Staff Report of Public Comment Proceeding Template (v4.0)

Release of Country and Territory Names within the .HYUNDAI, .KIA and .GODADDY TLDs

<table>
<thead>
<tr>
<th>Publication Date:</th>
<th>17 June 2016</th>
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<tbody>
<tr>
<td>Prepared By:</td>
<td>Krista Papac</td>
</tr>
</tbody>
</table>

Public Comment Proceeding

| Open Date: | 27 April 2016 |
| Close Date: | 9 June 2016 |
| Staff Report Due Date: | 23 June 2016 |

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Email: krista.papac@icann.org

Section I: General Overview and Next Steps

General Overview:

Three (3) Registry Services Evaluation Policy (RSEP) 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.

<table>
<thead>
<tr>
<th>Proposal</th>
<th>TLD</th>
<th>Registry Name</th>
<th>Documents</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016016</td>
<td>godaddy</td>
<td>Go Daddy East, LLC</td>
<td>Go Daddy East, LLC Request 4 April 2016</td>
</tr>
<tr>
<td>2014142</td>
<td>kia</td>
<td>KIA Motors Corporation</td>
<td>KIA Motors Corporation Request 22 September 2015</td>
</tr>
<tr>
<td>2014141</td>
<td>hyundai</td>
<td>Hyundai Motor Company</td>
<td>Hyundai Motor Company Request 22 September 2015</td>
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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 27 April 2016 – 9 June 2016, ICANN posted the proposed RA amendments for public comment, which resulted in three 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 Singapore Communiqué (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 letter 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 letter 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 GAC’s Buenos Aires Communiqué (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”. The list 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 New gTLD Registry Agreement. The webpage provides clarification regarding the Governmental Advisory 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 https://www.icann.org/resources/country-territory-names.

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 three 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:

<table>
<thead>
<tr>
<th>Name</th>
<th>Submitted by</th>
<th>Initials</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blacknight Internet Solutions Ltd</td>
<td>Michele Neylon</td>
<td>MN</td>
</tr>
<tr>
<td>GAC Representative - Singapore</td>
<td>Ser Pheng Queh</td>
<td>SG</td>
</tr>
<tr>
<td>Business Constituency</td>
<td>Steve DelBianco</td>
<td>BC</td>
</tr>
</tbody>
</table>

Section III: Summary of Comments

General Disclaimer: 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).

Three 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 .HYUNDAI, .KIA, .GODADDY and more generally .BRAND TLDs, the other comment submitted by the GAC representative of Singapore is opposed to release of both two-letter country codes, and country and territory names with respect to Singapore in all gTLDs.

Regarding the proposed introduction of country and territory names within .HYUNDAI, .KIA, .GODADDY and .BRAND TLDs:

The two comments submitted supports the release of country and territory domain names within the .HYUNDAI, .KIA and .GODADDY TLDs and also more generally within .BRAND TLDs.

“The use of country and territory names will allow such a .BRAND registry to segment its TLD in a way that is meaningful to Internet users around the globe. Geographic segmentation will bring greater efficacy to .BRAND TLDs, ultimately benefitting businesses and consumers by helping the registry operator target content to audiences in specific geographic regions, using linguistically appropriate 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.” (BC)

“Such names are freely available to register in both "legacy" gTLDs and many ccTLDs. From a marketing and branding perspective it seems logical to me that a brand would want to use $country [sic].TLD and that placing a restriction on such usage is pointless. The TLD is being used solely by the brand. There is no confusion - in fact I'd imagine that this kind of usage will in fact reduce confusion if brands like them start actively using their TLDs in their global
marketing...I encourage ICANN to approve this request and to hopefully remove this kind of restriction on .BRAND registries in any future round of TLDs” (MN)

Regarding the release of both two-letter country codes, and country and territory names in all gTLDs:

The other comment, submitted by the GAC representative of Singapore, is opposed to release of both “.sg” and “.singapore” in all gTLDs because of the concern that such use would create public confusion. Although the comment initially refers to the RSEP requests submitted for the release of country and territory names within .caravan, .art, .playstation, .softbank, .sharp, .toyota, .lexus, .godaddy, .kia, .hyundai as posted on the RSEP page: https://www.icann.org/resources/pages/rsep-2014-02-19-en, the comment further explains that their objection covers all gTLDs who have requested or will be requesting for the release of letter-letter two-character labels at the second level or RSEP requests for the release of country and territory names. On the other hand, the comment 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, the comment 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

General Disclaimer: 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.

Two comments submitted support the release of country and territory names within .HYUNDAI, .KIA, .GODADDY and more generally .BRAND TLDs.

In sum, while MN pointed out that release of country and territory names are freely available to register in both "legacy" gTLDs and many ccTLDs, adding that it would make sense for brands to use such names for their marketing and branding, the 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). Additionally, while MN indicated that use of country and territory names will reduce confusion if brands start actively using them, the BC indicated that use of country and territory names within a .BRAND registry will always avoid confusion with an official government web property. MN further requested that ICANN should remove this kind of restriction on .BRAND TLDs in the coming round.
On the other hand, the other comment submitted by the GAC representative of Singapore is opposed to release of both “.sg” and “.singapore” in all gTLDs because of the concern that such use would create public confusion. The comment 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.

It should be noted that Specification 13 has been granted both for .HYUNDAI and .KIA on 9 July 2015 and Specification 13 has been granted for .GODADDY on 23 July 2015.


Also, on 11 February 2015, the GAC, in its Singapore Communiqué, 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 letter 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.”

And also it is stated in the GAC’s Buenos Aires Communiqué (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”. The list was finalised and published on the GAC website on 30 July 2015.
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