### **Staff Report of Public Comment Proceeding Template**

# Release of Country and Territory Names within the .SOFTBANK, .ART and .CARAVAN TLDs

**Publication Date:** 14 September 2016

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Public Comment Proceeding			
Open Date:	19 July 2016		
Close Date:	31 August 2016		
Staff Report	14 September 2016		
Due Date:			

Important Information Links		
<u>Announcement</u>		
Public Comment Proceeding		
View Comments Submitted		

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#### **Section I: General Overview and Next Steps**

#### **General Overview:**

Three (3) <u>Registry Services Evaluation Policy (RSEP)</u> requests were submitted by the registry operators listed below to allow the release of country and territory names for the below TLDs. In total, the requests concern 3 New gTLDs.

Proposal	TLD	Registry Name	Documents
2016031	caravan	Caravan International, Inc.	Caravan International, Inc. Request 2 June 2016
2016028	art	UK Creative Ideas Limited	UK Creative Ideas Limited Request 18 May 2016
2016023	softbank	Softbank Corp.	Softbank Corp. Request 29 April 2016

As required by the RSEP, ICANN made a preliminary determination on whether these RSEP proposals might raise significant competition, security or stability issues. ICANN's preliminary review (based on the information provided) did not identify any such issues.

Following ICANN's preliminary determination that the proposals do not raise significant competition, security or stability issues, ICANN proposed to implement the registry service by amending the respective Registry Agreements.

From 19 July 2016 – 31 August 2016, ICANN posted the proposed RA amendments for public comment, which resulted in nine comments.

#### **Next steps**

As provided in Section 4 of Specification 5 of the Registry Agreement, a registry operator may propose the release of reserved country and territory names "subject to review by ICANN's Governmental Advisory Committee and approval by ICANN". In its <u>Singapore Communiqué</u> (11 February 2015), the GAC advised ICANN Board to "work with the GAC to develop a public database to streamline the process for the release of country and territory names at the second level, as outlined in Specification 5. The database will inform whether individual GAC Members intend to agree to all requests, review them case by case, or not agree to any. The absence of input from a government will not be considered as agreement".

Subsequent to the GAC's Singapore Communiqué (11 February 2015), on 23 April 2015, the GAC Chair sent a <u>letter</u> to the Chairman of the ICANN Board, confirming its intent to work on a proposal for the development of such database for the process for release of country and territory names. The GAC indicated in its letter that "The GAC has started to work on a proposal for such a database and on related aspects of the process for release of country and territory names. This work has priority status for the GAC and a proposal will soon be shared with ICANN. In the meantime, it is the expectation of the GAC that a realistic timeline will be followed, and that existent RSEP requests will not be approved before an adequate process involving the GAC and individual governments in the release of country and territory names at the second level has been developed." On 14 April 2015, the Brand Registry Group (BRG), the Business Constituency (BC) and the Intellectual Property Constituency (IPC) submitted a <u>letter</u> to the ICANN Board, offering a joint proposal on the matter of the release of country and territory names and two-letter labels at the second level. The letter requests confirmation that the database project referenced in the GAC's April 23rd letter is underway, and the anticipated timeframe for making this information available.

Also it is stated in the <u>GAC's Buenos Aires Communiqué</u> (24 June 2015) that "the GAC is continuing to develop a database of country requirements for notification of requests for release of country/territory names at the second level in new gTLDs (reserved according to the application rules for new gTLDs), with options for governments to state that they do not object to release and abstain from notifications for such requests". <u>The list</u> was finalised and published on the GAC website on 30 July 2015.

On 12 October 2015, ICANN published the Country and Territory Names webpage to provide information regarding names currently reserved under Specification 5 Section 4 of the <a href="New gTLD">New gTLD</a> Registry Agreement. The webpage provides clarification regarding the <a href="Governmental Advisory">Governmental Advisory</a> Committee Notification Requirements list established to facilitate notification of registry requests for release of country and territory names as second-level domains in new gTLDs.

To access the Country and Territory Names webpage, please visit <a href="https://www.icann.org/resources/country-territory-names">https://www.icann.org/resources/country-territory-names</a>.

ICANN will consider these comments along with the advice from the GAC as it considers whether or not to approve the requested amendments.

#### **Section II: Contributors**

At the time this report was prepared, a total of nine community submissions had been posted to the forum. The contributors, both individuals and organizations/groups, are listed below in chronological order by posting date with initials noted. To the extent that quotations are used in the foregoing narrative (Section III), such citations will reference the contributor's initials.

#### Organizations and Groups:

Name	Submitted by	Initials
GAC Representative - Peru	María Milagros Castañon Seoane	PE
GAC Representative - Singapore	Ser Pheng Queh	SG
GAC Representative - Brazil	Pedro Ivo Ferraz da Silva	BR
GAC Representative - Malaysia	Nur Yushan Yusof	MY
Vietnam Internet Network Information Center	Ph. Quan ly tai nguyen Internet	VNNIC
GAC Representative - Argentina	Olga Cavalli	AR
Mexican Administration	Miguel Angel Munoz Petrichole	MX
Intellectual Property Constituency	Gregory S. Shatan	IPC
Business Constituency	Steve DelBianco	ВС

#### **Section III: Summary of Comments**

<u>General Disclaimer</u>: This section intends to summarize broadly and comprehensively the comments submitted to this public comment proceeding but does not address every specific position stated by each contributor. The preparer recommends that readers interested in specific aspects of any of the summarized comments, or the full context of others, refer directly to the specific contributions at the link referenced above (View Comments Submitted).

Nine comments have been posted to the public comment forum during the public comment period. While two of the comments support the release of country and territory names within .SOFTBANK, .ART, .CARAVAN TLDs, the other comments are opposed to the release of country and territory names within all new gTLDs, including .SOFTBANK, .ART and .CARAVAN TLDs.

## Comments supporting the release of country and territory names within .SOFTBANK, .ART and .CARAVAN

Regarding the proposed introduction of country and territory names within .SOFTBANK,
.CARAVAN and .BRAND TLDs:

Both IPC and BC maintain their historic position supporting the release of country and territory names within .BRAND TLDs.

"The ability to use country and territory names at the second level in .SOFTBANK and .CARAVAN or any .BRAND TLD, serves the purposes and goals of new .BRAND TLDs by providing user-friendly, safe and secure geographically-targeted spaces for consumer-brand online interactions, which aligns more broadly with new gTLD program goals of consumer trust, choice, and competition in the online global marketplace" (IPC)

"The use of country and territory names will allow .BRAND registries to create customized and relevant localized content for consumers in various countries and regions across the world, especially in developing nations with predominantly non-English speaking populations. This geographic segmentation will not only bring greater efficacy to .BRAND TLDs, but it will benefit businesses and consumers alike by fueling economic development in regions which currently have limited choice with respect to linguistically and culturally tailored domain names and content. In addition, we firmly believe that the release of country and territory names for .BRAND TLDs will enhance security and trust in online commerce by permitting businesses to exercise more control over the security and stability of their customized web sites....the use of country and territory names within a .BRAND registry will always avoid confusion with an official government web property." (BC)

The IPC also proposed a process for .BRANDs to release country and terriory names:

"It seems unnecessary to rigidly apply current blanket restrictions against all second-level country codes and country names within restricted dot.brand registries....It would be inefficient to force .BRANDs to individually reach agreement with ICANN and each respective government and country-code manager. As an alternative to ICANN recognizing an exemption to Registry Agreement §2.6 and Specification 5, ICANN should define a clear and timely path forward for .BRANDs to release geographic names at the second level." (IPC)

b) Regarding the proposed introduction of country and territory names within .ART and generic TLDs

While the IPC stated that their comments for the release of country and territory names within .BRAND TLDs are not applicable to generic TLDs, the IPC suggested that new generic TLDs, including .ART, should be afforded the same privilege to freely register country and territory names since nearly all legacy and sponsored TLDs, including .COM and .NET, are permitted to freely register country and territory names at all available levels to any registrant for any purpose, further commenting that requiring otherwise would be to create an uneven playing field, inherently disadvantaging applicants for new generic TLDs by subjecting them to requirements not imposed upon .COM or other legacy generic TLDs.

Additionally, the BC recognizes that geographic segmentation and non-confusion arguments set forth for .BRAND TLDs (as noted above) are less persuasive for the release of country and territory domain names within the .ART and also more generally within open TLDs.

"The geographic segmentation and non-confusion arguments set forth above are less persuasive for open TLDs than for .BRANDs or geographic TLDs. We therefore believe that the presumption of approval may be overcome by a particular government's objection to the release of its country or territory name....In our view, the historical availability of country and territory names at all levels in all legacy TLDs still militates in favor of a presumptive approval of the request for the release of country and territory names." (BC)

#### Comments opposing to the release of country and territory names in all gTLDs

PE, SG, BR, MY, VNNIC, AR, MX expressed their objection to the proposed amendments which will allow the release of country and territory names currently reserved under Section 4 of Specification 5 of the Registry Agreement in .SOFTBANK, .ART and .CARAVAN TLDs.

While PE, AR, MY mentioned that countries are the ones to decide the use and application of their name and that of towns and communities located within their territory and that country and territory names should not be released without the authorization of the related country, MX suggested that brands, if they have interest in the geographic differentiation, they should be using a registry within the ccTLD of the target market.

On the other hand, both SG and VNNIC expressed their opposition to the release of both two-character country codes and country and territory names, however SG further explained that they are open to considering the release of ".sg" and ".singapore" only if the registry operator has a robust framework in place to address the concerns of the government. Accordingly, SG also advised ICANN to also focus on post-release issues by putting a holistic and robust framework in place that should include processes such as governments to have the ability to issue a notice to object to the content or manner-of-use that is misleading and provisions that would require registry operator to re-seek approval from the related government should there be material changes in ownership or organizational control, and for ICANN to take actions against the registry operator should they fail to comply with the framework. (e.g. implement a process for country/territory to raise objections to ICANN and for ICANN to take appropriate remedial actions such as remove/delete/revoke affected names).

#### **Section IV: Analysis of Comments**

<u>General Disclaimer</u>: This section intends to provide an analysis and evaluation of the comments submitted along with explanations regarding the basis for any recommendations provided within the analysis.

Nine comments have been posted to the public comment forum during the public comment period. While two of the comments support the release of country and territory names within .SOFTBANK, .ART, .CARAVAN TLDs, the other comments are opposed to release of country and territory names within all new gTLDs without the authorization of the related country.

Both IPC and BC expressed that geographic segmentation will bring greater efficacy to .BRAND TLDs and that allowance of such names within .BRAND TLDs will bring value to brand owners and their audiences (improved user experience, relevance and localization of content, enhanced security and trust) and also noted that the historical availability of country and territory names at all levels in all legacy TLDs still militates in favor of a presumptive approval of the request for the release of country and territory names.

On the other hand, the other comments submitted by the GAC representatives and ccTLD managers opposed to the release of country and territory names within all new gTLDs, including .SOFTBANK, .ART, and .CARAVAN for which the proposed amendments that would allow the release of country and territory names within these TLDs are posted for public comment. SG and VNNIC opposed to release of the corresponding two-letter country codes in all gTLDs.

It should be noted that Specification 13 has been granted for .CARAVAN on 4 September 2014 and Specification 13 has been granted for .SOFTBANK on 2 July 2015.

In response to these comments regarding the process for releasing reserved country and territory names, ICANN notes that similar comments emerged from the community with respect to the previously published public comments for similar RSEP requests. (See:

https://www.icann.org/public-comments/ctn-release-neustar-2014-09-19-en,

https://www.icann.org/public-comments/bmw-mini-amendment-2014-12-11-en,

https://www.icann.org/public-comments/ctn-release-tlds-2015-01-06-en,

https://www.icann.org/public-comments/emerck-hamburg-berlin-amendment-2015-03-02-en,

https://www.icann.org/public-comments/ctn-release-tlds-2015-03-31-en,

https://www.icann.org/public-comments/ctn-release-tlds-2015-05-13-en,

https://www.icann.org/public-comments/ctn-release-tlds-2015-05-26-en,

https://www.icann.org/public-comments/ctn-release-tlds-2015-06-21-en,

https://www.icann.org/public-comments/ctn-release-tlds-2015-09-01-en,

https://www.icann.org/public-comments/ctn-release-tlds-2015-12-15-en,

https://www.icann.org/public-comments/ctn-release-tlds-2016-03-28-en,

https://www.icann.org/public-comments/ctn-release-tlds-2016-04-27-en.)

Also, on 11 February 2015, the GAC, in its <u>Singapore Communiqué</u>, advised ICANN Board to "work with the GAC to develop a public database to streamline the process for the release of country and territory names at the second level, as outlined in Specification 5. The database will inform whether individual GAC Members intend to agree to all requests, review them case by case, or not agree to any. The absence of input from a government will not be considered as agreement". Subsequent to the GAC's Singapore Communiqué (11 February 2015), on 23 April 2015, the GAC Chair sent a <u>letter</u> to the Chairman of the ICANN Board, confirming its intent to work on a proposal for the development of such database for the process for release of country and territory names. The GAC indicated in its letter that "The GAC has started to work on a proposal for such a database and on related aspects of the process for release of country and territory names. This work has priority status for the GAC and a proposal will soon be shared with ICANN. In the meantime, it is the expectation of the GAC that a realistic timeline will be followed, and that existent RSEP requests will not be approved before an adequate process involving the GAC and individual governments in the release of country and territory names at the second level has been developed."

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<u>Committee Notification Requirements list</u> established to facilitate notification of registry requests for release of country and territory names as second-level domains in new gTLDs.

Some comments from governments make reference to the release of two-character labels that correspond with country codes. The topic of two-character labels is addressed in a separate process, the <u>Authorization Process for Release of Two-Character ASCII Labels</u> ("Authorization Process"). Under the Authorization Process, registry operators may request authorization from ICANN to release such labels from reservation, based on its implementation of measures to avoid confusion with the corresponding country codes. From 8 July 2016 through 17 August 2016, ICANN published for public comment a list of proposed measures, the <u>Proposed Measures for Letter/Letter Two-Character ASCII Labels to Avoid Confusion with Corresponding Country Codes</u>, that registry operators may implement to avoid confusion with corresponding country codes. Comments in that forum are being reviewed and will be addressed in its own public comment summary and analysis report.

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ICANN will consider these comments along with the advice from the GAC as it considers whether or not to approve the requested amendments.