Proposed Service

Name of Proposed Service:

Introduction of Two-Character Domain Names in the New gTLD Namespace

Technical description of Proposed Service:

Pursuant to Section 2 of Specification 5 of Registry Agreements between ICANN and CNNIC for the .xn--55qx5d and .xn--io0a7i gTLDs, signed November 15, 2013, "All two-character ASCII labels shall be withheld from registration or allocated to Registry Operator at the second level within the TLD." and "The Registry Operator may also propose the release of these reservations based on its implementation of measures to avoid confusion with the corresponding country codes, subject to approval by ICANN." CNNIC now request the release of all two-character ASCII labels that do not appear on the ISO 3166-1 alpha-2 list and for which there is no corresponding government or country-code operator. If ICANN approve this proposal, all these released two-character ASCII labels will be equitably provided to any potential registrants as other normal labels.

Consultation

Please describe with specificity your consultations with the community, experts and or others. What were the quantity, nature and content of the consultations?:

See below.

a. If the registry is a sponsored TLD, what were the nature and content of these consultations with the sponsored TLD community?:

Not applicable.

b. Were consultations with gTLD registrars or the registrar constituency appropriate? Which registrars were consulted? What were the nature and content of the consultation?:

None. We model this request after the similar requests of ".CN" and ".xn--fiQs8S", which were approved by ICANN.
c. Were consultations with other constituency groups appropriate? Which groups were consulted? What were the nature and content of these consultations?:

None. We model this request after the similar requests of ".CN" and ".xn--fiQs8S", which were approved by ICANN.

d. Were consultations with end users appropriate? Which groups were consulted? What were the nature and content of these consultations?:

None. We model this request after the similar requests of ".CN" and ".xn--fiQs8S", which were approved by ICANN.

e. Who would endorse the introduction of this service? What were the nature and content of these consultations?:

As the similar requests of releasing reserved two-character ASCII labels which are not the corresponding country codes for some other New gTLD registries, this service will be endorsed by most end users and gTLD registrars.

f. Who would object the introduction of this service? What were(or would be) the nature and content of these consultations?:

CNNIC is unaware of any opposition to the introduction of this service and looking forward to any concerns raised during the public comment period.

Timeline

Please describe the timeline for implementation of the proposed new registry service:

CNNIC proposes the following elements for approval in connection with this registry service: Posting of RSEP request; review and initial approval by ICANN Staff that the proposed registry service raises no security, stability or competition concerns; public comment period in connection with proposed contractual changes; preparation by ICANN staff of necessary Board documentation for approval by the ICANN Board. Following approval by the ICANN Board, CNNIC would implement the service as soon as operationally feasible in general registration.

Business Description

Describe how the Proposed Service will be offered:
These two-character labels will be offered in the same manner as all other domain names.

Describe quality assurance plan or testing of Proposed Service:

N/A

Please list any relevant RFCs or White Papers on the proposed service and explain how those papers are relevant:

N/A

Contractual Provisions

List the relevant contractual provisions impacted by the Proposed Service:

Registry Agreement of xn--55qx5d and xn--io0a7i, Specification 5, Section 2:

Two-character labels. All two-character ASCII labels shall be withheld from registration or allocated to Registry Operator at the second level within the TLD. Such labels may not be activated in the DNS, and may not be released for registration to any person or entity other than Registry Operator, provided that such two-character label strings may be released to the extent that Registry Operator reaches agreement with the related government and country-code manager of the string as specified in the ISO 3166-1 alpha-2 standard. The Registry Operator may also propose the release of these reservations based on its implementation of measures to avoid confusion with the corresponding country codes, subject to approval by ICANN. Upon conclusion of Registry Operator’s designation as operator of the registry for the TLD, all such labels that remain withheld from registration or allocated to Registry Operator shall be transferred as specified by ICANN. Registry Operator may self-allocate and renew such names without use of an ICANN accredited registrar, which will not be considered Transactions for purposes of Section 6.1 of the Agreement.

What effect, if any, will the Proposed Service have on the reporting of data to ICANN:

None.

What effect, if any, will the Proposed Service have on the Whois?:

None.
Contract Amendments

Please describe or provide the necessary contractual amendments for the proposed service:

Specification 5 “Schedule of Reserved Names”
All two-character ASCII labels that correspond to ccTLDs shall be withheld from registration or allocated to Registry Operator at the second level within the TLD. Such labels may not be activated in the DNS, and may not be released for registration to any person or entity other than Registry Operator, provided that such two-character label strings may be released to the extent that Registry Operator reaches agreement with the related government and country-code manager of the string as specified in the ISO 3166-1 alpha-2 standard. The Registry Operator may also propose the release of these reservations based on its implementation of measures to avoid confusion with the corresponding country codes, subject to approval by ICANN. Upon conclusion of Registry Operator’s designation as operator of the registry for the TLD, all such labels that remain withheld from registration or allocated to Registry Operator shall be transferred as specified by ICANN. Registry Operator may self-allocate and renew such names without use of an ICANN accredited registrar, which will not be considered Transactions for purposes of Section 6.1 of the Agreement.

Benefits of Service

Describe the benefits of the Proposed Service:

CNNIC believes that the proposed service offers the following benefits:
1. Increased usage, marketing, promotion and awareness of the xn--55qx5d and xn--io0a7i gTLDs.
2. Increased choice for registrants.
3. Enhanced competition among gTLD registry operators.
4. Increased revenue and marketing resources.

Competition

Do you believe your proposed new Registry Service would have any positive or negative effects on competition? If so, please explain:

CNNIC believes that the proposed service will help address the current competitive imbalance in the gTLD marketplace by making a more complete set of domain names available to the market for Chinese-language users.

How would you define the markets in which your proposed Registry Service would compete:

New Chinese-language gTLD domain name registrations.
What companies/entities provide services or products that are similar in substance or effect to your proposed Registry Service?:

*Incumbent registries are already permitted to sell two character labels, regardless of whether they appear on the ISO 3166-1/alpha-2 list.*

In view of your status as a registry operator, would the introduction of your proposed Registry Service potentially impair the ability of other companies/entities that provide similar products or services to compete?:

*No.*

Do you propose to work with a vendor or contractor to provide the proposed Registry Service? If so, what is the name of the vendor/contractor, and describe the nature of the services the vendor/contractor would provide.: 

*No.*

Have you communicated with any of the entities whose products or services might be affected by the introduction of your proposed Registry Service? If so, please describe the communications.: 

*None.*

Do you have any documents that address the possible effects on competition of your proposed Registry Service? If so, please submit them with your application. (ICANN will keep the documents confidential).: 

*None.*

**Security and Stability**

Does the proposed service alter the storage and input of Registry Data?:

*No.*

Please explain how the proposed service will affect the throughput, response time, consistency or coherence of responses to Internet servers or end systems:
N/A.

Have technical concerns been raised about the proposed service, and if so, how do you intend to address those concerns?:

No.

Other Issues

Are there any Intellectual Property considerations raised by the Proposed Service:

No.

Does the proposed service contain intellectual property exclusive to your gTLD registry?:

No.

List Disclaimers provided to potential customers regarding the Proposed Service:

None.

Any other relevant information to include with this request:

None.