



22 January 2016

Via Electronic Mail

RE: gTLD Marketplace Health Index: Call for Comments and Volunteers

Thank you for the opportunity to comment on this proposal.

Neustar Inc. has been involved in the domain name industry for many years, and is a contracted party with ICANN as the Registry Operator for both the .biz and .neustar TLDs. As a result of the 2012 new gTLD process we are also responsible for the provision of back end registry services for 334 TLDs.

We applaud the goal of establishing discrete, measurable criteria to evaluate gTLD 'Marketplace Health'. In providing these comments rather than examining each Key Performance Indicator in detail we have selected a number of examples that illustrate our position; which is that a number of the underlying principles would benefit from further definition and elaboration in order to make more meaningful the concepts, their measurement and any resultant activities that ICANN undertakes.

The currently articulated Key Performance Indicators do not differentiate between the business models of Registry Operators, nor the type of TLD – whether it be a Registry Operator that applied as a Community, or one that has subsequently applied for Specification 13 'brand TLD Provisions'; one with restrictive eligibility criteria, or a true generic; one that is high price low volume, or one that is low price high volume.

Key Performance Indicator 'I.b' for instance will be skewed by the number of .brand Registry Operators. Further the Key Performance Indicators, in particular 'I.e', fails to take into account the emergence of registry service providers as a result of the New gTLD Program; from the 'Draft - Program Implementation Review':

"Although 1,930 applications were submitted, most shared one of a relatively small number of technical infrastructures (less than 50). In fact, 90% of applications shared one of 13 technical infrastructures..."¹

Thus Key Performance Indicator 'I.e' while indicating diversity amongst technical providers does not take into account the operational reality of the marketplace, where Registry Operators seek technical providers to deliver services for them; nor is the concept of "family" defined. Key Performance Indicator 'II.c' may also be skewed by a registry service provider experiencing technical issues, which may affect multiple TLDs.

Key Performance Indicator 'II.b', 'II.c' and 'II.d' speak to "relative incidence" without definition of what the measure is relative to. In addition Key Performance Indicator 'II.c' and 'II.d' refer to

¹ <http://newgtlds.icann.org/en/reviews/implementation/draft-program-review-16sep15-en.pdf>

“breach notices issued”, and “complaints regarding inaccurate, invalid, or suspect Whois records” without defining that in order to be considered a negative indicator of reputation or trust the notice or complaint must be upheld. Finally ‘III.a’ and ‘III.b’ do not take into account, the severity of the incident, nor the number of sites or registrars vulnerable to such attacks.

We would encourage ICANN and the Advisory Panel to ensure that in drafting the Key Performance Indicators:

- all metrics will continue to be meaningful as the number of TLDs and domain names grow;
- all relative measures have a well-defined base; and
- that the metric represents the true risk to the reputation and trust of the TLD, rather than the propensity of the involved parties to raise issues.

Also we encourage ICANN and the Advisory Panel to consider a target setting mechanism for each metric to determine if they are above or below acceptable levels.

Further we note that in the call for Advisory Panel Volunteers that ICANN states that *“Experience in the global domain name industry, economics, and data analytics will be particularly helpful to the Advisory Panel’s work.”* We would strongly suggest that the panel **must** have one or more experts in data analytics, and should the community volunteers not have such experience available, that a third party is engaged to provide such advice.