

1/20/2020

To: ICANN Board

This message is being sent purely on my own behalf. I do not expect a personal reply commenting on this issue but I did want to share a few thoughts.

With the various assurances that Ethos Capital has made, I was starting to feel comfortable that the sale might not come back and bite us. However, with the recent revelations of the complexity of the corporate structure and the multiple partners (and loans) involved, the odor has started to rise again.

When I look at the transaction (and I am ignoring here any public relations aspect in relation to ISOC, PIR or even ICANN), I see a number of possible very unfortunate consequences.

1. Price increases: Perhaps inevitable after the decision to remove pricing limitations, I have found that the statements made by Ethos are less than direct. I have heard multiple times that 10% increases could (in the extreme) result in the wholesale price doubling in 10 years. That is not accurate. The 10% would in fact be compounded and this could result in a 2x in 8 years, 3 x in 13 years and 4x in 16 years and 6x in 20 years. Perhaps such an increase would harm sales sufficiently to cause caution on Ethos' part but I am disturbed that the actual numbers are not being mentioned. But as I said, it is too late to change this, regardless of owner.

2. The largest potential harm I see is to the perceived nature of the TLD. There is no restriction on who can register a domain under .org, but when you look at the .org domains that show up in real life (my own contact list, web searches, etc.), almost all of them are not-for-profit type-organizations or individuals. Rarely do you see an out-and-out business using a .org domain. It is the reason I registered alangreenberg.org and used .org for the domain name of my local genealogical society. And it is why you find .org used for ISOC (and that predates PIR), ICANN, Wikipedia and the Internet Archive.

That is, in my mind, a core strong strength of .org, and one that has been well supported by PIR under ISOC control. However, the lure of profit may make it extremely attractive to try to transform .org into another .com. With just 7% of domains under .org compared to .com, the name space is wide open with far fewer name conflicts. If it is marketed as a more generic TLD (as opposed to the very targeted marketing for .org to date), it could grow - a lot! And along the way very quickly lose its current perceived nature. The lure of capturing just a small fraction of the .com market, with its annual gross revenue of over \$1.1B will be very difficult to ignore.

Ethos has stated that it will preserve the "nature of .org". Those assurances are perhaps comforting but non-binding. However, far more important is the new information that Ethos may not be calling the shots and those other entities who may have control have made no such assurances at all.

I will not comment on whether ICANN should approve the sale or not. The Board has far better insight and advice than I can provide. But if the sale does go through I believe it is essential that it include binding, non-cancellable requirements that the "nature" of the TLD be maintained and efforts not be made to transform it into a true generic, commercially-oriented domain. It will sure be difficult to word that in a way as to "guarantee" that it be

honored, but I feel confident that it can be done such that, if the intent is violated, the TLD operator could face the potential for having their contract revoked.

Alan Greenberg