



Vancouver, Monday 14th 2018
ICANN GLOBAL DOMAIN DIVISION MEETING

To: M. Cyrus Namazi
Vice President, Domain Name Services & Industry Engagement
Global Domains Division

Like many new gTLD applicants and probably most people among GeoTLDs, our expectations for total domains under management have not yet been realized. According to namestats.com in March 2018, only 61 out of 1,226 new gTLD strings have more than 50,000 domains under management. Dot.QUEBEC has near 8,500 names for now and we expect a regular but slow increase this year.

You will recall that 50,000 is the magic number of registry level transactions related to annual increments of domain registrations against which the minimum ICANN annual fee of \$25,000USD applies before a unit transaction fee of \$0.25 applies. This means that just under 5% of registries are currently subject to the minimum. These registries average about 3,318 domains under management and therefore are paying on average \$7.53 per domain. This is an excessive fee, especially when compared to the actual price charged by registries.

Are these registries successful? Success can be measured in different ways and certainly domains under management is one criteria, but need not be the only criteria. But still, without a strong support from ICANN, many will face serious financial issues, even file for bankruptcy.

«.QUEBEC» is also challenged by the USD/CAD exchange rate. Even though .«QUEBEC» hasn't changed his pricing, since it went online, at \$25CAD per name (\$19USD), this means that we must pay \$2,87USD per name or \$3,68CAD per name today, which is a lot more than when we went online.



In that context, I ask the ICANN Board, on behalf of all the strings that may never achieve the arbitrary 50,000 transaction threshold, that you consider changing the minimum fee to a tiered model that recognizes the broad collection of registries that have significantly less than the current 50,000 threshold. Doing so would create a more level playing field for smaller operators and also create a more attractive environment for new applicants in the next round.

We suggest that ICANN should consider seriously the RySG proposal of lowering the minimum fee to \$6,250USD/year. This would be a significant contribution that «.QUEBEC» would use to increase both marketing and domain sales strategies.

«.QUEBEC» is also concerned by the variant «.QUÉBEC» (with an accent) that would respect the cultural and linguistic environment of its community. In 2012 ICANN told us that if we deposit 2 applications (.QUEBEC and .QUÉBEC) we would be in competition, so we already wrote in our application (.QUEBEC) that we need that variant in the future.

Furthermore, «.QUEBEC» would like to have some clarification on the letter of credit termination period . More specifically, «.QUEBEC» needs to identify the date (fiscal year and calendar quarter).

Thank you for your consideration.

Normand Fortier
Director/Founder
PointQuébec