only to PVALID? The IDNA 2008 standards define Context O and Context J rules which adequately address any issues. The footnote’s justification says that ‘applications may take time to catch up’ but this is true of all TLDs (e.g., .museum). This concern has already been addressed in the proposed ICANN contract (clause 1.2) and in the Guidebook itself (Section 1.2.4). Therefore, no string should be denied under this section as ‘it might not work in applications’ scenarios are already prevented.

### 2.1.3 and 2.1.5

2.1.3 says, “The general category of all codepoints, as defined by IDNA, must be one of (Li, Lo, Lm, Mn)”.

AND

2.1.5 says, “Must consist entirely of characters with the same directional property”

There are characters, such as the dash (-), that don’t fall into these categories that are critical in certain languages. For example, the dash is VERY important for Arabic labels which are often times comprised of multiple words. In order to make sure the two words do not ‘join’ together the dash is used to separate the two words.

Without the dash, Qatar Airways’ (الخطوط الجوية القطرية) Arabic TLD will look like this:

الخطوطالجويةالقطرية

With the dash the words are far more correctly represented:

الخطوط-الجوية-القطرية

It is difficult to see the distinctions above (and Word may not be rendering them correctly), however Arabic speakers can clarify this requirement and the differences. By restricting to only one directional property and the listed codepoint categories, ICANN has prohibited a large category of New gTLDs (Arabic IDNs) for no technical reason.

In closing, AusRegistry would like to reiterate its satisfaction with the Proposed Final Applicant Guidebook and congratulates ICANN for delivering an excellent work product. We look forward to the launch of New gTLDs.

Respectfully,  
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