

Summary Report of Public Comment Proceeding

Release for Registration one .COM Domain Name with a Single-Character Label: O.COM

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Section I: General Overview and Next Steps

General Overview

ICANN org posted for public comment the proposed amendment to implement the approved registry service request from the registry operator, VeriSign, Inc., (“Verisign”), to release for registration one domain name with a single-character label, O.COM, in the .COM generic top-level domain (gTLD).

By default, all gTLDs that were contracted with ICANN org before 2011 were required to reserve from initial registration single-character domain names at the second level as the result of a reserved names policy imposed in 1993. Listed below is a timeline outlining the work across several organizations providing guidance for the release of single-character domain names:

- **2007:**

- The Generic Names Supporting Organization (GNSO) chartered the creation of the Working Group on Reserved Names to examine the role and treatment of reserved domain names at the first and second level for legacy and new gTLDs, including single-character label reservations at the second level. The working group published its [report](#) in May 2007 recommending that single letters and digits be released at the second level, but provided that more work needed to be done regarding allocation methods.
- The GNSO Council incorporated the Working Group's recommendations into its [Final Report on the Introduction of New gTLDs](#) in August 2007. ICANN org initiated a [public comment period regarding allocation methods for single-character domain names](#) in October 2007, and the [summary and analysis report](#) [PDF, 60 KB] was published 23 December 2007. Many of the comments supported the allocation of single-letter names, and suggested different allocation methods, from auctions to random lottery to registry allocation through the existing RSEP.

- **2008:**

- In February 2008, ICANN org published a further analysis of the comments regarding the allocation of single-character domains in its [Synthesis on Single-Character Domain Names at the Second Level](#) [PDF, 38 KB]. Most commenters that favored the allocation

of single-letter names during the 2007 public comment period recommended auctions as the preferred method of objectively allocating scarce resources such as single-character domain names at the second-level.

- In May 2008, registry operators for two TLDs (.COOP and .MOBI) submitted RSEP requests for the release of single-character domain names and proposed a Request for Proposal process managed by the registry operators to determine allocation of the domain names. ICANN org subsequently published the [Single-Character Second-Level Domain Name \(SC SLD\) Allocation Framework](#), proposing an auction allocation of single-character second-level domain names and disbursement of funds towards areas of public good for the Internet community. The [comments received](#), most of which were from registry operators, supported allocation methods varying by registry and did not support a one-size-fits-all approach.
- In October 2008, NeuStar submitted their request to release all single and two-character labels in .BIZ using a three-part allocation process including a Request for Proposal (RFP) to qualify potential registrants, an auction, followed by a first-come, first serve registration period. Similar processes to release single and two-character name were conducted by Afilias with .INFO (2010) and PIR with .ORG in 2011. All the proceeds from the auctions went to the registry operator to market the TLDs.
- In November 2008, the ICANN Board [approved](#) the release of single-character domains for gTLDs .COOP and .MOBI, allowing the respective registry operators to determine their own allocation method for single-character domains. Subsequently, single-character domain names were requested and approved for release in more gTLDs: [.ASIA](#) [PDF, 271 KB], [.CAT](#), [.INFO](#), [.ORG](#)[PDF, 271 KB], [.PRO](#), [.TEL](#) [PDF, 52 KB] and [.TRAVEL](#). Single-character names are not required to be reserved for gTLDs introduced as part of the New gTLD Program.

- **2017:**

- In November 2017, Verisign submitted a registry service request to conduct a trial to release for registration one .COM domain name with a single-character label, O.COM, through an auction and to disburse the auction proceeds toward areas of public good for the Internet community, consistent with ICANN org's Single-Character Second-Level Domain Name (SC SLD) Allocation Framework.
- ICANN org reviewed Verisign's proposal pursuant to the .COM Registry Agreement and determined it did not raise significant Security or Stability issues. Further, the ICANN org determined the proposed registry service might raise significant competition issues and referred the matter to the appropriate governmental competition authority, the United States Department of Justice, on 7 December 2017.
- On 14 December 2017, the Antitrust Division of the United States Department of Justice communicated to the ICANN org that it did not intend to open an investigation on the matter.
- Following the preliminary determination approving the proposed registry service, ICANN org determined the registry service requires an amendment to the .COM Registry Agreement.

Under the proposed amendment, the single character domain name, O.COM, will be allocated through an auction process. Any potential registrant may participate in the auction process and select any ICANN-accredited registrar for the management of the registration for O.COM if awarded the name. No restrictions will be placed on how the registrant may select the .COM ICANN-accredited registrar. The auction will be managed by a third-party auction service provider selected by Verisign.

As described in the proposed amendment, Verisign will not, directly or indirectly, receive any proceeds from the sale, allocation, transfer or renewal of O.COM and will only receive the standard registry fee for the registration of O.COM, in accordance with the Maximum Price set forth in Section 7.3(d) of the [.COM Registry Agreement](#). Proceeds derived from the auction of O.COM will be provided to one or more nonprofit organizations, or their successors. None of the auction proceeds will directly or indirectly be used to benefit Verisign, its affiliates, or its directors, officers, or employees, other than to the de minimis extent those proceeds are used by the nonprofit(s) to benefit the Internet community in general.

Following a preliminary determination of approval of the proposed registry service, ICANN org posted for public comment from 10 May 2018 to 20 June 2018, an amendment to the .COM Registry Agreement to enable the implementation of the service. During this time, twenty-four (24) separate entities provided comments to the forum with one commenter submitting a duplicate comment (the duplicate is not counted) and four (4) supplemental statements from the At-Large Advisory Committee (ALAC) for a total of twenty-nine (29) comments. The final comment submitted by the ALAC on 5 July 2018 was the comment used for this report.

Section II: Contributors

At the time this report was prepared, a total of twenty-four (24) 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:

Name	Submitted by	Initials
At-Large Advisory Committee	At-Large Staff	ALAC
African ICT Associations (<i>submitted twice</i>)	Segun Olugbile	AfiCTA
Business Constituency	Steve DelBianco	BC
Domain Name Investors	Don Smith	DNI
First Place Internet, Inc	William Blackwood	FPI
Internet Commerce Association	Zak Muscovitch	ICA
Intellectual Property Constituency	Brian Winterfeldt	IPC

Individuals:

Name	Affiliation (if provided)	Initials
Jean-Sebastien Lascary		JSL
Edmon Chung	dotAsia	EC
Suriyaa Sundararuban	ICANN Newcomer	SS
Timothy J. Flanagan, Esq.		TF
Joseph J. Weissman, Esq.		JW
Mark Vandendyke		MV
Scott McCormick		SM
Wisdom Donkor	Africa Open Data and Internet Research Foundation	WD
Mary Uduma		MU
Garland T. McCoy		GM
Ayden Férdeline		AF
John Berard	Commercial & Business Users Constituency	JB
Stephen Paul		SP

Keven Dabney		KD
Dustin Phillips		DP
Lyman Chapin		LC

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 all comments, refer directly to the specific contributions at the link referenced above (View Comments Submitted).

ICANN org received twenty-four (24) comments from the community on the proposed amendment to implement the approved registry service request from the registry operator, Verisign, to release for registration one domain name with a single-character label, O.COM, in the .COM generic top-level domain (gTLD).

While several commenters expressed positive feedback regarding the release of single character .COM names and the proposed direction to use the auction proceeds to support the public good of the internet, they also expressed concerns with specifics in Verisign's proposed amendment to release the O.COM domain name. The concerns included the perception of a premium renewal fee, the restriction on transferring the name to another registrant, and how these elements may set a precedent for future single character name releases in .COM or the entire .COM namespace. Additional concerns were raised regarding the absence of certain Rights Protection Mechanisms to accompany the release of O.COM and possible security and stability issues once O.COM is added to the .COM name space.

Comments submitted generally fall into the following categories, each of which is explained in more detail below:

1. Comments generally expressing support for the proposed amendment to release O.COM.
2. Comments on whether the release of O.COM creates security and stability issues.
3. Comments expressing concern that the proposed "trial" requirements for the release of O.COM may set a precedent for the release of future single character .COM domain names or for the entire .COM namespace.
4. Comments regarding Verisign's proposed "Subsequent Installments" paid by the registrant to renew O.COM.
5. Comments regarding the proposed transfer restriction for the O.COM domain name imposed by Verisign once the name is allocated.
6. Comments and concerns over the lack of certain rights protection with the release of O.COM in the proposed amendment.
7. Comments received regarding the auction process and the pre-qualification requirements to be imposed by the auction provider as proposed by Verisign for the release of O.COM.
8. Comments and suggestions regarding the proposed distribution of funds following the O.COM auction as proposed in the amendment.

1. The ICANN org received comments generally expressing support for the proposed amendment to implement the release of O.COM.

The ICANN org appreciates the feedback from the community regarding the proposed amendment to implement the release of O.COM. Commenters acknowledge this is a positive step forward to releasing more single-character domain names, specifically in the .COM namespace. Further, commenters support Verisign's proposed approach to use the proceeds from the auction of O.COM for the public good on the Internet community and encourage Verisign to be transparent in how the proceeds are distributed.

- "I support moving forward with the auction of O.COM." (AF)
- "...the release of O.COM... presents very little downside, with a lot of upside." (DP)
- "I support the proposed auction of O.COM as is proposed in the RSEP. Seeing now that at last single letters in .COM are being auctioned is good news, as already there are 5-6 of those single letters in use." (GM)
- "AfICTA supports the release of the trial of O.COM as proposed in the RSEP and .COM Registry amendment." (AfICTA)
- "Is it really necessary and useful to register only one .COM domain name with a single-character label? Why not for all .COM domains?" (SS)
- "...I can personally support" the trial release of O.COM as proposed, and "progress with the single letters in .COM, just as all the other earlier gTLDs have already done... if the trial is successful, further single letters in .COM will follow this model and contribute to benefit the broader ICANN and Internet communities." (MU)
- "...the BC supports the .COM registry's proposal for O.COM, including the plan to direct auction proceeds to non-profit beneficiaries who support the security, stability, and resiliency of the DNS and of the Internet, overall." (BC)
- "Since Verisign suggests that the auction process for O.COM is a "trial" for .COM, the BC is interested to know when other single letters might be allocated in .COM." Further, "ICANN and Verisign should move expeditiously to allocate all remaining single letter .COM domain names with a similar approach." (BC)
- "Given the lack of both stability and competition concerns, the ALAC believes the introduction of O.COM represents no downside to end users." "ICANN should permit the release of O.COM and allow Verisign to conduct a third-party auction... to ensure that transparency and fairness in the process are in place." (ALAC)
- "I support the release for registration one .COM domain name with a single-character label: O.COM. In light of the long existence of other single letter domains already released, there are no persuasive technical arguments against permitting the same status for O.COM." (MV)

2. The ICANN org received comments on whether the release of O.COM creates security and stability issues.

The ICANN org acknowledges the comments raised regarding O.COM creating security and stability issues in the .COM namespace if released. Concerns raised include possible technical issues

resulting from servers using non-delegated single-character domain names as well as possible O.COM being a “whole-script” confusable with similar characters in other scripts.

- “The organization I work for is very much against this. We have used the non-delegated single letter and single number domain names as server names for over a decade now.” “...single character non-delegated domain would cause very big technical issues for our company.” “...our organization is against the release of O.COM or any other currently non-delegated single character domain.” (SP)
- “... the Registry Service request from... VeriSign, Inc... is in conflict with ICANN’s Final Proposed Draft [v. 4.0 of the IDN Guidelines](#). “...the single character domain name proposed in the Request, O.COM (Latin Script), is Whole-Script Confusable with xn--0xa.com (Greek Script) and xn---n1a.com (Cyrillic Script). At the time of this comment, the latter two are registered in the .COM namespace and have been for over 14 years.” Clarifications are requested on (i) “what is each stakeholder’s position on the matter... there is no published policy on Whole-Script Confusables for the .COM namespace at this time,” (ii) “...will Verisign be required to update its .COM IDN policy to reflect the Guidelines prior to proceeding...”, (iii) “what are the “additional constraints on registrations that minimize Whole-Script Confusables” envisioned by Verisign”, and (iv) “in which scenario(s) can the domain name proposed in the Request, O.COM (Latin Script), be safely released in accordance with the Guidelines.” (JSL)
- “... the [ICANN IDN Guidelines](#) and the [Unicode Consortium Technical Report #36](#) do have recommendations about names that can be easily confused with strings that look the same, but use different scripts, because of concerns that confusable strings can be used in a [homograph attack](#) to fool a user into following a link that looks legitimate but is actually something else. [SIC]But confusing names can be constructed with any number of characters, and there is no reason to think that substitution of a homograph in a single-character name is any more or less confusing than substitution of a homograph (or homographs) for some or all of the characters in a multi-character name. Responsible registries won’t allow scripts to be mixed within a label, so the risk is limited to what the Unicode Consortium calls “[whole-script confusables](#)” in which two strings are confusable and each string consists entirely of characters from the same (different) script. Single-character strings can be whole-script confusable, but so can multi-script strings; the example that the Unicode Consortium gives in its [Technical Standard #39](#) is “SCOPE” (entirely Latin characters) and “SCOPE” (entirely Cyrillic characters)...There are no technical issues with single-character names at the second level. In fact, many TLD registries that are not required by ICANN contracts to reserve them - including ccTLDs and the new gTLDs that have been approved since 2011 - routinely register single-character names with no problems, and the single-character names that were registered before the policy was adopted (including Q.COM, X.COM, and Z.COM) are in active use.” (LC)

3. The ICANN org received some comments expressing concern that the proposed requirements for the release of O.COM may set a precedent for the release of single character .COM domain names in the future or for the entire .COM namespace.

Several commenters expressed concerns that the proposed requirements for the release of O.COM may set a precedent for the release of single-character .COM domain names in the future or the entire .COM namespace. Specifically, the comments point to how the proposed requirements for O.COM are inconsistent with how current .COM domain names are registered and renewed. One

comment characterized the proposed auction for worthy causes as a way for Verisign to divert attention from the potential policy changes the release of O.COM may represent.

- “While the ICA is in favor of the release of all single-letter .com domain names, including but not limited to O.COM, the ICA is very concerned that the Proposal purports to bypass or ignore important and long-established policies and principles which have to-date enabled, supported and encouraged the .COM registry in becoming the preeminent gTLD for business and consumers throughout the world.” “The Proposal purports to make substantial and radical changes to the .COM Registry Agreement...” “...ICA is greatly concerned about the risk of the proposed O.COM auction inadvertently introducing radical changes to the general rules governing the Registry...” “By framing the release of O.com as ‘an auction for worthy causes’, attention may be diverted from the underlying and serious policy concerns which would have otherwise be foremost on stakeholders’ minds had the Proposal involved a strictly commercial auction with the proceeds going to Verisign.” “... under no circumstances should the Proposal be accepted so long as it contains policy deviations which would be perceived as being entirely unsupportable and contrary to long-established principles governing the .COM Registry.” “...if...O.COM is to be used as “a test” for subsequent allocation of other reserved single letter .COM domain names on the same or similar basis, then ICANN should unequivocally express this as a matter of policy.” “If... the release of the O.COM domain name is to be a pilot for the subsequent release of all other available single-letter .COM domain names... ICANN and Verisign should move expeditiously to allocate all remaining single-letter .COM domain names on a uniform basis...Single letter .COM domain names may be amongst the most scarce and valuable of domain names, and should be tradeable as any other scarce and valuable asset, without any unjustifiable impediments or restrictions.” (ICA)
- “I write to submit my opposition to the proposed Release for Registration one .COM Domain Name with a Single-Character Label: O.COM... The proposal appears to set up a preferential exception to the current ICANN rules for no apparent objective reason by virtue of the fact that only one of the possible single character domain names is addressed... The proposal sets up the potential for either (a) a questionable precedent for handling release of other single character domain names or (b) inconsistent handling of all single character domain names.” (TF)
- “As the current proposal stands, there is zero chance of gaining my support for the release of O.COM.” “... this proposal is clearly made to give Verisign an opportunity to ask to amend the .COM contract. And, not for the general good.” “Verisign is trying to introduce premium fees, premium renewals and ownership restrictions into what is a straight forward and agnostic top-level-domain. If Verisign is successful, this proposal would open a Pandora’s box for allowing such things on more .COM domain names in the future.” “It sets up a dangerous precedent for ICANN to have to answer to all sorts of random carve-out requests...” (KD)

4. The ICANN org received comments regarding Verisign’s proposed “Subsequent Installments” paid by the registrant to renew O.COM and referred to them as “proposed premium renewal fees” by commenters.

Several commenters voiced concerns regarding Verisign’s proposed “Subsequent Installment” paid by the registrant to renew O.COM as an opportunity for Verisign to introduce premium fees or premium renewal fees for other single-character domain names launched in the .COM namespace in the future or for all .COM domain names. Commenters note this is substantially different than what currently exists in the policy for .COM domain names and suggest Verisign to consider having one winning bid followed by standard renewal fees.

- "...Verisign is trying to introduce premium fees, premium renewals and ownership restrictions into what is a straight forward and agnostic top-level-domain...I gladly support the release of the O.com domain name if it came with the exact same renewal prices every year going forward as every other .com domain name in existence..." (KD)
- "We have no issue with the concept [of releasing Single Character Domain Names (SCDNs)] ... However, we do have some very serious concerns with Verisign's proposal in its current form. Specifically, its lack of details, ominous fee structure, potential for abuse, and anti-competitiveness makes us strongly urge against it." "... sets a very dangerous precedent... believe all .COM domain names should be treated equally, regardless of their value." "We have to preserve and protect the standards and unrestricted nature in which .COM operates" (in reference to the new expiration process and transfer policy for O.COM)." "...we urge ICANN reject this proposal in its current form." (DNI)
- "...the greatest concern with the Proposal, is that ... the winning bidder will also be required to pay renewal fees which in essence amount to purported 'premium renewal fees'." "This is a substantial and concerning departure from the usual policy regarding renewal fees..." "...it is recommended that the winning bidder pay the winning bid for the registration rights to the O.COM domain name, but only be required to pay the regular registration fee for any subsequent renewals... to avoid any unjustified and undesirable precedent." "The proposal by the .BIZ and .INFO registries to incorporate premium priced renewals in their registry agreement met with strong opposition and was rejected." (ICA)
- "The BC supports the objective to pay "premium renewal fees" equal to 5%of the winning bid for each renewal of the registration beyond the first five years... with two qualifications: 1) "the registrar who receives the renewal registration fee must be required to pass the premium amount along to the trustee to provide to the nonprofit beneficiaries," and 2) "the premium renewal fee approach should be limited to the instant circumstances involving nonprofit beneficiaries, and not in the future be generally extended to .COM domains." (BC)

5. The ICANN org received comments regarding the proposed transfer restriction for the O.COM domain name imposed by Verisign once the name is allocated.

Commenters conveyed concerns regarding the proposed transfer restriction for the O.COM domain name imposed by Verisign once the name is allocated and suggest this introduces unnecessary complications into the .COM namespace. Further, if this restriction is permitted commenters worry Verisign may extend the restriction to future single-character .COM domain names yet to be released requiring different rules to be applied only for that limited set of .COM domain names. Commenters note that based on the scarcity of single-character names in the valuable .COM namespace the winning registrant should be permitted to use as they see fit.

- "...the BC is interested in better understanding whether this transfer restriction is intended to also extend to further single letters, when allocated." (BC)
- "VeriSign will not allow this domain to be transferred to another registrant unless "all or substantially all" assets of the registrant have been acquired. This is an extreme deviation from the normal transfer process. By inserting additional restrictions, this severely limits the pool of people who may participate in this auction. All other domains can be purchased, sold, traded, rented and leased. Denying a registrant the right to sell a domain asset and transfer it to another registrant is definitely NOT in the public best interest for the .COM Namespace. Think about this for a second – all other .COM domains can be transferred to other registrants through the normal transfer process. But VeriSign is proposing 23 SCDNs will not be transferable?? We have to preserve and protect the standards and unrestricted nature in

which .COM operates. There is no logical reason to introduce additional complications and rules into the .COM Namespace for a very small subset of domain names.” (DNI)

- “I gladly support the release of the O.com domain name... as long as there are no limitations of ownership transfer.” (KD)
- “The proposed amendment to the .COM Registry Agreement at Section 8.2(ii), states that, “Notwithstanding the ICANN Transfer Policy, following its initial registration, o.com shall not be transferred to another registrant, except to another registrant who has acquired all or substantially all of the assets of such registrant”. This is a very problematic departure from existing policies, apparently without any articulated justification. It has been the longstanding policy that any .com registrant can sell or lease a .com domain name, without restriction, and this principle should not be deviated from. The purchase of a single-letter .COM domain name pursuant to any allocation method established by ICANN, should not prejudice or interfere with the purchaser’s economic right to exploit its acquired asset, including but not limited to its right to transfer or assign such rights as it sees fit, having paid for such rights. As noted in the Single-Character Second-Level Domain Name (SC SLD) Allocation Framework, single letter .COM domain names are scarce and that “this scarcity creates value, which in turn creates a market where value can be realized”. Single letter .COM domain names may be amongst the most scarce and valuable of domain names, and should be tradeable as any other scarce and valuable asset, without any unjustifiable impediments or restrictions. The ICA can see no meritorious justification for this unprecedented rule change. If the ostensible justification is that the successful bidder should remain liable for “premium renewal fees” and to be obliged to continue a certain specified use of the domain name, the ICA opposes those two particular proposed rule changes, as detailed below, and they should not form part of the allocation parameters. Alternatively, if the ostensible justification is to keep the successful bidder on covenant to the special terms of the allocation, then that can be achieved by requiring the successful bidder to remain jointly and severally liable with the successor in interest, much the same way a tenant is able to sublease premises while remaining liable to the landlord.” (ICA)

6. The ICANN org received comments addressing concerns over the lack of certain rights protection with the release of O.COM in the proposed amendment.

Several comments focus on concerns over the lack of certain rights protection with the release of O.COM in the proposed amendment. Commenters suggest Verisign should consider having a sunrise period for O.COM to recognize prior rights by trademark holders.

- “Verisign’s RSEP proposal for offering “O.COM” contains no Rights Protection Mechanisms (“RPMs”). Such protections should be inherent in any new offering of domain names “...registry operators subject to the Trademark Clearinghouse are required to offer a Sunrise period of at least thirty (30) days... Verisign offered a Sunrise period for various IDNs of “.com”. Verisign should not be permitted to offer any SCDN in .com or .net without similar RPMs... Instead of providing RPMs, the RSEP states that “if any disputes arise from the allocation of this SCDN, it is recommended that the Uniform Dispute Resolution Policy be used”. Yet, the Uniform Dispute Resolution Policy applies only to bad-faith registrations and thus would fail to protect a brand owner...”. (JW)
- “The proposal does not afford any protection for trademark owners... (while) preferential protection of existing trademark owners is accounted for in other new TLD offerings.” (TF)
- “IPC does not oppose the release of single-character labels at the second-level,” however, “all registry-reserved domain names must be subject to applicable new gTLD program RPMs upon release,” “new gTLD program RPMs should apply to legacy gTLD operators seeking to release

registry-reserved domain names,” and “any release of the O.COM domain name should be subject to Sunrise and Trademark Claims Services.” (IPC)

- “... recognition of prior rights is an important element to prevent misuse or delay in the use of the single character.” (SM)
- “We understand the need to recognize prior rights to ensure that the allocation of single letters can progress...”. (AfICTA)

7. The ICANN org received comments regarding the auction process and the registrant pre-qualification requirements to be imposed by the auction provider as proposed by Verisign for the release of O.COM.

Comments regarding the auction process and auction provider proposed by Verisign for the release of O.COM were mixed and suggest Verisign should be forthcoming with the qualifying criteria for registrants in advance of the auction. Further, some comments suggest the proposed auction process is restrictive and shouldn't use subjectivity to evaluate potential bidders.

- “...there appears to be no discernable justification for a third party auction house *using its own subjective and indeterminate discretion* to review and evaluate who is entitled to be a bidder.” “... it is unduly restrictive to prevent such a company from bidding on O.COM, provided that they have the ability to pay for the successful bid.” (ICA)
- “The Proposal contemplates unspecified fees being paid to both the third party auction services provider as well as the Trustee. There is concern that without details about the nature and amount of such fees, that the proceeds of the auction will be directed to these service providers in amounts that the ICANN community may find objectionable or unnecessary. It should not be left to the registry operator alone to determine the amount of appropriate fees... rather should be set out as a part of the Proposal so that stakeholders can provide input into the proposed fee arrangements.” (ICA)
- “Verisign should require the third-party auction service provider to pre-qualify potential registrants...” and those “prospective registrants should submit documents that demonstrate and describe how they plan to use O.COM, their ability to pay, and any and all relevant information...” O.COM (should) be “registered by an entity determined to use the domain rather than profit from its resale.” (ALAC)
- “...given that many of the listed nonprofit organizations are redacted, the ALAC wishes Verisign to provide the ALAC with a comprehensive list of all potential non-profit organization[s] to ensure full transparency in this process”. (ALAC)
- “Regarding “the third-party auction service provider selected by the registry operator [that] will be entitled in its discretion to “pre-qualify” potential bidders... we are interested to know the qualifying criteria and refer back to the earlier GNSO WG on RNs. The BC suggests that all such criteria should be fully established and published prior to the auction proceeding.” (BC)
- “The O.COM Service Description attached to the proposed Amendment to the .COM Registry Agreement proposes that Verisign will select a third-party auction provider. This is consistent with the approach taken by other legacy gTLDs. This is consistent with the recommendation that a trusted and appropriate auction design consultant *be retained by the registry operator*, an important feature specifically recognized in the Single-Character Second-Level Domain Name (SC SLD) Allocation Framework.” (BC)
- “...while not trying to micro-manage the process, we merely ask that information about the auction provider, consultant, and trustee be disclosed upon the approval of the RSEP.” (BC)

- “We recommend that payments to the auction providers and trustee be limited to vendor costs, and not become a significant drain on auction proceeds intended for nonprofit beneficiaries.” (BC)
- “The commitment of Verisign to not take the auction funds... and are available to support the broader Internet community.” (MU)
- “I support the proposed auction of O.COM as is proposed in the RSEP.” (WD)
- “The charities to receive the proceeds should not be deemed confidential and should be identified by name for public review and scrutiny in order to establish accountability and transparency with funds acquired by means of a public service.” (TF)

8. The ICANN org received several comments and suggestions regarding the proposed distribution of funds following the O.COM auction as proposed in the amendment.

Overall, the comments regarding the proposed distribution of funds resulting from the O.COM auction were positive and agreed with Verisign’s proposed solution to distribute the funds. Additionally, commenters provided suggestions on purposes or specific organizations the auction proceeds including universal acceptance, online safety for children, supporting the multistakeholder model, and capacity building for the Internet.

- *Recommendation #1: Supporting the multistakeholder model and the initiatives that demonstrate its value.*
 - “... there should be emphasis on supporting the multistakeholder model and the initiatives that demonstrate its value, both within and outside of ICANN. In this context, it is important to ensure its inclusiveness, including the voice of women on key issues that impact the internet.” (DP)
 - “... support the public good of the Internet community, in particular, those from non-commercial backgrounds who contribute towards the development of Domain Name System (DNS) policy. Further, “I would like to see these auction funds going to support the kind of activities that benefit and support the legitimacy of ICANN’s multistakeholder model, enabling ICANN community members who advance public interest-oriented contributions in DNS policy to engage more at the national and regional levels in broader Internet governance activities that directly and indirectly benefit ICANN.” (AF)
- *Recommendation #2: Capacity building for the benefit of the internet community (such as those in developing areas in applying to become both registries and registrars).*
 - “... auction funds not to go to the auction house, nor the registrar or the registry or ICANN, but go to benefit the broader ICANN community.” Specifically, “to benefit engagement and participation, especially for participants from developing countries – both in ICANN meetings; security and stability training events; and also in the IGF and the national IGFs, where many at the national level, who won’t even attend an ICANN meeting, learn about what ICANN’s core activities and mission are – along side engaging with other of the technical community, but also with civil society, and governmental agencies.” (GM)
 - “...auction funds should support and contribute to the broader ICANN community.” Further, “capacity development should be defined broadly to also support participation in ICANN and related activities” (AfICTA)
 - “Utilising these funds for capacity building is brilliant...” (MU)

- "...I support a broader definition of capacity building that merely adding new registries and registrars. That does not require a change in any way; merely an acknowledgement that capacity building has a broad and inclusive definition." (WD)
- "Verisign should forfeit the auction proceeds and renewals to... a nonprofit organization(s) that will use the funds toward areas of public good of the Internet community." (ALAC)
- *Recommendation #3: Travel costs to attend meetings and training.*
 - "...travel costs to attend technical training at national, or regional levels, or to attend the ICANN meetings" to increase participation from developing countries." (MU)
 - "... the auction be viewed as a test of our assumptions, not their roll-out and the benefits go to those who can most benefit ICANN by doing their work not just at three meetings but all year." (JB)
- *Recommendation #4: Online safety for children.*
 - "As an advocate of child online protection in Nigeria, ... develop programs that address child online protection – awareness and education of teachers, guardians and parents, creation of help and advocacy centres, stakeholders' engagements – vitally important area for many of the developing countries." (MU)
- *Recommendation #5: Improving security, stability, and universal accessibility of the Internet.*
 - "ALAC suggests that the proceeds of the auction be used to make concrete progress on universal acceptance..." (ALAC)

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.

The ICANN org appreciates all the comments and suggestions submitted to the public forum regarding the proposed amendment to implement the approved registry service request from the registry operator, Verisign, to release for registration one domain name with a single-character label, O.COM, in the .COM generic top-level domain (gTLD). The analysis of comments is grouped into the same sections as in the summary of comments above with the addition of the Conclusion and Next Steps section.

1. Analysis of comments supporting the proposed process by Verisign to release O.COM.

The ICANN org appreciates the time invested by the community to review the proposed amendment to implement the release of O.COM. Many comments support the proposed amendment to implement the release of O.COM and see this as a positive step forward to release additional single-character .COM domain names.

2. Analysis of comments on whether the release of O.COM creates security and stability issues.

One commenter raised concerns that the release of O.COM would create technical problems for his organization as they have used this name for internal servers or systems. Similar concerns were raised in advance of the launch of new gTLDs. One of the mitigation measures ICANN org implemented to address those concerns was to develop resources for the ICANN community to

mitigate and manage potential name collision occurrences. ICANN org encourages the community to leverage the information provided in the [Guide to Name Collision Identification and Mitigation for IT Professionals](#) who may find their networks affected by the release of O.COM or other previously unused domain names into the namespace. The ICANN org has reached out directly to the commenter to provide these resources to assist the organization.

Two commenters addressed possible Security and Stability concerns with regard to possible confusability with the Greek Script and Cyrillic Script versions of “O.COM”. Preserving a secure, stable and resilient Internet is central to ICANN org’s mission. ICANN org appreciates the concerns raised from the community regarding the possible confusability of O.COM in the .COM name space with the IDN versions already registered: xn—Oxa.com (Greek Script) and xn—n1a.com (Cyrillic Script). At the time the RSEP request was evaluated, ICANN org performed a review to assess if this proposal for O.COM created any potentially significant security or stability concerns, in which none were identified. ICANN org takes note of the concerns raised in the comment forum regarding confusability due to pre-existing single character IDN registrations and is evaluating how to proceed on this point.

3. Analysis of comments expressing concern that the proposed “trial” requirements for the release of O.COM may set precedents for the release of future single character .COM domain names or for the entire .COM namespace.

Some comments in support of the proposed amendment to release O.COM refer to the work and recommendations resulting from the [Single-Character Second-Level Domain Name \(SC SLD\) Allocation Framework](#) and encourage ICANN org and Verisign to release more single characters in the .COM name space in the future.

Several commenters noted that aspects of the proposed release of O.COM have different requirements than the other domain names in the .COM name space. While some comments are positive regarding the proposed “trial” approach to release a single character in the .COM name space, some expressed concerns that the requirements for the release of O.COM may impact other domain names in the .COM name space now and in the future.

As outlined in Verisign’s RSEP submission, the process to release O.COM is a trial to enable Verisign and potential registrants to gain valuable insights into the process. The proposed service would not impact the existing functionality, methods, pricing, procedures or specifications for the registration of any other domain names in the .COM namespace. Further, Verisign is bound by the terms in the [.COM Registry Agreement](#) and the release of O.COM will not change those commitments.

4. Analysis of comments regarding Verisign’s proposed “Subsequent Installments” paid by the registrant to renew O.COM and referred to as “proposed premium renewal fees” by commenters.

The ICANN org acknowledges the concerns raised by some members of the community regarding the “Subsequent Installments” proposed in the amendment for the O.COM registrant to commit to in order to renew O.COM. Many commenters referred to this proposed approach as a way for Verisign to introduce “premium renewal fees”. ICANN org notes the RSEP proposed by Verisign, and the proposed amendment to the .COM registry agreement, ensures that Verisign will only receive the standard registry fee for the initial registration of O.COM and all subsequent renewals, which shall be in compliance with registry fee pricing provisions under Section 7.3(d) of the .COM Registry Agreement. As of the submission date of the proposal, that registry fee, defined as the Maximum Price in the .com Agreement, is \$7.85. The only renewal fee Verisign will realize is the standard

\$7.85 as required. The “subsequent installment” required of the winning registrant in the proposed RSEP are intended to “encourage a continuous funding stream to the nonprofit organization(s) up until the Expiration of the Subsequent Installment.”

5. Analysis of comments regarding the proposed transfer restriction for the O.COM domain name imposed by Verisign once the name is allocated.

ICANN org acknowledges the comments and concerns raised regarding Verisign’s proposal to limit the registrant of O.COM to transferring the domain name to another registrant only if the acquiring registrant assumes all or substantially all the assets of the original registrant. This would include transfer of the requirement to pay the then applicable registration fee as well as subsequent installments of the winning bid paid to the trust up until the expiration of the subsequent installment. According to Verisign’s proposal, this requirement is intended to support the continuous funding stream to the nonprofit organization(s).

As of the posting of the Public Comment Summary and Analysis Report ICANN org continues to work with Verisign on options to address the community’s concerns on this topic. Different options may be put before the ICANN Board to consider before the amendment is finalized and approved.

6. Analysis of comments regarding the lack of certain rights protection with the release of O.COM in the proposed amendment.

Several comments address concerns regarding Verisign’s proposed plan to release O.COM for registration in the .COM namespace without the Rights Protection Mechanisms (RPMs) new gTLD registry operators are required to support for their TLDs. Commenters suggest that with the release of O.COM, Verisign should be under the same obligations as new gTLD operators to conduct a 30-day Sunrise period.

There is no requirement to offer a sunrise period prior to the release of any reserved names according to the .COM registry agreement. The Uniform Dispute Resolution Policy is available for any trademark-related disputes arising from the allocation of any name in the .COM namespace, including O.COM.

Several commenters noted that Verisign did adopt the URS for the launch of their IDN.IDN TLDs and questioned the lack of consistency in not adopting URS for .COM. The URS was adopted for the IDN.IDN TLDs as required by the base gTLD registry agreement. Although the Uniform Rapid Suspension system (URS) is mandatory for new gTLDs, it has not been adopted as a consensus policy and ICANN org has no ability to make it mandatory for any gTLDs other than those subject to the base gTLD Registry Agreement. Accordingly, ICANN org has not moved to make the URS mandatory for any legacy gTLD. The GNSO Policy Development Process to [review all rights protection mechanisms in all gTLDs](#) is assessing whether the current rights protection measures fulfill the purposes for which they were created, or whether additional policy recommendations are needed. This PDP is currently working to develop an initial report.

ICANN org acknowledges the concerns raised by some members of the community regarding rights protection and notes the RSEP requests submitted and subsequently approved by ICANN org for .BIZ (2008), .INFO (2010), and .ORG (2011) to release single-character and two-character reserved names, did not include a sunrise period. Those processes were similar to what Verisign has proposed for O.COM, including requests for proposals based on evaluation criteria (unspecified) and via an auction provider. Verisign’s proposal includes a requirement for the third-party auction provider to pre-qualify the potential registrants prior to participating in the auction.

7. Analysis of the comments received regarding the auction process and the registrant pre-qualification requirements to be imposed by the auction provider as proposed by Verisign for the release of O.COM.

The general themes commenters note regarding the overall auction process in the proposed amendment include how Verisign a) will select the third-party auction service provider, consultant, and trustee, b) should provide the identities of the auction service provider, consultants, and trustee, c) should provide the details of the fees and proceeds, and d) requires the third party service auction provider to establish the criteria to pre-qualify potential registrants in advance of the auction.

While ICANN org understands and appreciates the concerns raised by members of the community regarding the auction and the auction process, ICANN org encourages the community to consider the proposed auction process is similar to how most registry operators manage domain name auctions. Further, the registry operators for legacy TLDs such as .BIZ, .INFO, and .ORG used similar processes to auction their single and two-character TLDs. All registry operators, legacy or gTLD, can define and conduct auctions without oversight or restriction for their TLDs and rarely disclose the details of the auction in advance or the fees to be paid to the auction provider. Additionally, it is important to remember this is still a proposal by Verisign, and it is reasonable for a registry operator to wait until the proposal is approved via the amendment to the registry agreement, to begin the implementation work such as selecting an auction provider and designing the detailed auction process and criteria.

With regard to the concern raised regarding Verisign's proposal to require the third-party auction service to use "subjective and indeterminate discretion" to review and evaluate who qualifies to bid on O.COM the commenter suggests it is unduly restrictive and anyone who has the ability to pay should qualify. However, Verisign's proposed service requires the third-party auction service provider to pre-qualify potential registrants using specific information such as asking potential registrants to describe the planned marketing and usage of the registered domain name, demonstrate the ability to pay, and requirements as may be required by the third-party auction service provider. One commenter supports Verisign's direction to require potential registrants to be pre-qualified to ensure the O.COM is used by an entity rather than to register the domain name and profit from the resale. Verisign may want to consider taking the recommendations provided in the comments to have the third-party auction service provider establish and publish the pre-qualifying criteria in advance of the auction.

8. Analysis of comments regarding the proposed distribution of funds following the O.COM auction as proposed in the amendment.

In the proposed amendment to implement the release of the O.COM domain name, Verisign committed that none of the proceeds of the auction will directly or indirectly be used to benefit Verisign, its affiliates, or its directors, officers, or employees. Proceeds derived from the auction of the O.COM domain name will be provided to at least one nonprofit organization, or its successors which may support one of the following purposes:

- Development, evolution, and use of open Internet protocols
- Enhancing the cybersecurity readiness and response of public and private sector entities
- Online safety for children
- Improving security, stability and universal accessibility of the Internet

- Capacity building for the benefit of the Internet community

Further, an independent third-party trustee will select and facilitate the disbursement of the proceeds and Verisign will not be involved.

Many commenters support Verisign's effort to commit the auction funds to a non-profit organization and offered additional recommendations for the trustee to consider when determining how the funds should be dispersed. Commenters who are in favor of the auction proceeds going to charitable organizations urge Verisign to be open and transparent about the identity of the charitable organization(s) by name and the amount awarded to each to allow stakeholders to provide input. It is relevant to note that Verisign did not suggest in their RSEP submission the organizations who received the proceeds would remain "confidential" or "redacted" as some comments suggested.

Verisign may want to consider taking the recommendations provided in the comments on how to disperse the proceeds as well as consider further outreach to community members for additional feedback on the allocation of the proceeds prior to the auction. Further, Verisign may want to consider providing an overview of the disbursement of proceeds by organization once the Trust has made the disbursement decisions as commenters suggest.

Conclusion and Next Steps

The ICANN org acknowledges and appreciates the comments submitted to the public forum in support for the proposed amendment to implement the release of the single character O.COM domain name into the .COM name space as well as the concern raised regarding Verisign's proposed process to manage the release of the domain name. ICANN org will utilize this feedback and analysis to define the next steps for the proposed amendment which may include adjustments to proposed amendment with Verisign.

Ultimately the ICANN Board will consider the amendment.