11 June 2015

Internet Corporation for Assigned Names and Numbers
12025 Waterfront Drive, Suite 300
Los Angeles, CA 90094-2536

Re: CPA Australia CPE Application for .CPA (No. 1-1744-1971)

To the ICANN Board of Directors and Economist Intelligence Unit (EIU).

On behalf of CPA Australia, applicant for the .cpa Top-Level Domain, we are submitting a formal response (Response) to the letter addressed to the ICANN Board and Economist Intelligence Unit by Mr Jonathon Nevett of Donuts Inc. dated 11 May 2015, which provided a subjective assessment of how our .cpa application should be scored according to the Community Priority Evaluation (Donuts Assessment).

We request that the EIU take into account our rebuttal of the Donuts Assessment and the additional supporting information provided in our Response, as part of the evaluation of our community application.

Regards,

Craig Laughton
General Counsel
CPA Australia Ltd
Executive Summary

The prime reason that we have taken the time to express our views in respect of the Donuts Assessment is the importance that we attach to the .cpa TLD. We believe that the .cpa TLD will become the digital manifestation of the “traditional CPA designation”. This is an extremely significant assertion given the long history and associated standards represented by the “traditional CPA designation”. It is essential for the integrity of the CPA designation that both the “traditional CPA designation” and the “digital CPA designation” are aligned in relation to the standards associated with their respective attainment.

By way of background, CPA Australia (CPAA) is the result of a movement that started in 1886 when the founders, all practising public accountants, met to discuss the future of the accounting profession and formed the first incorporated accounting body, the Incorporated Institute of Accountants. Over the next 100 years the organisation expanded and evolved to cater to the needs of its growing membership both domestically and internationally.

Through our alliances, CPAA today is an organisation engaged with CPAs across 145 countries around the world. This is clearly defined community that will benefit from, and demonstrate an unparalleled respect for, the .cpa TLD in alignment with our highly specific registration policies.

The Governmental Advisory Committee (GAC) has recognised .cpa as a ‘highly regulated’ string belonging to the professional sector. We believe this attribution by the GAC should be recognised as a strong indicator that the TLD must be operated in the public interest and in a manner which respects the .cpa designation. The .cpa TLD should become the online designation of all CPAs and a trusted online destination for those seeking their services.

We believe that CPAA has submitted a strong application that will meet the necessary community requirements to pass Community Priority Evaluation (CPE) and we have included an independent assessment with this Response. We also note that the other community applicant (AICPA) for the .cpa TLD recently submitted a letter of support for our application.

On 11 May 2015, a competing applicant, Donuts Inc., submitted a subjective assessment of CPAA’s application to the Economist Intelligence Unit (EIU) via the ICANN correspondence page. This Response will examine Donuts Inc.’s claims regarding elements of our application, which we believe have been miscategorised and are in parts inaccurate. We will also draw attention to the fact that Donuts Inc. adopted this approach for a number of other CPE applicants for strings for which they are also in contention and that their assessments have consistently not been comparable to the final reports of the EIU.

Before addressing the Donuts Assessment, we believe that it is necessary to provide background about the CPA designation generally and CPAA. We also explain why we consider it imperative that the .cpa TLD be made available to the applicant that has the capacity to protect the designation in the online environment by continuing to uphold the designation of being a CPA, a qualification that is trusted globally. We believe understanding the value of .cpa to its community is important to understanding why ICANN must ensure that the TLD is operated in the public interest for the benefit of a well-defined community.
ABOUT CPAA

CPAA has a large global footprint with offices in 11 countries/regions around the world and membership in 145 countries.

Our organisation is dedicated to serving the public interest through its community of accountancy, finance and business advisory professionals across the world. We are proud to be the standard bearer for the CPA designation, in accordance with the education standards developed by the International Accounting Education Standards Board of the International Federation of Accountants (IFAC) and their continuing implementation as regards professional development.

Given the above, we submit to ICANN and the EIU that as a not-for-profit community based member organisation, that we (or another not profit accounting body such as AICPA), are the most appropriate administrator for the .cpa TLD. Our non-commercial focus will help to ensure community benefit and effective stewardship while protecting:

a) the rights of the accounting community for the CPA designation; and
b) the interests of the general public who have come to trust the inherent value that the CPA designation provides.

The applicant has well defined and tightly controlled eligibility

Our application is clearly designed to cater for the established and global community of CPAs, defining eligibility as:

"Registrations for second level domain names under the .cpa TLD will only be open, in accordance with the eligibility criteria outlined in the registration policy, to the following eligible registrants and members of the defined community:

- full CPA members;
- Associate members currently enrolled in a CPA program;
- students currently registered in CPAA’s Passport program; and
- individuals that are either reciprocal members of, or are currently enrolled in, equivalent courses through overseas accounting bodies with which CPAA has, or may enter into, Mutual Recognition Agreements (MRA)."

The above, when taken into consideration with the list of existing MRAs\(^1\) and the letter of support from the American Institute of CPAs\(^2\) is strong evidence that the community is inclusive of the vast majority of CPA’s globally.

PROTECTION OF THE CPA DESIGNATION

CPA is a globally recognised designation

The CPA designation is one of the most recognised and regarded designations in the world, the honour and prestige of which has been bestowed to hundreds of thousands of people across 145 countries since the designation’s establishment. The CPA designation continues to identify accountants who undertake a level of education and professional development and are committed to global standards that define the way that the global economy functions. Accountants holding the CPA designation are relied on around the world as leaders in their field and trusted professionals.

\(^1\) http://www.cpaaustralia.com.au/become-a-cpa/international-affiliations
The terms CPA and accountant are not synonyms

The term accountant refers generally to an individual undertaking activity within the discipline of accountancy. The CPA designation is a classification of a highly qualified accountant who has completed significant post-graduate education and belongs to a member association that requires ongoing regular professional development in order to retain the accreditation.

To become a CPA, candidates must hold a recognised degree or a postgraduate award and have training and knowledge to demonstrate competence sufficient to successfully complete the CPA Program. The CPA Program (administered by CPA Australia) is a series of educational standards which must be met across a range of disciplines including ethics and governance, financial reporting, global strategy and leadership plus a range of elective subjects.

Members are required to renew membership each year. This requires members to declare their ongoing compliance with the Code of Professional Conduct, continued professional development requirements and disclose any matters of a criminal or other disciplinary nature that may affect an assessment of them as a fit and proper person.

CPAs and global accounting standards

The International Federation of Accountants (IFAC), which was founded in 1977, is the global organization for the accountancy profession dedicated to serving the public interest by strengthening the profession and contributing to the development of strong international economies. IFAC is comprised of over 175 members and associates in 130 countries and jurisdictions, representing approximately 2.5 million accountants in public practice, education, government service, industry, and commerce.

IFAC exists to ensure global accounting standards are compatible and engender trust. IFAC contributes to high-quality international standards and guidance, helps build strong professional accountancy organizations and accounting firms, and supports high-quality practices by professional accountants. All of these activities are considered necessary infrastructure for the effective functioning of the world's capital markets. To accomplish the above IFAC has a number of independent standard-setting boards, specifically:

- The International Auditing and Assurance Standards Board\(^5\),
- The International Accounting Education Standards Board\(^4\),
- The International Ethics Standards Board for Accountants\(^5\), and
- The International Public Sector Accounting Standards Board\(^6\).

It promotes convergence to the standards issued by the boards, as well as the International Financial Reporting Standards\(^7\) (IFRSs) set by the International Accounting Standards Board\(^8\).

---

\(^5\) http://www.iaasb.org/
\(^4\) http://www.iaesb.org/
\(^5\) http://www.ethicsboard.org/
\(^6\) http://www.ipsasb.org/
\(^7\) http://www.ifrs.org/
\(^8\) http://www.iasb.org/
CPA Australia has been a full member of IFAC since 1977. As a member of IFAC, CPA Australia has to fulfil its member obligations as prescribed by IFAC’s Statement of Member Obligations (SMOs). The SMOs are described as “benchmarks that are globally recognised as a framework for strong, credible and high-quality professional accountancy organisations”9 and relate to a number of matters, including quality assurance, Code of Ethics for Professional Accountants and Investigation and Discipline.10

The CPA designation must be protected in the public interest

Undermining the public trust in the respected CPA designation would erode the significant goodwill established over the last one hundred years and has the potential to significantly impact local, national and global economies and communities. It is vital that a highly qualified and trained accounting profession is maintained in order to instil trust and confidence in the public in respect of all accounting professional activities undertaken by CPAs, including accounting, auditing, taxation and consulting. We believe that any activity that adversely impacts this assertion will potentially have a significant impact on the public’s trust and confidence in the accounting profession.

ICANN has a responsibility to ensure appropriate management of the .cpa TLD

Given the Affirmation of Commitments11 signed in 2009 between ICANN and the United States Department of Commerce, CPAA wishes to highlight several areas which are applicable specifically to the community priority evaluation and subsequent allocation of the .cpa TLD.

Section 9.1 of the Affirmation of Commitments states:

"Each of the foregoing reviews shall consider the extent to which the assessments and actions undertaken by ICANN have been successful in ensuring that ICANN is acting transparently, is accountable for its decision-making, and acts in the public interest." (emphasis added).

Based on the above statement, we believe that it is incumbent upon ICANN to act in the public interest to ensure that the .cpa TLD is provided to a steward that will act in the interests of the wider internet community. CPAA has a proven history managing the traditional “CPA” designation and a documented commitment, by way of our application, to restrict access to the “digital CPA” designation (ie the .cpa TLD) to the hundreds of thousands of CPA’s across the world. In addition, we believe that ICANN has a responsibility to ensure that any and all domain names under the .cpa TLD are allocated initially and maintained ongoing, by a registry operator who explicitly understands the associated global, national and regional issues pertaining to the responsible management of the CPA designation.

Section 9.3 of the Affirmation of Commitments states:

"Promoting competition, consumer trust, and consumer choice: ICANN will ensure that as it contemplates expanding the top-level domain space, the various issues that are involved (including competition, consumer protection, security, stability and resiliency, malicious abuse issues, sovereignty concerns, and rights protection) will be adequately addressed prior to implementation." (emphasis added).

---

9 http://www.ifac.org/about-ifac/membership/compliance-program/statements-membership-obligations
10 http://www.ifac.org/publications-resources/statements-membership-obligations-smos-1-7-revised
Further to the above, it is incumbent upon ICANN under section 9.3 of the Affirmation of Commitments to ensure that the allocation of the .cpa TLD is conducted in full awareness of the need to protect consumer trust and consumer protection.

CPAA believes that the only appropriate entity to manage the .cpa TLD, is an entity that has a proven track record in managing the “traditional CPA designation”, with a documented nexus to the global CPA community. We continue to stress this point as we see that the .cpa TLD will become the “digital CPA designation”. To this end, it is fundamental that both the “traditional CPA designation” and the “digital CPA designation” are aligned in relation to the standards associated with their respective attainment.

CPAA RESPONSE TO DONUTS CPE ASSESSMENT

Direct response to alleged inaccuracies in Mr. Nevett’s letter

In a letter to the ICANN Board and Economist Intelligence Unit (posted on ICANN’s correspondence page on 11 May 2015) (Donuts Assessment), Mr Jon Nevett of Donuts Inc. has made a number of statements relating to CPAA’s community priority application for the .cpa TLD which we contend are inaccurate.

The alleged inaccuracies included in the Donuts Assessment may be the result of a “template approach” that Donuts Inc. have used in the past in an attempt to refute other community applicants, used without significant modification between letters. Regardless, while the Donuts Assessment contains a significant number of inaccuracies, CPAA wishes to respond to what we consider are the most significant, in order to ensure the ICANN Board and the EIU have a clear understanding of the obvious eligibility of the community, as defined in our application for the .cpa TLD.

Point 1:

Donuts assert:

“ awarding undue priority to an application that refers to a ‘community’ construed merely to get a sought-after generic word as a gTLD string.”

ICANN has defined the term “generic string” in the ICANN Registry Agreement, Specification 11, 3(d) as:

“”Generic String” means a string consisting of a word or term that denominates or describes a general class of goods, services, groups, organizations or things, as opposed to distinguishing a specific brand of goods, services, groups, organizations or things from those of others.”

Using the above definition, it appears that Donuts Inc. incorrectly attribute the term “generic string” to the .cpa string. As previously described in this response, CPA is an acronym of a global designation with over 100 years of history and thus is clearly not a generic term.

---

12 ICANN Registry Agreement, Specification 11, 3(d)
Point 2:

Donuts assert:

“the Application has no meaningful documented community support, but does have opposition. The Applicant includes a letter from itself, and but a few additional letters from its own members.”

This assertion is incorrect as evidenced by the letter signed by John Cahill (President & Chairman of the Board of CPAA) and Alex Malley (Chief Executive of CPAA)\(^{13}\), both of whom are duly elected by and speak on behalf of the community as described in the application\(^ {14}\).

For the avoidance of doubt, the letter states:

“This letter is confirmation that CPA Australia Ltd (CPA Australia), as the sole governing body of the community defined in this application, wishes to formally acknowledge for the benefit of ICANN and the Community Priority Evaluation Panel that it supports CPA Australia’s application for the .cpa Top-Level Domain (TLD) and confirms CPA Australia’s authority to operate the TLD on behalf of the prescribed community. As a result of the above, it is clear there can be no higher authority able to speak as to community support.”

Point 3:

Donuts assert:

“...a second applicant from another area of the world also claims “community” status for a .CPA TLD. This impacts the “opposition” subtest.”

This is incorrect as evidenced by the letter of endorsement and support\(^ {15}\) provided by the other applicant (AICPA) for CPAA’s .cpa application.

This not only illustrates AICPA’s support (and explicit non-opposition) of our application for the TLD, but brings the total membership levels to reach the vast majority of total global CPAs. Indeed, CPAA and AICPA are working collaboratively in respect of our applications, as evidenced by an agreement between the two parties to work together in the event of either party being awarded the .cpa TLD.

Point 4

Donuts assert:

“this geographically limited Applicant cannot succeed in using CPE to co-opt the term “CPA” given the breadth with which it proposed to use the TLD”.

\(^{13}\) Attachment to Question 20(f) of Application 1-1744-1971 - CPA Australia President & CEO Letter to ICANN.pdf
This assertion is incorrect. While CPAA originated in Australia 129 years ago, the community as described in the application has grown to the point where, as at May 2015 (most recently as a result of the association with AICPA as evidenced by the letter provided to the ICANN Board16), it represents over 550,000 members in 145 countries for the purposes of the community as defined in Question 20 of the ICANN application. Taking this into account, the described community cannot be considered geographically limited.

Point 5

Donuts assert:

“While the Application characterizes the community as made up of ‘accountancy, finance and business advisory professionals,’ Applic. § 20(a), it would also make the TLD potentially open to ‘employers, students, customers and Internet users in general.’

This statement is incorrect. CPAA’s proposed eligibility is documented in Questions 20(c) and 20(e) to show eligibility for;

- full CPA members;
- Associate members currently enrolled in a CPA program;
- students currently registered in CPAA’s Passport program; and
- individuals that are either reciprocal members of, or are currently enrolled in, equivalent courses through overseas accounting bodies with which CPAA has, or may enter into, Mutual Recognition Agreements (MRA).

The Donuts Assessment appears to confuse the concept of ‘end-users’ whereby it is referred to as the ultimate online beneficiaries of the .cpa in response to Question 20(c):

“Intended end-users of the new .cpa gTLD include members of the CPA Australia community, the broader accountancy, finance and business professions, employers, students, customers and Internet users in general. The .cpa gTLD will provide all of these end-users with a vastly enhanced user experience by providing an innovative, exclusive and interactive domain space for the CPA Australia community and ease of searching for CPA Australia, its members, programs, services and products.”

As can be seen by the full passage of text, when referring to “employers, students, customers and Internet users in general”, the CPAA application refers to including these groups as end-users or website visitors, not as members of the community who would be eligible for domain name registration.

Point 6

Donuts assert:

“even though local to Australia, the Applicant defines the “community” it intends to serve as “accountancy, finance and business advisory professionals across the world.”

“the very name of its organization, “CPA Australia,” reveals its smaller, more local focus.”

---

The community is well defined in the response to both Questions 20(c) and 20(e) to include:

“individuals that are either reciprocal members of or are currently enrolled in equivalent courses through overseas accounting bodies with which CPAA has, or may enter into, Mutual Recognition Agreements.”

Further to this, Mutual Recognition Agreements are defined in response to Question 20(a) as being:

“Members of these affiliated accounting bodies become part of the CPA community by applying for reciprocal membership of CPA Australia to gain access to a range of CPA Australia’s resources, benefits and possible exemption from the CPA program.”

Based upon this, it is clear that the CPAA application intends to provide the .cpa TLD to a global audience, currently including a membership spanning over 145 countries and growing annually. When considering the AICPA letter of support, this group is now over 550,000 members and representative of the vast majority of CPAs across the world.

**Point 7**

Donuts assert:

“the string .CPA undeniably does not “match” the “community” claimed by the Application. It describes the “community” as consisting of full, associate and reciprocal members of CPA Australia, and young professionals in CPA Australia’s “Passport Program.” Applic. § 20(b). However, Applicant does not apply for .CPA-AUSTRALIA (or even .AU-CPA), a word specifically “matching” that community.”

We believe that this statement is incorrect, as the Applicant Guidebook\(^{17}\) states that an application is eligible for a score of 3 points on criterion 2(a) if:

“The string matches the name of the community or is a well-known short-form or abbreviation of the community”

Further, the Evaluation Guidelines\(^{18}\) further clarifies this point:

“The name may be, but does not need to be, the name of an organization dedicated to the community.”\(^{19}\)

We believe that the community described within application 1-1744-1971 is one that meets this requirement, as the response to Question 20(a) notes:

“The CPA Australia community also includes reciprocal members either practising as accountants or studying equivalent education courses at leading accounting bodies around the world with which CPA Australia has Mutual Recognition Agreements”


Point 8

Donuts assert:

“Even if Applicant were “globally well-known,” which it does not appear to be, its “remit” remains “local” to Australia, as its own name, Application and bylaws make clear. The Application therefore cannot earn the full three (or even two) potential nexus points.”

Version 2.0 of the Economist Intelligence Unit’s Community Priority Evaluation Guidelines\(^\text{20}\) define two key terms which are applicable in this area, specifically:

- “Name” of the community means the established name by which the community is commonly known by others. It may be, but does not need to be, the name of an organization dedicated to the community.
- “Identity” means that the applied for string closely describes the community or the community members, without over-reaching substantially beyond the community.

The community as defined within the application for the .cpa TLD is related to accountancy professionals who have undertaken post-graduate education and continued professional development activities in order to accredit themselves as CPAs. To this end, it is clear that members of the community will be known by the term “CPA” by those outside the community and that the term identifies those included within the well-defined community.

As a result of the above, both CPAA and our independently sourced external evaluation highlight that the application should be eligible for a full score of 3/3 for Criterion 2(a) – Nexus.

Point 9

Donuts assert:

“a second applicant from another area of the world also claims “community” status for a .CPA TLD. This impacts the “opposition” subtest.”

We believe that this statement is incorrect for the following reasons:

a) As Donuts Inc. describe in their response, no “adverse comments concerning the Application appear on ICANN’s comment page (https://gtldcomment.icann.org/applicationcomment/viewcomments).”

b) The community priority evaluation guidelines define that opposition should occur in the form of a letter\(^\text{21}\), which has not occurred in this instance.

c) The applicant referenced by Donuts in this instance has submitted a letter of support for CPAA’s TLD application as evidenced at: https://www.icann.org/en/system/files/correspondence/awty-to-icann-eiu-15may15-en.pdf

Donuts’ approach demonstrates an intent to influence the process and should be disregarded

CPAA considers the submission of the Donuts Assessment as an attempt by Donuts Inc. to unduly influence the EIU.


We are concerned with Donuts Inc.'s apparent lack of acknowledgment for community, members and heritage concerning their operation of other community TLD's. In addition, we are disappointed that Donuts Inc. has elected to respond on the final day of the 14 day comment period as allowed for by the Community Priority guidelines. Comments at this late juncture are unfounded given that the application, in the case of .cpa, was submitted to ICANN and made public almost 2 years ago.

Further, Donuts have reaffirmed their approach through the provision of evaluation Community Priority scoring assessments for contending applicants that have often been significantly lower than the official evaluation provided by the Economist Intelligence Unit, as per the below table.

<table>
<thead>
<tr>
<th>TLD</th>
<th>EIU Final Score</th>
<th>Donut's Proposed Score</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>.shop (Commercial Connect)</td>
<td>5</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>.shop (GMO Registry)</td>
<td>6</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>.art</td>
<td>7</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>.tennis</td>
<td>11</td>
<td>8</td>
<td>3</td>
</tr>
</tbody>
</table>

**CPAA INDEPENDENT EVALUATION AGAINST CPE CRITERIA**

In order to consider the benefits of submitting a community application, CPAA engaged an independent consulting firm to undertake an assessment of our application against the CPE criteria. While we had intended this for internal purposes only, however we consider the information relevant to provide another perspective.

Below is a summary of our independent assessment.

**Criterion 1 – Community Establishment**

Delineation – 2/2 points

The community as described in the application is clearly delineated, organized and pre-existing.

Establishment – 2/2 points

The community as described in the application is of a considerable size and longevity, representing the vast majority of CPAs globally and having been in existence for over 125 years.

Total score 4/4 points

**Criterion 2 – Nexus**

Nexus – 3/3 points

The string (.cpa) identified in the application is a short-form abbreviation of the described community by which members of the community would reasonably refer to themselves and accordingly by which members outside the community would refer to those inside it.
Uniqueness 1/1 points

The string (.cpa) identified in the application has no significant meaning other than describing the specific global community as detailed in the application. It closely describes the community without over-reaching substantially beyond the defined community of professional accountants who have been granted by way of education, examination and professional membership the designation of being CPAs. Furthermore, a member of the defined community would reasonably be referred to by the term CPA by those outside the community.

**Criterion 3 – Registration Policies**

Eligibility – 1/1

The eligibility policies as defined in the application restrict eligibility to the community as defined as required by the evaluation criteria.

Name Selection – 1/1

The name selection policies as defined in the application restrict the name selection of second level registrations for eligible registrants based upon the community as defined as required by the evaluation criteria.

Content and Use – 1/1

The content and usage policies as defined in the application restrict the content and usage of second level registrations for eligible registrants based upon the defined community as required by the evaluation criteria.

Enforcement – 1/1

The enforcement measures as defined in the application enforce the well-defined eligibility, name selection and content and usage policies, and include investigation practices, takedown procedures and an appeal mechanism as required by the evaluation criteria.

**Criterion 4 – Community Endorsement**

Support – 2/2

The applicant provides support from the highest authority as elected by the membership defined in the application. Furthermore, support is provided by a random sampling of members throughout the application and by prominent member driven organisations.

Opposition – 2/2

There has been no notable opposition via the CPE application portal against the application and just one note of stated opposition which was from a direct competitor for the .cpa string (Donuts), which for obvious competition based rationale will be discounted based upon the established evaluation criteria. The situation is analogous to objection against Tennis Australia’s CPE application, for which the EIU scored a full 2/2 points, although it should be noted that more objection was provided for the Tennis Australia application.
Universal Support

While both CPAA and AICPA have applied for the .cpa TLD by way of community priority, CPAA wishes to highlight the fact that AICPA have submitted a letter of support for CPAA’s application\(^{22}\), which speaks significantly to AICPA support of the CPAA application and a desire to work closely together to leverage the .cpa TLD for the benefit of the global CPA community.

When taken together, the membership groups of both CPAA and AICPA represent the vast majority of professional accountants globally who identify as CPAs, and the letter referenced above is evidence of the fact AICPA’s 400,000 global CPAs may now be considered under the umbrella of the community as described in CPAA’s application. It is with this evidence that we assert that our application is undoubtedly entitled to full points under Criterion 2(a) – Nexus.

Summary

Given the above clarifications we believe that the applicant is eligible for a score of 16/16 in the Economist Intelligence Unit’s Community Priority evaluation.