Potential harms from continued separation

- Reduced innovation
- Reduced ability to differentiate registries
- Fewer registry features
- Business models prohibited
- Reduced choice
- Reduced availability

- Higher prices from double margins
- Market protection

- Lower service quality
- Registry failure

Potential harms from vertical integration

- Favorable access (access discrimination)
    - Operational support
    - Registry systems
    - Deleted names
    - Registrant data
    - Traffic data
    - "Shelf space"
    - Approvals to sell names

- Insider trading
    - ID and withhold high-value names – domain name scalping
    - Pre-emptive registrations (and/or warehousing) by the integrated entity
    - Domain registration abuse
    - Domain tasting, "smarter tasting" (based on registry traffic info)
    - Front-running
    - Cybersquatting – is made easier for the warehousing affiliated registrar, harder for the brand-owner seeking to protect their mark, harder for the brand owner to dispute

- Consolidated finances eliminates some current financial penalties
    - "Restocking fees" become less-effective abuse-prevention tools
    - 100% refunds
    - Exempted registrations
    - Transfer pricing

- Increased oversight costs
    - Marketplace monitoring and auditing
    - Investigating and responding to complaints

    - Prompt/consistent enforcement actions

- Higher prices
    - Predatory pricing
    - “Sneaky” pricing (different price to register vs renew, different prices for transfers out, additional fee for full-service DNS control)
    - Account lock-ins
    - Transfer-out pricing

- Reduced innovation
- Less product variety

- Industry consolidation and increased concentration in the registrar layer
- Anti-competitive collusion between affiliated registries/registrars