Proposed Service

Name of Proposed Service:

Release of Certain Two Character ASCII Labels

Technical description of Proposed Service:

On behalf of .xyz and .College and pursuant to Section 2 of Specification 5 of such Registry Agreements, we 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.

This is phase one of our proposed release of all two character labels. We will submit a subsequent request to release two-character labels that appear on the ISO 3166-1 alpha-2 list and have a corresponding ccTLD, but this initial request is limited to two-character names with no corresponding ccTLD.

Consultation

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

We consulted with a number of registry operators both one-on-one and through the NTAG. All, including many who had spoken directly with ICANN, had identified the RSEP as the appropriate process for releasing the 2 character SLDs. This is in line with the prior releases of 2 characters in existing TLDs. Others had been encouraged by ICANN staff to initiate a RSEP as soon as we were ready.

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

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

*We have discussed this with registrars, and have informed them this could occur in the future and that modifications of the RRA would result. They were excited for the opportunity to potentially sell these labels.*

c. Were consultations with other constituency groups appropriate? Which groups were consulted? What were the nature and content of these consultations?:

*N/A*

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

*N/A*

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

*The release of two-character domains has been addressed in detail from the technical perspective in several previously approved Service Requests. For example, the RSTEP report on GNR’s two-character name proposal ([http://www.icann.org/registries/srp/RSTEP-GNR-proposal-review-team-report.pdf](http://www.icann.org/registries/srp/RSTEP-GNR-proposal-review-team-report.pdf)) provides an exhaustive review of the issues and addresses them in a positive manner.*
The GNSO Council approved the recommendations sent to the ICANN Board for the introduction of new gTLDs, including endorsement of the recommendations of the Reserved Names Working Group set forth in the RN-WG Report, which included the following recommendation:

(1) registries be permitted to release any combination of two letter and/or digit strings provided that measures to avoid confusion with any corresponding country codes are implemented. The RN-WG Report can be found at http://gnso.icann.org/en/issues/new-gtlds/final-report-rr-wg-23may07.htm.

Also, importantly, individuals and brands with names that can reasonably be represented two-character strings and who are interested in promoting their products and services using a .xyz or .college gTLD have expressed interest in the release of such domains.

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

No one.

Timeline

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

XYZ 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, XYZ would implement the service as soon as operationally feasible.
Business Description

Describe how the Proposed Service will be offered:

XYZ intends to responsibly promote healthy competition by bringing these valuable .XYZ and .COLLEGE domain names to the open market to offer to organizations or individuals who will enhance the respective brands. XYZ will either auction these names off with an accredited registrar or open them up for first-come-first-serve registration to the general public.

If we choose to use auctions, we will use Request for Proposals (RFP) to select domain name auction platforms to facilitate the allocation of these two-character domains to registrants who are committed to building out the domain name with a sound marketing and branding strategy, including a strong focus on quality, creativity and the desire to launch the site in a timely manner.

XYZ will then identify the strongest auction platform applicant or applicants. Evaluation criteria for the selection of the auction platform(s) will take into account:

a. The auction provider's business and technical capabilities
b. Sales and marketing strategy
c. Auction plan with criteria for selecting registrants who are committed to building out the domain name with a sound marketing and branding strategy, including a strong focus on quality, creativity and the desire to launch the site in a timely manner
d. The ability to handle trademark issues and disputes
e. Each applicant must be a .XYZ or .COLLEGE accredited registrar to participate.

Describe quality assurance plan or testing of Proposed Service:

No new technical capacity is required for this implementation.

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

List the relevant contractual provisions impacted by the Proposed Service:

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:
As permitted under Specification 5, Section 2, Registry Operators may propose the release of the two-character ASCII label reservations where there is the ability to avoid confusion with the corresponding country codes, subject to approval by ICANN.

We are not seeking an amendment to the Registry Agreement, rather we seek approval from ICANN in the form of a written waiver stating that XYZ.COM LLC is permitted to make available for registration those two-character ASCII labels that do not appear on the ISO 3166-1 alpha-2 list and for which there are no corresponding country-code operators.

Benefits of Service

Describe the benefits of the Proposed Service:

Registrants and end users will benefit from the availability of these two-character ASCII labels. These labels are short and memorable and will add to consumer choice and competition in the new gTLD marketplace.

Competition

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

The release of these two-character ASCII labels will enhance competition. It will provide registrants with the ability to register attractive names that will help them compete in the Internet marketplace. It also will help .xyz and .College to compete with incumbent TLDs.

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

All markets.

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?:

N/A

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).:

N/A

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
reponses 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. Our proposal to release two-character ASCII labels that do not appear on the ISO 3166-1 alpha-2 list does not pose additional intellectual property risk. All existing ICANN IP Rights Protection Mechanisms would apply to such names.

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

No.

List Disclaimers provided to potential customers regarding the Proposed Service:

N/A

Any other relevant information to include with this request:

No.