Status Report on the sTLD Application Process

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I. Overview

Background

There are several types of TLDs within the DNS, including TLDs with three or more characters referred to as "generic" TLDs, or "gTLDs." They can be subdivided into two types, "sponsored" TLDs (sTLDs) and "unsponsored" TLDs, as described in more detail below.

Generally speaking, an unsponsored TLD operates under policies established by the global Internet community directly through the ICANN process, while a sponsored TLD is a specialized TLD that has a sponsor representing the narrower community that is most affected by the TLD. The sponsor thus carries out delegated policy-formulation responsibilities over many matters concerning the TLD.

A Sponsor is an organization to which is delegated some defined ongoing policy-formulation authority regarding the manner in which a particular sponsored TLD is operated. The sponsored TLD has a Charter, which defines the purpose for which the sponsored TLD has been created and will be operated. The Sponsor is responsible for developing policies on the delegated topics so that the TLD is operated for the benefit of a defined group of stakeholders, known as the Sponsored TLD Community, that are most directly interested in the operation of the TLD. The Sponsor is also responsible for selecting the registry operator and, to varying degrees, establishing the roles played by registrars and their relationship with the registry operator. The Sponsor must exercise its delegated authority according to fairness standards and in a manner that is representative of the Sponsored TLD Community.

The extent to which policy-formulation responsibilities are appropriately delegated to a Sponsor depends upon the characteristics of the organization that may make such delegation appropriate. These characteristics may include the mechanisms the organization uses to formulate policies, its mission, its guarantees of independence from the registry operator and registrars, who will be permitted to participate in the Sponsor's policy-development efforts and in what way, and the Sponsor's degree and type of accountability to the Sponsored TLD Community.

The first round of expansion of the DNS namespace had taken place in November 2000, when ICANN's Board of Directors selected seven proposals for new gTLDs. Those selected were: .aero, .biz, .coop, .info, .museum, .name and .pro. This was the first effort

to expand the domain name system (DNS) since the 1980s, other than by adding "country code top-level domains" that correspond to particular countries or territories. At the time, ICANN received over 40 applications for new gTLDs, but it had determined that, as a "proof-of-concept," it would select far fewer. Among those who applied but were not selected were applicants for POST, TEL-Pulver, TEL-Telnic, TRAVEL and XXX (see http://www.icann.org/tlds/report/report-appb-09nov00.htm).

sTLD Application Process

On 26 June 2003, at the ICANN Board meeting in Montreal, the Board directed ICANN staff to invite public comment on a draft request for proposals for sTLDs posted on 24 June 2003, and in particular on the question of whether the RFP should be limited to applicants that had proposed sponsored TLDs in November 2000. The public comments are available at ICANN's website at http://forum.icann.org/mtg-cmts/stld-rfp-comments/general/index.html.

In parallel with the public comments, the ICANN Board discussed at length the topic of how, and within what timeframe, ICANN should proceed with the creation of new gTLDs, including sTLDs. On 29 October 2003, the GNSO called upon the Board to go forward with the process for an interim round of sTLDs.

Following various community discussions, including input by experts and interested parties through the GNSO, and from users both directly and through the ALAC, at its meeting in Carthage, Tunisia, on 31 October 2003, the ICANN Board directed the ICANN President to finalize and post no later than 15 December 2003 an open Request for Proposals, not restricted to prior applicants, for a limited number of new sTLDs. The final RFP was to be based on the points of agreement indicated above and the comments received concerning the posted draft

In response to this direction, on 15 December 2003, ICANN announced and released the request for proposals (RFP) for sTLDs. The RFP was divided into six parts, see http://www.icann.org/tlds/new-stld-rfp/new-stld-application-parta-15dec03.htm. The first part provided applicants with explanatory notes on the process as well as an indication of the type of information requested by ICANN. The remaining parts constituted the application itself.

The RFP's explanatory notes described the selection criteria, which are included in Appendix A of this Report. In brief:

- The technical standards included "evidence of ability to ensure stable registry operation," "evidence of ability to ensure that the registry conforms with best practice technical standards for registry operations, "evidence of a full range of

registry services," and "assurance of continuity of registry operation in the event of business failure of the proposed registry."

- The business plan had to "demonstrate the applicant's methodology for introducing a new sTLD and the ability of the organization to implement a robust and appropriately resourced organization." The financial model had to "outline the financial, technical and operational capabilities of the organization."
- The sponsorship information had to include a "definition of sponsored TLD community," "evidence of support from the Sponsoring Organization," "appropriateness of the Sponsoring Organization and the policy formulation environment," and "level of support from the Community." In addition, the criteria of "community value" had to be demonstrated by the "addition of new value to the Internet name space," protections for "the rights of others," "assurance of charter-compliant registrations and avoidance of abusive registration practices," "assurance of adequate dispute-resolution mechanisms," and "provision of ICANN-policy compliant WHOIS service."

ICANN received 10 applications for new sTLDs before close of the application period on 16 March 2004. Applications were received for the following 9 sTLD strings: ASIA, CAT, JOBS, MAIL, MOBI, POST, TEL, TRAVEL, and XXX. (Two different applicants submitted applications for TEL.) The public parts of the ten applications were posted on the ICANN website at http://www.icann.org/tlds/stld-apps-19mar04/stld-public-comments.htm for public comment. Dozens of public comments were received and posted.

ICANN performed an initial review of the applications for completeness. Subsequently, ICANN sought the assistance of an outside Project Manager, Summit Strategies International, LLC, to coordinate the evaluation and limit direct contact between ICANN staff and the evaluators, and between the evaluators and the applicants.

An independent panel of experts with substantial knowledge of relevant technical, business/financial and policy areas convened to review and evaluate the applications. The evaluation panel was divided into three internationally diverse teams, with each one focused on technical, business/financial or policy areas. The technical team was chaired by Ólafur Guðmundsson and included Patrik Fältström and Nii Quaynor. The business/financial team was chaired by Maureen Cubberley and included Fernando Silveira Galban and Jeffrey Lissack. The sponsorship/community value team was chaired by Liz Williams and included Pierre Ouédraogo and Daniel Weitzner. (Biographical data about these persons may be found at the conclusion of each report in Appendix D.) The identities of the evaluators were kept confidential until conclusion of the evaluation phases of the process, and publication of this Report.

The three teams began their work in May 2004 and completed their reports in July 2004. During that period, each team met formally six to eight times by teleconference. Between formal meetings, the teams worked diligently and thoroughly to discuss the selection criteria, analyze the applications, review public comments and assess the extent to which each proposal satisfied the different parts of the RFP. Additionally, the teams

posed a series of questions to each applicant in an effort to amplify points that were unclear and to seek other clarifications (see Appendix B).

At every step, the applications were evaluated on their own merits, in an objective and fair manner. The independent review procedures ensured that all communications involving the evaluations were made through the Project Manager and as such, the review was blind between the teams and ICANN staff and between the teams and the applicants.

Each team provided a separate report to ICANN through the Project Manager, which assessed the information in the applications against the established RFP criteria – technical, business/financial and sponsorship/community value – that they had been asked to evaluate. These reports were transmitted to ICANN on 12 July 2004 and are included in Appendix D. In the case where an applicant passed all three sets of criteria and there were no other issues associated with the application, it proceeded to technical and commercial negotiations designed to establish a new sTLD. One application – POST – was in this category. In cases where an evaluation team indicated that a set of criteria was not met, or there were other issues to be examined, ICANN decided to give each applicant an opportunity to submit clarifying or additional documentation. The other nine applications were in this category.

The extent to which to which clarification or other information was requested depended on the nature of each proposal and the feedback from the evaluators. For this reason, ICANN decided to allow each proposal to progress on its own timetable. ICANN informed all applicants that the evaluation reports would be released publicly as soon as all applicants had concluded the process, in order to enhance transparency and understanding of the sTLD selection process.

All ten applicants have now either completed the process, or are expected to receive an answer on their application soon. Accordingly, ICANN is providing this Status Report on the sTLD Application Process.

II. Status of Applications

ASIA

The applicant, proposed registry operator and proposed Sponsoring Organization (SO) for ASIA is DotAsia Organisation Limited, a not-for-profit organization based in the Hong Kong Special Administrative Region ("DotAsia"). DotAsia selected Afilias Limited ("Afilias") to provide registry services.

Each of the three evaluation teams described above reviewed the ASIA application. The technical evaluation team found that ASIA met the technical selection criteria set forth in the RFP, and accordingly recommended that it be approved on technical grounds.

The business/financial evaluation team found that the respective selection criteria set forth in the RFP had been met, and recommended that, from a business/financial perspective, the application be approved.

The sponsorship/community value evaluation team found that the proposal did "not define a sponsored TLD community clearly enough," that there was "inadequate evidence of widespread support for the application across the broadly identified region," and that there were remaining "questions about how a .asia sTLD would have broad recognition across such a wide region that includes both the Middle East and the South Pacific." The team's comments included, inter alia, questions about the "policy formulation environment." The team "thought that the application might be a useful starting point for the consideration of a sTLD which reflects specific geographic regions, but that the application had failed to demonstrate how it would be implemented and managed in this instance." The team suggested that the applicant might "consider participating in a broader round of generic top level domains at a later date."

On 31 July 2004, ICANN notified DotAsia of the evaluators' recommendations (see Appendix E). ICANN also reminded the applicant that "the Governmental Advisory Committee (GAC) had asked it to "avoid, in the creation of new generic TLDs, well known and famous country, territory or place names; well known and famous country, territory or regional language or people descriptions; or ISO 639 Codes for representation of languages *unless in agreement with the relevant governments or public authorities*" (see section 8.3 of the "Principles for the Delegation and Administration of Country Code Top Level Domains, at http://www.icann.org/committees/gac/gac-cctldprinciples-23feb00.htm)(emphasis added). Accordingly, ICANN invited the applicant to submit any information indicating agreement for such a new sTLD from the appropriate Ministers or Heads of Agencies of the Governments of the countries in the region constituting the community to be represented.

On 15 September 2004, DotAsia responded with "Clarifications and Response on: Principles for Delegation and Administration of ccTLD Principles Presented by GAC," in which it stated that it does not represent, nor intend to, a country, territory, place, language or people. On the same date, DotAsia also provided its "Response & Clarifications on Sponsorship and Other Issues." In that document, the applicant stated that its proposed community was precisely defined, that "Asia" was a unifying term and concept, and that the support of 16 ccTLDs in the region (now 20), in addition to the support of many others, provided sufficient evidence on both points. The applicant also described the adequacy of its proposed policy formulation process. This document, and the submissions described below, may be found in Appendix E.

On 26 October 2004, DotAsia provided supplemental information for the ICANN Board (see Appendix E). These documents included an Executive Summary, "Clarifications and Response on: Principles for Delegation and Administration of ccTLDs Presented by GAC," and "Further Discussions on Appropriateness and Representativeness of the DotAsia Framework." These documents described DotAsia as a "membership-based not-for-profit initiative" with a mission to, among other things, establish "an Internet

namespace with global recognition and regional significance, dedicated to the needs of the Pan-Asia and Asia Pacific Internet community" and reinvest surpluses in regional initiatives. The ASIA sTLD would "embrace a community-based bottom-up governance structure." The documents also suggested that the GAC Principles "have not been formally adopted as an ICANN policy" and, in any case, do "not apply to the context of the DotAsia proposal." DotAsia believes the principles were drafted for a different purpose, and that nothing in its proposal would "challenge the sovereignty of any nation, country, economy or jurisdiction."

On 10 December 2004, DotAsia provided additional information to the ICANN Board on "Mitigating Concerns Regarding GAC ccTLD Principles." This letter informed the Board that two additional ccTLDs had joined DotAsia. While disagreeing that the GAC Principles applied to its proposal, it offered to address any Board concerns by establishing a "Waiting Period to allow governments [within the region] to register their objections, if any, via the GAC."

On 24 January 2005, DotAsia provided additional Letters of Intent from five ccTLDs and other Support Letters for its organization.

On 24 January 2005, DotAsia provided an Update Letter to the ICANN Board outlining the extent of support for ASIA.

On 18 February 2005, ICANN's Board of Directors discussed extensively the ASIA application, and "in particular whether the applicant had demonstrated the sponsored community requirements" (see http://www.icann.org/minutes/minutes-18feb05.htm). A motion to deny the application was put to a vote and did not pass.

On 8 March 2005, DotAsia provided ICANN with a short summary of its proposal, which highlighted that the "boundaries of the DotAsia community are clearly defined" and that the Asia Pacific Internet community has seen "many successful bottom up community based collaborative initiatives."

On 19 April 2005, DotAsia provided a clarifying letter that emphasized (1) it was a member-based, not-for-profit organization, and not a "joint venture;" and (2) it was "open to eligible organisations within the community on an inclusive and voluntary basis."

On 3 May 2005, the ICANN Board of Directors discussed the ASIA application further (see http://www.icann.org/minutes/minutes-03may05.htm. The Board decided to request ICANN Staff to obtain from DotAsia "additional detailed information regarding the applicant's compliance with Section 8.3 of the 'Principles for Delegation and Administration of ccTLDs Presented by Governmental Advisory Committee' or otherwise report back to the board within 90 days."

On 6 June 2005, DotAsia wrote to GAC Members to invite their "thoughts and participation" in the initiative. The letter noted that DotAsia had begun an informal dialogue with GAC Members from the region, with the assistance of the GAC Chair, in

April at the Mar del Plata ICANN Meeting, and sought to include all GAC Members from the region.

On 5 August 2005, DotAsia provided an update report for the Board in response to its May resolution. The report indicated that a second informal meeting had taken place during the July Luxembourg ICANN Meeting, where "there was a consensus around the room that it is an appropriate channel for [DotAsia] to communicate with governments through GAC representatives in the region and that it is a suitable forum to continue to hold these communication meetings . . . ." The report also indicated that the resolution and information about DotAsia had been sent to GAC members encouraging them to register their objections "should there be strong concerns from any government." It noted that no "objection from any GAC member had been received.

On 2 August, Howard C. Dickson, the GAC Representative for the Hong Kong SAR, sent a letter to Che-Hoo Cheng, the Interim CEO of DotAsia. Mr. Dickson's letter stated that (1) we "think that ICANN and DotAsia should address the issues and considerations before governments could take a definitive view on the support or otherwise for the proposal;" and (2) we have "reservation for a private company to oversee and administer a regional TLD in general." The letter continues that "[h]aving said that, we do not have sufficient grounds to respond to the format as DotAsia proposed, that is support, have no objection, or object to, the Proposal."

On 11 August 2005, Mr. Cheng responded to Mr. Dickson that DotAsia "believes in continuing this constructive discussion with yourself and other government representatives around the region . . . ." Mr. Cheng also described the membership structure and not-for-profit status of the organization, which would not include shareholders. Mr. Cheng also indicated that "it is good for us to understand that you are neutral to the initiative" and that ongoing contact would "allow you to feel comfortable that your concerns from the HKSAR Government perspective are being addressed appropriately."

DotAsia's application to operate an ASIA sTLD will be considered again by the Board. Any decision taken by the Board's will be published on the ICANN website.

> ### CAT

The applicant, registry operator and Sponsoring Organiazation (SO) for the CAT sTLD is Fundació puntCAT, Fundació Privada, a Catalonia private foundation ("puntCAT"). The registry operator selected CORE Internet Council of Registrars (CORE) to provide registry services.

Each of the three evaluation teams described above reviewed the CAT application and found that it met the respective selection criteria set forth in the RFP. The technical evaluation team noted that the application "was a rather innovative proposal. It ties a domain name to a language and culture, which has not been done before. The proposal is clear that this is an experiment. As such, it lays out a clear exit plan if the experiment fails, including provisions for the return of the TLD to ICANN. The proposal sets preconditions before registrations can go live, and monitors registrants for compliance with TLD policies."

The business/financial team noted that the "business plan is clearly defined and demonstrates an in-depth knowledge of the registrant market to be addressed. The methodology is solid and well structured. The financial plan is credible and solid. Contingency plans are appropriate to keep the domain operational in case of failure. The budget seems realistic and appropriately scaled to the tasks outlined in the business plan. The model shows good judgment in building low initial overhead until the revenue base is secured."

The sponsorship/community value team found that CAT met the selection criteria set forth in the RFP. It noted that the "community was well defined and the policy formulation environment was properly articulated. The application showed that there is a clearly defined set of needs around the provision of Internet services that are culturally and/or linguistically associated with the Catalan language or region."

On 31 July 2004, ICANN notified puntCAT of the evaluators' recommendations (see Appendices D and E). ICANN also reminded the applicant that the GAC had asked it to "avoid, in the creation of new generic TLDs, well known and famous country, territory or place names; well known and famous country, territory or regional language or people descriptions; or ISO 639 Codes for representation of languages *unless in agreement with the relevant governments or public authorities*" (see section 8.3 of the "Principles for the Delegation and Administration of Country Code Top Level Domains, at http://www.icann.org/committees/gac/gac-cctldprinciples-23feb00.htm)(emphasis added). ICANN noted its understanding from the application that Catalan is spoken predominantly in Spain, and that it is also the sole official language of Andorra. Accordingly, ICANN requested that puntCAT obtain letters from the Government of Spain and the Government of Andorra indicating whether they agree with the designation of an sTLD for the "Catalan Linguistic and Cultural Community."

On 5 October 2004, ICANN wrote to the Government of Spain to explain the sTLD application process (see Appendix E). The letter indicated that the CAT application "was found to have successfully met the baseline criteria," and that took the "guidance of the GAC seriously. As a result, the letter indicated that "a formal letter stating from your government that there is not opposition or reservations regarding the creation of the new TLD .cat is important." We would request that you provide your position, in agreement or in objection, opposition, or concern . . . ."

On 22 October 2004, ICANN sent a similar letter to the Government of Andorra (see Appendix E).

On 15 November 2004, Sr. Daniel Bastida, Director del Department de la Societat de la Informació, Projectes Estrategics, Govern d'Andorra, replied that the Government did "not have any objection to grant the TLD .cat domain to use it for the Catalan linguistic and cultural community.

On 24 November 2004, Excmo. Sr. D. Francisco Ros Peran, Secretary of State, Telecommuncations with the Information Society, Communications Center replied indicating a lack of objections on the part of the government of Spain to the creation of a .cat TLD.

On 18 February 2005, the ICANN Board of Directors reviewed the CAT application materials, the evaluator's responses and the applicant's supplemental materials. After extensive board discussion regarding the application, the Board authorized the beginning of negotiations relating to proposed commercial and technical terms for the CAT sTLD, "in conjunction with consultation with the appropriate governmental authorities" (see http://www.icann.org/minutes/minutes-18feb05.htm).

On 9 August 2005, the proposed CAT sTLD registry agreement was posted on the ICANN website (at http://www.icann.org/tlds/agreements/cat/proposed-cat-agmt-09aug05.pdf) and submitted to the ICANN Board for approval.

On 16 August 2005, the ICANN Board discussed and then deferred consideration of the CAT sTLD request until its 15 September 2005 Meeting in order to "allow for further clarification regarding selected terms of the (http://www.icann.org/minutes/resolutions-16aug05.htm).

On 15 September 2005, the Board approved the CAT Sponsored Top-Level Domain Registry Agreement (see http://www.icann.org/minutes/resolutions-15sep05.htm).

On 9 October 2005, ICANN and puntCAT signed the Registry Agreement.

JOBS

The applicant and registry operator for the JOBS sTLD is Employ Media LLC, a Delaware limited liability company ("Employ Media"). The Sponsoring Organization (SO) for the application is The Society for Human Resource Management (SHRM), a human resource management association. The registry operator selected VeriSign Naming and Directory Services (VNDS) to provide registry services.

Each of the three evaluation teams described above reviewed the JOBS application. The technical evaluation team found that the application met the criteria of demonstrating an ability to ensure stable registry operation, consistent with best practice technical standards for registry operations. With respect to evidence of a full range of registry services, the team was "concerned about the validation criteria for registrants from

outside North America, and whether the applicant understood the complexities of creating a reserved list for job categories that span many languages." The team concluded that JOBS did not at that time meet the technical selection criteria set forth in the RFP.

The business/financial evaluation team reviewed the JOBS applicant's business and financial plans. It concluded that the relevant selection criteria had been met.

The sponsorship/community value evaluation team found that "employment is a very broad category that has substantial overlap with other existing classes of content and services . . . the global jobs and careers market was well served by existing search capabilities and that the application as presented would not add significant new value to the name space." It questioned "how appropriate the [Sponsoring Organization (SO) is to the proposed policy formulation environment," and whether "there was sufficient evidence for support from the SO to meet the selection criteria." It concluded that the JOBS application "did not, on balance, meet the selection criteria."

On 31 July 2004, ICANN notified Employ Media of the evaluators' recommendations (see Appendices D and E).

On 22 September 2004, JOBS responded to the reports of the technical and sponsorship evaluation teams (see Appendix E). In response to the technical team's concerns, JOBS explained its system for validating whether an employer was bona fide in greater detail. In response to the sponsorship/community value team's concerns, it provided more information about the JOBS "community" and the international presence of the SO, among other issues.

On 14 October 2004, JOBS, the technical team and ICANN held a teleconference to discuss the concerns raised about validation and other technical issues. The minutes of this teleconference are included in Appendix D. The applicant agreed to specify in writing how it will address the question of validation of employers on a global basis, including, for example, small and medium enterprises from the developing world. It also agreed to clarify in writing precisely how it will communicate with applicants, and specify the level of security for all such channels, and the "hard timers" that it will use to deter abuse of the validation system. It also agreed to provide more information about how it would reach out to the global community to determine how best to develop a list of reserved names to propose to ICANN.

On 10 November 2004, the applicant provided the follow-up information requested by the technical team.

On 26 November, the technical team indicated its view that the JOBS application was now complete and sufficient from a technical standpoint (see Appendix E). It recommended that the remaining technical issue –requiring the external validator to use bi-directional EPP to communicate with the registry – could be handled during contract negotiations. VeriSign is currently implementing bi-directional EPP.

On 13 December 2004, after review of the above-mentioned information and materials, ICANN's Board of Directors authorized the entry of commercial and technical

negotiations with the JOBS applicant (http://www.icann.org/minutes/resolutions-13dec04.htm).

On 24 March 2005, ICANN announced the completion of those negotiations and posted the proposed JOBS Sponsored TLD Registry Agreement (http://www.icann.org/announcements/announcement-24mar05.htm) prior to Board consideration. The agreement was discussed briefly at the ICANN Public Forum in Mar del Plata, Argentina, on 7 April 2005. ICANN did not receive other comments on the agreement.

The agreement was then submitted to the ICANN Board for review at its meeting in Mar del Plata on 8 April 2005. The Board noted that the "applicant has provided satisfactory details as to the broad-based mechanism for policy-making for the sponsored community, and how this sTLD would be differentiated in the name space," and that "delegation of a .JOBS sponsored top-level domain to Employ Media would be beneficial for ICANN and the Internet community." The Board approved the agreement, subject to the taking of appropriate steps to address the registration of "names of countries and distinct economies," and directed the President of ICANN to implement its decision (http://www.icann.org/minutes/minutes-08apr05.htm).

On 5 May 2005, ICANN and Employ Media signed the Registry Agreement.

On 10 June 2005, Employ Media submitted a delegation template to IANA, which lists itself as the requested Sponsoring Organization. Mr. Ray Fassett is listed as the designated Administrative Contact and VeriSign Global Registry Services is listed as the designated Technical Contact. Completion of the template while VeriSign and Employ Media worked out several technical issues associated with launch.

IANA approved the proposed delegation on 7 September 2005. On 9 September 2005, JOBS was added to the root.

MAIL

The registry operator and Sponsoring Organization (SO) for the MAIL sTLD is The Anti-Spam Community Registry, founded by the Spamhaus Project, an international non-profit organization based in the United Kingdom. The registry operator selected VeriSign, Inc. to provide registry services and eNom, Inc. to provide "extra services" (XO), including authority over all DNS records for delegations.

Each of the three evaluation teams described above reviewed the MAIL application. The evaluators concluded that the MAIL application did not satisfy the business/financial or sponsorship/other criteria of the RFP, and that additional review would be necessary before it could be determined whether the proposal meets the technical criteria. More specifically, the technical evaluation team found the proposal "innovative by trying to

create a more trusted TLD that would reserve a namespace for non-spamming email application." It concluded that given "the complexity and unsettled nature of the behavior in the area this proposal is attempting to address, it is hard to evaluate it. Approving this TLD offers high risk and possible high benefit. Accordingly, the Team does not take a position on .mail, but recommends a review by the ICANN Security & Stability Advisory Committee."

The business/financial team found the proposal's goal of "adding another feature to the Spamhaus war on spam . . . interesting, and even laudable, yet the methodology as presented in the business plan appears inadequate to give the Team confidence that it will achieve this objective." It recommended that the application not be approved because of major weaknesses it identified, including (1) "insufficient evidence and documentation to support the revenue projections;" (2) "insufficient capital to support ongoing operations if revenues are short of projections;" and (3) little evidence of "support (and therefore of market demand) from the affected community, which the applicant describes as large senders or recipients of e-mail." The team summarized its review by stating that there "is little in the business plan, or in the responses to our supplementary questions, to provide confidence that the applicant will have sufficient staying power to see this TLD through start up and early growth stages. There is even less to instill confidence if it encounters any setbacks; this application lacks sufficient resources to have the necessary staying power for the delays and problems inherent in a start-up business."

The sponsorship/community value team found the sponsored community to be "a very amorphous category of users – essentially anyone who does not want to receive spam." It did not believe that .mail met the RFP selection criteria. It noted that this decision "does not imply that we consider spam either a solved or unimportant problem. To the contrary, we believe that it is a vital issue to address but that it requires broad-based Internet community involvement. We recommend that the applicant work closely with the existing gTLD and ccTLD registries to implement their spam management ideas."

On 31 July 2004, ICANN notified Spamhaus of the evaluators' recommendations (see Appendices D and E).

On 16 December 2004, Spamhaus responded to the evaluators' reports, indicating that (1) the zones are no more complex than others in other TLDs" and, in any case, will be run by the Sponsoring Organization through eNom and VeriSign; (2) "the price per domain, and the funding and resources provided by eNom and VeriSign, are more than enough to keep the SO funded at even the lowest levels of domain uptake. We have also been able to obtain further insurances from eNom and VeriSign that the funding concerns expressed will not be an issue; (3) should the SO fail, board members, eNom and VeriSign have said they will be able to keep the .mail system going for the "current set of validated users;" (4) the proposed sTLD "gives a large value added service to the user;" and (5) the "ability of the system to change one of the largest concerns of internet users; deliverability of their email, will almost enable .mail to market itself."

The business/financial evaluation team re-convened to review the response and additional information provided by Spamhaus. On 28 February 2005, the team posed several

supplementary questions to the applicant about the information (see Appendix E) about capital to sustain the operation; management commitment and capabilities; demand for the domain; and pricing and revenue projections.

In January 2005, the Project Manager and ICANN alerted ICANN's Security and Stability Advisory Committee (SSAC) that there may be a need for further review of technical issues associated with the application.

On 19 March 2005, Spamhaus provided answers to the questions posed by the business/financial team (see Appendix E).

On 22 April 2005, the business/financial team completed its review of the supplementary information, in conjunction with previous submissions. It found that while "the new information reflects a strong desire by the applicant to launch a .mail sTLD, there is still insufficient indication that, from a business and financial perspective, this applicant is fully capable of operating a new sTLD. Many of our questions were only partially answered and many of the responses lack clarity or were deemed insufficient to address the underlying concern." The team had significant outstanding concerns in three areas: (1) financials: capital to sustain the operation and pricing and revenue projections; (2) management commitment and capabilities; and (3) demand. It found that the proposal "for a .mail TLD is not financially viable and that the business plans are not sound." The team therefore indicated that the "application does not meet the selection criteria set forth in the RFP."

On 31 July 2004, ICANN informed the applicant of this conclusion. Because the business/financial team had found that the applicant did not satisfy the relevant criteria, there was no need for further review of technical issues by SSAC at that time.

MOBI

The registry operator and Sponsoring Organization (SO) for the MOBI sTLD is DotMobi, Ltd, an Irish limited liability company ("DotMobi"). The MOBI application for the TLD was submitted by Nokia Corporation, Vodafone Group Services Limited and Microsoft. The registry operator selected Afilias Limited to provide registry services.

Each of the three evaluation teams described above reviewed the MOBI application. The technical evaluation team found that the application did not meet all relevant criteria. It noted concerns about (1) "the disruptive behavior of servers and clients that just assume the use of .mobi TLD for small device content, rather than use content delivery protocol negotiation mechanisms"; (2) "namespace fragmentation if mobile devices use search strings that try <domain-name>.mobi before <domain-name>" because "such a practice would force content providers to register in .mobi to defend their interests in other TLDs"; and (3) users getting "locked-into services that become available only in .mobi by connection providers." It also noted concern about "registrations . . . being open to abuse, as there is no explicit verification mechanism whether, for example, websites

actually follow some specific requirement for either small devices or devices connected over slow bandwidth."

The business/financial evaluation team reviewed the MOBI applicant's business and financial plans and concluded that the relevant selection criteria had been met.

The sponsorship/community value evaluation team found that the application did not meet all relevant criteria. The team indicated that it "is not clear that it is possible, especially over time, to establish the membership of this community. It also did not "believe that the application articulated the most appropriate policy formulation environment for a highly commercial and exclusive organisation," noting "concerns about bias on behalf of the financial backers of the JV [Joint Venture partners]." The team was "not persuaded that the joint venture partners could implement a cohesive policy formulation environment that aligned with ICANN policy setting priorities" because the "perception of bias would discourage the broader community from participating and cast doubt on the fairness of the resulting decisions." In addition, the team indicated it was "not clear whether the Policy Advisory Group (PAG) and the Membership Advisory Group (MAG) were self-selecting on the basis of financial capability which would be an excluding element in their organisation. It was thought that whilst the policymaking process takes input from a variety of advisory organizations, decisions are made by the board of directors, chosen from amongst those that invest in the venture. This may not be the best scenario for the board to take the larger community input into account."

On 31 July 2004, ICANN notified DotMobi of the evaluators' recommendations (see Appendices D and E).

On 3 September 2004, MOBI responded to the report of the technical evaluation team (see Appendix E for this and subsequent documents). In response to that team's concerns, MOBI suggested that they were not relevant to the question of whether the four technical criteria of the RFP had been satisfied, which it believed had occurred. MOBI indicated that (1) it would "utilize existing Internet standards, such as content negotiation, and will promote their use within the .mobi style guide and other publications"; (2) the diversity of participants in the "policy making structure will discourage unilateral and non-user friendly imposition of "mobi-only" Internet browsing on mobile devices or policies posing restrictions for .mobi users to access the Internet"; and (3) "its management and agenda will not be "driven by any mobile manufacturer, operator or content providers with an intent to lock-in users to the .mobi domain." MOBI also suggested that concerns about defensive registrations were not grounds for disapproval.

On 13 September 2004, MOBI responded to the report of the sponsorship/community value evaluation team. In response to that team's concerns, MOBI explained that (1) "policy requirements, which cannot reasonably be met in existing TLDs at the second level or in new generic TLDs, can be enforced by way of a charter with ICANN for the benefit of consumers," notwithstanding the size of the anticipated sponsored community, or changes in the community; (2) there is a need for a "clearly recognizable designation for enhanced services [for mobile devices] that can be implemented today and easily understood" by customers, particularly in the developing world; (3) the policy

mechanism "permits total flexibility"; and (4) although the policy boards are advisory, the MOBI Board will be "accountable to the MAG and PAB, to ICANN itself, and to competition authorities around the world."

On 4 and 15 October 2004, ICANN, the technical team and MOBI held teleconferences to discuss the concerns raised about validation, content negotiation and mobile device restrictions. The minutes of these teleconferences are included in Appendix E. The applicant (1) agreed to specify in writing the validation and enforcement procedures that it would use; (2) explained why it believed protocol negotiation protocols now in effect to be insufficient; and (3) stated that MOBI TLDs would be available to any device, and that anyone on a mobile device can get to any TLD (i.e., it would be up to the user, and not the device, i.e., there would be no "lock-in" or exclusion). It agreed, in particular, to provide "a detailed technical description of the validation and enforcement process it will use, including means of communication between parties, process for bringing registrants into compliance with the style guide, rights of registrants, and other specific steps, as well as confirm whether the processes are supported by the current business plan."

On 21, 28 and 29 October 2004, the applicant provided follow-up information requested by the technical team, including answers to specific questions and a description of the ".mobi Style Verification Process." These documents are included in Appendix E.

On 26 November 2004, the technical team indicated its view that MOBI "has not been able to convince us of the technical merit of its application beyond the criteria specified in the RFP" because of "significant concerns about deployment of a TLD for content negotiation reasons" (see Appendix G). The team found there was an absence of technical arguments to support MOBI's belief that "currently mobile devices are not well served by standard content sites," and that "the best way to address this issue is to create a new TLD." The team felt it was " unclear what happens if the content negotiation in the protocol is violating the style guide regarding mobile content and the domain name used is in the .MOBI TLD, and that in any case it would not be possible to guarantee that "the style guide would not override the protocol negotiations." The technical team noted that MOBI did amend its application to satisfy concerns about validation with two additions: (1) "a registrant must sign an agreement to comply with the .MOBI style guide . . . and understand that [it] will be revoked" for non-adherence; and (2) there would be a "compliance checking process" put in place, including how a registrant will be contacted when not in compliance.

On 10 December 2004, MOBI responded to the technical team's Comments (see Appendix E). The response emphasized that the technical team had concluded that the application met the "technical requirements of the RFP," and suggested that MOBI did not have to prove that the proposed TLD was required for technical reasons. MOBI indicated that concerns about fragmentation of the Internet were unfounded, and that the style guides and content negotiation are "complementary rather than in conflict."

On 13 December 2004, after review of the above-mentioned information and materials, ICANN's Board of Directors authorized the entry of commercial and technical

negotiations with the MOBI applicant (http://www.icann.org/minutes/resolutions-13dec04.htm). The Board requested that, in the process of negotiations, "special consideration be taken as to confirm the sTLD applicant's proposed community of content providers for mobile phones users, and confirmation that the sTLD applicant's approach will not conflict with the current telephone numbering systems."

On 3 June 2005, ICANN announced the completion of those negotiations and posted the proposed MOBI Sponsored TLD Registry Agreement prior to Board consideration (http://www.icann.org/announcements/announcement-03jun05.htm).

On 28 June 2005, the agreement was then submitted to the ICANN Board for review (http://icann.org/minutes/resolutions-28jun05.htm). The Board noted that "the applicant has provided satisfactory details as to the proposed community of content providers for mobile phones users, and confirmation that the applicant's approach will not conflict with the current telephone numbering systems." It found that "delegation of a .MOBI sponsored top-level domain to DotMobi, Ltd. would be beneficial for ICANN and the Internet community." The Board approved the agreement and directed the President of ICANN to implement its decision.

On 11 July 2005, ICANN and DotMobi signed the Registry Agreement.

On 9 September 2005, DotMobi submitted a delegation template to IANA, which lists mTLD, Limited as the requested Sponsoring Organization. The designated Administrative Contact and Technical Contact roles will be shared by mTLD Limited and Afilias, Limited.

IANA approved the proposed delegation on 17 October 2005. On 20 October 2005, MOBI was added to the root.

POST

The applicant, registry operator and Sponsoring Organization (SO) for the POST sTLD is the Universal Postal Union (UPU), an international organization headquartered in Berne, Switzerland. The registry operator selected the Swiss Academic and Research Council (SWITCH) to perform all technical registry functions under its supervision.

Each of the three evaluation teams described above reviewed the POST application. They found that the POST application satisfied all criteria -- technical, business/financial and sponsorship/community value -- specified in the RFP.

On 31 July 2004, ICANN informed the applicant that, as a result of the evaluations, it was ready to begin technical and commercial negotiations with the intention of designating POST as a new sTLD. ICANN indicated that after the successful conclusion of such negotiations, its Board of Directors would be requested to authorize the ICANN

President and General Counsel to conclude and implement the Registry Agreement that had been negotiated.

TEL (PULVER)

The applicant and registry operator for this TEL sTLD application is NetNumber, Inc, a company doing business in Massachusetts ("Netnumber"). The Sponsoring Organization (SO) is Pulver.com, a company doing business in New York ("Pulver"). For purposes of this report, both entities shall be referred to as "Pulver."

Each of the three evaluation teams described above reviewed this TEL application, and none recommended approval. The technical evaluation team expressed concern that an effort to "create a public ENUM-like service that is only open for registration by 'VoIP providers'" would "cause major problems for global ENUM deployment." It was "also concerned that this proposal is focused entirely on North America." The team also noted that "this is a new operator of an EPP registry that has not demonstrated an ability to operate it, even though the description in the application suggests that it has the chance of being a success. Nonetheless, there is a high risk of technical problems when the registry starts up, even though the registry is also (the only) registrar."

The business/financial team found that the "methodology is not clear. The key players are experienced, well resourced financially and qualified, and NetNumber's existing operation appears to be solid, but there are few details actually provided in the application to substantiate this. Nor is there a detailed methodology that describes how that experience and current operational success will be used to ensure the success of this TLD."

The sponsorship/community value team found a "lack of representative reach of the Sponsoring Organization, poor coordination with ENUM developments in the larger Internet community, and questions about whether the application defined a community which can add value to the Internet name space."

On 31 July 2004, ICANN notified Pulver of the evaluators' recommendations (see Appendices D and E). Pulver did not respond to ICANN's invitation to remedy, or attempt to remedy, deficiencies in its applications.

On 30 November 2004, ICANN informed Pulver that those applicants seeking to remedy identified deficiencies have done so, and the sTLD application process would therefore draw to a close.

TEL (TELNIC)

The applicant and registry operator for this TEL sTLD application is Telnic Limited, a company in the United Kingdom ("Telnic"). The Sponsoring Organization (SO) it plans to form is Telname Limited. The registry operator selected CORE Internet Council of Registrars (CORE) to provide registry services.

Each of the three evaluation teams described above reviewed the TEL application, and none recommended approval. The technical evaluation team did not recommend the TEL application for approval because (1) "the description of how the domain operates describes functionality which is not coherent" with the rest of the application, and could contribute to "an increase in operational instability when the registry starts up;" (2) it is unclear "if there will be a connection between what names are used in this domain, versus other TLDs. I.e. should the holder of example.com get example.tel, or example-com.tel?;" and (3) TEL's proposal to allow any registration but "only register non delegation records for each name . . . may cause problems for registrars as they need to make major changes to their systems . . . ." In addition, Telnic's decision initially not to identify the provider of registry services led to team to decide that there was "no way to judge their suitability or capabilities."

The business/financial team did not recommend approval because it found that (1) neither "the business plan nor the responses to supplementary questions provides satisfactory evidence of the applicant's ability to reach the projected number of domain registrations. Projections are based on an unconvincing argument that the number of dot-tel domains registered will be proportional to number of users of mobile terminal devices;" (2) the "marketing plan suggests that the applicants will spend a significant amount of money quickly without any real focus to their efforts." It does "not indicate where the market focus is, for example which conferences are the most potentially beneficial and why. This lack of focus, lack of meaningful specificity and lack of relevant partners on board to date do not generate confidence in the applicant's ability to execute successfully;" and (3) the "lack of evidence of initial discussions/agreements with an RO does not establish confidence in the applicant's ability to garner the necessary technical resources in a timely fashion and within the planned budget."

The sponsorship/community value team found did not recommend approval. Its concerns included that (1) the "application defines an enormously broad community of users," namely "anyone who has a phone or seeks to disseminate telecommunications routing information about how to reach them;" and (2) despite "laudably transparent operating procedures, the policy making and operational authority is exclusively vested in the original financial investors of this venture with no mechanisms to grow toward broader community support," with "no obligation to include representation from any portion of the community to be served by the sTLD."

On 31 July 2004, ICANN notified Telnic that it had not been recommended by any of the evaluation teams (see Appendices D and E).

On 25 August 2004, Telnic responded to the evaluation reports. It indicated that (1) the proposed TLD was "configured as a standard 'delegation only' system (i.e., Registry holds only NS records)"; (2) it would issue an RFP for back-end services but had not in

an effort to promote a competitive process; (3) it had presented a sound business and financial plan; (4) there was sufficient market demand; and (5) providing domains that are "tied exclusively tied to a person's or company's name and used to hold contact data for Registrant, not their machines" is appropriately an sTLD.

On 20 September 2004, Telnic notified ICANN that it had signed a Letter of Intent with CORE to provide registry services.

On 28 October 2004, the technical team issued a statement on "Consideration of Supplemental Information," which took into account selection of CORE. The technical team noted that, with respect to the nature of the delegation system, Telnic's affirmative answer that the proposed sTLD was to be "delegation only" was not consistent with other information it had provided. For example, Telnic's June 21, 2004, response to questions from the Technical Team states both that (i) "SRV records and MX records will be acceptable. However, the target for these records will have to be in a zone in another TLD," and (ii) that the sTLD will be "delegation only." With respect to registration restrictions, the team noted that the SO "should have a technical plan for enforcing restrictions that ensures, for example, the registry will operate reliably" and suggested the applicant provide "a more detailed technical description of the proposed enforcement mechanism." With respect to the identification of CORE, the team noted that "CORE has demonstrated sound technical abilities to operate registries of sizes that are smaller than Telnic proposes for .tel," which Telnic estimates would be 5 million by the end of year 5.

On the same day, CORE, on behalf of Telnic, provided an initial response to the technical team's questions that described CORE's capacity and ability to scale up or down.

On 29 October 2004, Telnic, the technical team and ICANN held a teleconference to discuss technical issues. With respect to delegation, the team sought clarification of a system that was not described consistently. Telnic clarified that it would "use a standard delegation only system." On enforcement, Telnic described how robots would "randomly and selectively query registered domains for evidence of usage violations," and agreed to describe in more detail the process. Telnic also confirmed that CORE could scale up to the estimated size of the .tel registry. After the teleconference, the Evaluators conferred, as agreed, and posed follow-up questions about treatment of the address records, the proximity of data centers and what domain name strings would be prohibited.

On 2 November 2004, the applicant provided answers to the technical team's follow-up questions.

On November 10, 2004, the business/financial team completed its review of Telnic's response to the evaluation, and posed 22 supplemental questions to the applicant. The questions were organized into five broad issues and included: (1) facilitating the sale of .tel registrations, including eligibility and market research; (2) determining the importance of value-added features; and (3) clarifying the relationship between an

increase in consumers' purchase and use of dual-function (both Internet and Telephony capable) devices and the financial success of .tel.

On 15 November 2004, Telnic responded to the technical team's supplemental questions (which updated an earlier response on 2 November). Telnic described the TEL registry delegation model, and confirmed that it would act as a "delegation only" TLD. It also described its acceptable usage, policing and enforcement model in detail. It clarified that solely numeric domain labels will be excluded from TEL.

On 27 November 2004, the Technical Team provided its final comments and found that the application was now "complete and sufficient from a technical standpoint," and did meet the technical criteria of the RFP. It indicated that (1) "information provided by CORE showed evidence that their operation can scale to a size larger than .TEL expects to reach in 3-5 years;" and (2) greater geographical distance between the data sites would be optimal.

On 4 December 2004, the applicant provided responses to the business/financial team's question, including market surveys and analyses.

On 12 January 2005, the business/financial team concluded that its concerns had been addressed, and that from a business/financial perspective Telnic's application now meets the selection criteria set forth in the RFP. It noted that Telnic's new "information presents a high level of specificity, and has provided the answers, details and clarifications we were looking for. It has moved this plan for a .tel TLD from the early stage work that characterized the original application to a more fully considered endeavour with a comprehensive business plan. Telnic's ability to implement its business plan is now evident and the methodology appears to be sound. The additional details that have been provided regarding operational capacity, marketing, fee structure and registrar arrangements reinforce our evaluation that Telnic is likely to be able to implement its plan."

On 17 March 2005, the applicant provided ICANN with additional thoughts on why it believed it met the sponsorship/community value criteria, for the Board's consideration. Telnic indicated that the sTLD allows people to find people, and that TEL will restrict the "use" of the domain; "members of this community will use the DNS to organize, store and publish their personal contact information." It also stated that the needs of this specific community are unique in terms of technical issues, infrastructure, restrictions, educational needs, enforcement and privacy. It pledged that the SO would enable broad, direct community involvement.

 On 21 March 2005, the ICANN Board discussed the TEL application and directed "the President to provide the Board with more information from the technical evaluators and applicants regarding the technical aspects of the .TEL sTLD application" (see http://www.icann.org/minutes/minutes-21mar05.htm). The Board had questions about the scaling potential of the TLD; the operation, name conflicts, and special applications; and registrar-registry protocols and interactions.

On 3 June 2005, the technical team responded to the Board's inquiries. The team stated that (1) with respect to scaling, the "proposed TLD is no different than .COM . . . [because] growth is typically linear . . . ."; (2) a "first-come, first-served approach to registration does not seem appropriate to a TLD of this potential size," but that issue was within the purview of the sponsorship team; (3) there "is no known technical mechanism whereby different users in different locations can get different responses from DNS;" (4) it did not foresee a problem with the DNS's caching environment, for DNS traffic is relatively small; (5) "the TLD will ultimately succeed or fail based on the availability of applications;" (6) it had already "expressed the view that a prefix would raise fewer issues than a suffix," but that "proposals for prefixes were not the ones presented to us for evaluation;" (7) it had already noted that "there is a high risk of problems for registrars if there is no preliminary detailed analysis of the registry-registrar relationship, including consideration of the different technical abilities of different registrars;" and (8) despite "initial confusion, Telnic clarified in fall 2004 that the .TEL sTLD would be 'delegation-only,'" which moots the question of patches in a post-SiteFinder environment.

On 28 June 2005, the Board discussed the TEL application, specifically the issues of compliance with the technical requirements of the sTLD RFP. The Board voted to authorize the President and General Counsel to enter into negotiations relating to proposed commercial and technical terms for the TEL sTLD (see http://www.icann.org/minutes/minutes-28jun05.htm).

TRAVEL

The applicant, registry operator for the TRAVEL sTLD is Tralliance, a New York corporation ("Tralliance"). The Sponsoring Organization (SO) is The Travel Partnership Corporation ("TPPC"). The registry operator selected NeuLevel, Inc., to provide registry services.

Each of the three evaluation teams described above reviewed the TRAVEL application. The technical evaluation team found that the application met the technical selection criteria set forth in the RFP, and so recommended that it be approved on technical grounds with two conditions: (1) ICANN and TRAVEL specify some time limits within which (for example) a registration must be validated, or it is rejected; and (2) TRAVEL should be required to document - after 6 months – any problems it experiences with validation of requests, in order to assist future TLDs with similar outreach using diverse verification agencies, including the experience of registrants "fishing" for a validation agency to approve their application.

The business/financial team found that the selection criteria concerning the business and financial plans were met, and recommended approval.

The sponsorship/community value team found that while "the applicant does a very thorough job of defining a community," it did not "believe that the community is consistent in breath with the name string .travel. Rather, the community defined is limited to the commercial providers of travel services. Also, the ET believes that the needs of the very diverse travel community are well met by the existing gTLDs and that this proposal could be integrated as a second level domain name into, for example, .com, .biz or .info, quite easily."

On 31 July 2004, ICANN notified Tralliance of the evaluators' recommendations (see Appendices E for this and the following documents).

On 18 August 2004, TRAVEL responded to the sponsorship/community value evaluation (see Appendix E).

On 18 October 2004, the ICANN Board reviewed, commented and actively discussed the sponsorship criteria and the TRAVEL sTLD application, the report of the independent review panel on the sponsorship application, the response by the applicant to the independent review panel's report (http://www.icann.org/minutes/minutes-18oct04.htm). The Board voted to authorize the President and General Counsel to enter into negotiations relating to proposed commercial and technical terms for the TRAVEL sponsored top-level domain (sTLD) with the applicant.

On 24 March 2005, ICANN announced the completion of negotiations with the applicant for TRAVEL and posted the proposed Sponsored TLD Registry Agreement (http://www.icann.org/announcements/announcement-24mar05.htm). The agreement was then submitted to the ICANN Board for approval. It was discussed at the ICANN Public Forum and Board meeting in Mar del Plata, Argentina, 4-8 April 2005.

On 8 April 2005, the ICANN Board of Directors authorized the President of ICANN to complete the TRAVEL delegation process (http://www.icann.org/minutes/minutes-08apr05.htm). It noted that "ICANN's Governmental Advisory Committee (GAC) has concluded that "the issue of geographical and geopolitical names is very complex, and the subject of ongoing international discussion," and the Board has determined that it is appropriate to take temporary steps to prevent the registration of such names in new TLDs in order to allow it and the community the time to consider carefully this issue and determine what if any policy should be adopted with respect to it." As a result, the Board directed the President and the General Counsel "to take appropriate steps to preserve the Board's ability to take action with respect to the registration in this generic top-level domain of names of countries and distinct economies." It agreed that, subject to amendment on this point, the proposed agreement with Tralliance concerning TRAVEL was approved.

On 17 June 2005, a delegation template was submitted to IANA which lists Tralliance Corporation as the requested SO, and Mr. Ronald Andruff as the designated Administrative Contact. The technical contact has been designated as a role account.

IANA approved the proposed delegation on 14 September 2005. On 21 July 2005, TRAVEL was added to the root.

XXX

The applicant and registry operator for the XXX sTLD is ICM Registry LLC, a Delaware limited liability corporation ("ICM"). The Sponsoring Organization (SO) for the application is The International Foundation for Online Responsibility (IFFOR). The registry operator selected Afilias, Limited to provide registry services.

Each of the three evaluation teams described above reviewed the XXX application. The technical and the business/financial evaluation teams found that the relevant selection criteria had been met.

The sponsorship/community value team found that the relevant selection criteria had not been met. Its reasoning included that (1) the "proposed sTLD is proposed to serve a community of registrants defined based on the type of content they provide, described by the applicant as 'adult-oriented information' . . . The RFP defines a "clearly defined community" as one that is "precisely defined, so it can readily be determined which persons or entities make up that community." The extreme variability in definitions of what constitutes the content which defines this community makes it difficult to establish which content and associated persons or services would be in or out of that community"; (2) a "successful policy formulation environment requires effective coordination of a community that has some common interests and the promise of working together in a cohesive, even if confrontational, style. It is unclear what the interests of this community are. The applicant hypothesizes a set of interests on behalf of a community (whose definitional coherence is in doubt) but little testimony from that community has been provided in support of either its common interests or cohesiveness;" and (3) there "was considerable support from North American representatives of the adult industry. However, virtual no support was available from the rest of the world, or from users or other members of this community."

On 31 July 2004, ICANN notified ICM of the evaluators' recommendations (see Appendix E for this and subsequent documents).

On 9 October 2004, the applicant responded to the sponsorship/community value report. It indicated its belief that there is an online community of material that is sexually explicit and whose providers are committed to working together – with public interest and civil liberty groups – to identify and implement best industry practices.

On 7 December 2004, the applicant submitted a sponsorship memorandum to the Board elaborating on these points.

On 24 January 2005, the ICANN Board held extensive discussions regarding the application, in particular focused on "whether a sponsored community criteria of the RFP was appropriately met" (see http://www.icann.org/minutes/minutes-24jan05.htm). It was suggested by various Board Members "that it might be useful for the applicants to give a presentation to the board on these issues" at a later meeting.

On 3 April 2005, ICM gave a presentation to the ICANN Board. It also prepared a summary of why it believed that the proposed TLD was a sponsored community.

On 3 May 2005, the ICANN Board held a "broad discussion of this matter regarding whether or not the [XXX] application met the criteria within the RFP particularly relating to whether or not there was a "sponsored community" (http://www.icann.org/minutes/minutes-03may05.htm).   The Board "agreed that it would discuss this issue again at the next Board Meeting."

On 1 June 2005, the ICANN Board decided to authorize "the President and General Counsel to enter into negotiations relating to proposed commercial and technical terms for the .XXX sponsored top-level domain (sTLD) with the applicant" (http://www.icann.org/minutes/minutes-01jun05.htm).

On 16 August 2005, the ICANN Board discussed and then decided to defer consideration of the .XXX sTLD request until its 15 September 2005 Meeting (http://www.icann.org/minutes/resolutions-16aug05.htm). The XXX application "was deferred in response to requests from the applicant ICM, as well as the ICANN Government Advisory Committee Chairman's and the US Department of Commerce's request to allow for additional time for comments by interested parties."

On 15 September 2005, the ICANN Board reviewed the XXX application (http://www.icann.org/minutes/resolutions-15sep05.htm).   The Board noted that it had "expressed concerns regarding issues relating to the compliance with the proposed .XXX Registry Agreement (including possible proposals for codes of conduct and ongoing obligations regarding potential changes in ownership) and has noted the importance of private registry agreements, in creating contractual means of affecting registries and other actors of the Internet community for the public interest." It also noted that "ICANN has received significant levels of correspondence from the Internet community users over recent weeks, as well as inquiries from a number of governments." It therefore voted to authorize the President and General Counsel "to discuss possible additional contractual provisions or modifications for inclusion in the .XXX Registry Agreement, to ensure that there are effective provisions requiring development and implementation of policies consistent with the principles in the ICM application. Following such additional discussions, the President and General Counsel are requested to return to the board for additional approval, disapproval or advice.

III. Conclusion

Three independent teams of experts reviewed ten sTLD applications against the selection criteria set forth in the RFP. They worked diligently and thoroughly between 28 May and 7 July 2004 to discuss the selection criteria, analyze the applications, review public comments and assess the extent to which each proposal satisfied the different parts of the RFP. Additionally, the teams posed a series of questions to each applicant in an effort to amplify points that were unclear and to seek other clarifications. At every step, the applications were evaluated on their own merits, in an objective and fair manner. The teams concluded the following:

- Technical: (i) five proposals met the technical criteria of the RFP: ASIA, CAT, POST, TRAVEL (with conditions) and XXX; (ii) the issues raised by MAIL would benefit from review by ICANN's Security & Stability Advisory Committee; and (iii) four proposals did not meet the selection criteria: JOBS, MOBI, TEL-Pulver and TEL-Telnic, although concerns with JOBS might be resolvable.

- Business/Financial: (i) seven proposals met the business/financial selection criteria of the RFP: .ASIA, CAT, JOBS, MOBI, POST, TRAVEL and XXX; and (ii) three proposals did not meet the selection criteria: MAIL, TEL-Telnic and TEL-Pulver.

- Sponsorship/Community Value: (i) two proposals met the sponsorship and community value selection criteria of the RFP: CAT and POST; (ii) three proposals did not presently meet the selection criteria but merit further discussions with ICANN: ASIA, JOBS and TRAVEL; and (iii) the five other proposals did not meet the selection criteria.

After the independent review process, ICANN decided to give all applicants an opportunity to seek to remedy deficiencies identified by the evaluators. Nine out of ten applicants chose to try to remedy such deficiencies. In some cases, as noted above, the technical and the business/financial evaluation teams were convened again in order to review applicant's supplementary materials.

The overall results can be summarized as follows: Of the ten applications submitted for consideration –

- Two sTLDs have been added two to the root (TRAVEL and JOBS);
- Another sTLD has an IANA report that is pending delegation (MOBI);
- Another sTLD has signed a Registry Agreement that is awaiting preparation of an IANA report (CAT);
- Another three sTLDs are engaged in negotiations with ICANN concerning a Registry Agreement (POST, TEL-Telnic, XXX); and
- Another sTLDs is pending Board consideration (ASIA) on the issue of whether they should proceed to negotiation.

Two sTLDs were not accepted (MAIL and TEL-Pulver).

In concluding the process and issuing this Report, it is important to recognize the hard work, creativity and dedication shown by all of the applicants. Overall, their responses to the RFP reflected enormous thought and commitment. It is also important to recognize the hard work and dedication of the three teams of evaluators, which conducted diligent and thorough reviews.

Appendix A - sTLD Selection Criteria (RFP)

SPONSORSHIP INFORMATION

A. Definition of Sponsored TLD Community

The proposed sTLD must address the needs and interests of a clearly defined community (the Sponsored TLD Community), which can benefit from the establishment of a TLD operating in a policy formulation environment in which the community would participate.

Applicants must demonstrate that the Sponsored TLD Community is:

- Precisely defined, so it can readily be determined which persons or entities make up that community; and
- Comprised of persons that have needs and interests in common but which are differentiated from those of the general global Internet community.

B. Evidence of support from the Sponsoring Organization

Applicants must:

- Provide evidence of support for your application from your sponsoring organization; and,
- Provide the name and contact information within the sponsoring organization

C. Appropriateness of the Sponsoring Organization and the policy formulation environment

Applicants must provide an explanation of the Sponsoring Organization's policy-formulation procedures demonstrating:

- Operates primarily in the interests of the Sponsored TLD Community;
- Has a clearly defined delegated policy-formulation role and is appropriate to the needs of the Sponsored TLD Community; and
- Has defined mechanisms to ensure that approved policies are primarily in the interests of the Sponsored TLD Community and the public interest.

The scope of delegation of the policy formulation role need not be (and is not) uniform for all sTLDs, but is tailored to meet the particular needs of the defined Sponsored TLD Community and the characteristics of the policy formulation environment.

D. Level of support from the Community

A key requirement of a sTLD proposal is that it demonstrates broad-based support from the community it is intended to represent.

Applicants must demonstrate that there is:

- Evidence of broad-based support from the Sponsored TLD Community for the sTLD, for the Sponsoring Organization, and for the proposed policy-formulation process; and
- An outreach program that illustrates the Sponsoring Organization's capacity to represent a wide range of interests within the community.

BUSINESS PLAN INFORMATION

Part C - Business Plan and Part D - Financial Model are the two key areas where detailed information needs to be provided by applicants. Part C - Business Plan must demonstrate the applicant's methodology for introducing a new sTLD and the ability of the organization to implement a robust and appropriately resourced organization. Part D – Financial Model requires applicants to outline the financial, technical and operational capabilities of the organization.

A. Part C - Business Plan

The business plan needs to include, at a minimum, the following elements:

a) Staffing including key personnel and operational capability

b) Marketing plan

c) Registrar arrangements

d) Fee structure

e) Technical resources

f) Uniqueness of application

g) Engagement with and commitment to the Sponsoring Organisation

B. Part D - Financial Model

In Part D - Financial Model, the associated spreadsheet must be used to complete the financial proposal in addition to the provision of detailed cost justifications.

TECHNICAL STANDARDS

A. Evidence of ability to ensure stable registry operation

The overarching concern in the introduction of any new TLD is to ensure that it does not affect the stability and integrity of the domain name system (DNS). It is important to

ensure that the new registry will perform reliably and continuously. In addition, it must operate in compliance with current and future technical standards. Provisions must be made to ensure continuity of operation in the face of any business or other catastrophic failure of the registry operator, where the registry operator is no longer able to fulfill its obligations to provide registry operations services.

Applicants must demonstrate in Part E - Technical Specification that the applicant has access to adequate resources and has developed adequate plans to ensure that the registry will be operated reliably and continuously, with adequate provision to protect against operational failure.

B. Evidence of ability to ensure that the registry conforms with best practice technical standards for registry operations

Applicants must demonstrate that the registry will operate at a performance level commensurate with existing gTLD standards. Applicants can use existing ICANN registry accreditation standards as a guide to minimum standards.

C. Evidence of a full range of registry services

Registrants and ICANN-accredited registrars depend on reliable and comprehensive registry services. Applicants must demonstrate that they can provide:

- A full range of essential services, with consideration being given to additional, diversified services appropriate to the sTLD's charter; and
- High-quality services offered at reasonable cost.

D. Assurance of continuity of registry operation in the event of business failure of the proposed registry

Applicants must provide for adequate assurance of continuity of registry operations in the event of business failure of the proposed registry. Although provision for escrow of registry data is required, that in itself does not satisfy the requirement. The applicant must either:

in addition to regular escrow of registry data with ICANN, satisfy expectations of continuity by providing a detailed and satisfactory business plan;

or

present a realistic and satisfactory alternative for ensuring continuity of registry operation in the event of business failure of the proposed registry. This requirement can, for example, be met if the applicant demonstrates commitment from an existing registry operator with whom ICANN already has an agreement. The existing registry operator must be operating at a high level of performance, in addition to stating that it will assume responsibility for the operation of the sTLD registry in the event of business failure.

COMMUNITY VALUE

A. Addition of new value to the Internet name space

Applicants must demonstrate the value that will be added to the Internet name space by launching the proposed sTLD by considering the following objectives:

Name value

A top-level sTLD name must be of broad significance and must establish clear and lasting value. The name must be appropriate to the defined community. Applicants must demonstrate that their proposal:

- Categorizes a broad and lasting field of human, institutional, or social endeavor or activity;
- Represents an endeavor or activity that has importance across multiple geographic regions;
- Has lasting value; and
- Is appropriate to the scope of the proposed Sponsored TLD Community

Enhanced diversity of the Internet name space

The proposed new sTLD must create a new and clearly differentiated space, and satisfy needs that cannot be readily met through the existing TLDs. One purpose of creating new TLDs is to enhance competition in registry services and applicants must demonstrate that their proposal:

- Is clearly differentiated from existing TLDs;
- Meets needs that cannot reasonably be met in existing TLDs at the second level;
- Attracts new supplier and user communities to the Internet and delivers choice to end users; and
- Enhances competition in domain-name registration services, including competition with existing TLD registries.

Enrichment of broad global communities

One of the reasons for launching new sTLDs is to introduce sTLDs with broad geographic and demographic impact.

Significant consideration will be given to sTLDs that serve larger user communities and attract a greater number of registrants. Consideration will also be given to those proposed sTLDs whose charters have relatively broader functional scope.

B. Protecting the rights of others

New sTLD registries will be responsible for creating policies and practices that minimize abusive registration activities and other activities that affect the legal rights of others.

sTLD registries are required to implement safeguards against allowing unqualified registrations, and to ensure compliance with other ICANN policies designed to protect the rights of others.

C. Assurance of charter-compliant registrations and avoidance of abusive registration practices

Operators of sTLDs must implement safeguards to ensure that non-compliant applicants cannot register domain names. Applicants must demonstrate that their proposals address and include precise measures that:

Discourage registration of domain names that infringe intellectual property rights;

- Ensure that only charter-compliant persons or entities (that is, legitimate members of the Sponsored TLD Community) are able to register domain names in the proposed new sTLD;
- Reserve specific names to prevent inappropriate name registrations;
- Minimize abusive registrations;
- Comply with applicable trademark and anti-cybersquatting legislation; and
- Provide protections (other than exceptions that may be applicable during the start-up period) for famous name and trademark owners.

D. Assurance of adequate dispute-resolution mechanisms

All gTLD registries must adhere to the ICANN Uniform Dispute Resolution Policy (UDRP). Particular dispute resolution mechanisms are implemented to support situations such as priority of acceptance of applicants in competition for the same name during start-up periods.

Applicants must demonstrate that their proposal will:

- Implement the ICANN UDRP; and
- Where applicable, supplement the UDRP with policies or procedures that apply to the particular characteristics of the sTLD.

E. Provision of ICANN-policy compliant WHOIS service

All existing gTLD registries must provide accessible WHOIS database services to give legitimate information about registrants for purposes that comply with ICANN policies.

Applicants must include an explanation of how they plan to develop and implement a complete, up-to-date, reliable, and accessible WHOIS database of all registrations in the sTLD. The WHOIS database must also be compliant with ICANN policies. The

implementation of such WHOIS policies must comply with emerging ICANN privacy policies in this area, if and when they become approved.

Appendix B - Evaluators' Questions for Applicants

.asia

TECHNICAL

<u>re: Policy</u>

1. Please elaborate on the framework for potential future policy that has an impact on technical operations. For example,

    a. In the event a registrant is found in violation of the sponsored TLD policy, explain the process for addressing a violation, including what steps are taken to communicate with the registrant, and what technical actions will be taken.

    b. If there are plans to allow 3rd level registrations, please explain the selection process for these names, and the policies for registering them.

    c. Will there be a policy on what eligible registrants may register in their domain? For example, on delegations? Will certain domain names be disallowed?

2. How will the reserved list that ICANN specifies be implemented? How, and when, is the reserved list used during the registration process? What happens if the reserved list is changed?

<u>re: Registry</u>

3. Please provide a technical description of how communication with the external validator will work, including details on the protocols that will be used, state machines, and what happens if the validator does not respond within specified time period.

4. What is the technical setup of the DNS, Whois and EPP servers? For all of these elements, please specify how the setups fulfill the requirements of up time from ICANN?

<u>re: DNS</u>

5. Does TLD plan to use wildcard DNS records? If so, explain what will be the use and the types of records used.

6. In how many DNS zones are the NS records located? Is this zone in the requested sTLD or not? (I.e. how long will the chain of NS records be when chasing them?)

<u>re: Operations</u>

7. Please provide a statement about how often disaster recovery plans are practiced, and for which contingencies. Also: (i) in the case of a disaster according to the scenarios in Part E, section n, what is the expected downtime for the various services (Whois, EPP, DNS)? (ii) is notification provided for failed transactions during a fail over? and (iii) what is the bandwidth allocation planned for the interconnection of data centers for synchronization purposes, and to the Name Servers serving the sTLD?

8. Do you - or your subcontractors - have plans to use recent standards developed by the IETF for IPv6 glue, DNSSEC and CRISP?

BUSINESS/FINANCIAL
(Please Note: We are asking these questions to provide you an opportunity to demonstrate the existence of a well-developed business model, rather than to judge whether this information constitutes a "fail-safe" business plan.)

1. What is the basis for the projections of the number of domain names expected to be registered?

2. Please provide us with more details on your plans to market the domain name, and what the marketing budget will be spent on.

3. Would operation of the proposed registry violate any laws concerning DNS management in jurisdictions covered by the geographic area, including the host jurisdiction of Hong Kong?

4. What is the minimal number of total registrations that are required for the Sponsoring Organization to sustain operations? What is the minimal number of total registrations that are required for the Registry Operator to sustain operations (in this case, you may include other TLDs under operation)?

5. What will you do if revenues come in less than your "low" projections? How will any revenue shortfall be funded? If it is unfunded, how will you manage – both operationally and financially?

6. What evidence can you provide that indicates the Registry Operator you have chosen has sufficient financial resources to be in existence in five years?

7. Do you believe you have adequate staffing for disputes arising during the Sunrise period? If there are more disputes than anticipated, how would you handle them?

8. How much money has been allocated in the budget to enable a smooth transfer of the TLD to another operator in the event of Registry Operator or Sponsoring Organization failure? (For example, has a reserve fund been established to cover any financial obligations associated with multi-year registrations or other registry/registrar/registrant obligations?)

9. What other products or services, if any, do you intend to offer that could impact the new TLD? Please specify whether such products or services would rely upon the same, or different, staff and other resources.

SPONSORSHIP

1. Please describe how you define the term "Asia." Is it, for example, a geographic term? If so, what are its boundaries? If it is not, please describe its definition.

2. Please provide signed letters that are representative of all parts of the Community that you propose to represent, detailing the particular reasons for their support. You should include similar letters from all supporters mentioned in your application. (Note: We wish to assess the breadth, as well as the depth, of support.)

3. Which "non-participating ccTLDs" were invited to support your proposal? Please describe their reaction(s) to your request for support. Please also describe any other entities that were approached for support (other than those listed in your Application), including those that may have declined to respond or to provide support. Will it be possible for such ccTLDs and other organizations to participate as Sponsor Members and Co-Sponsor Members later?

4. It would be helpful if you could divide your answers to the questions above concerning support by the four regions mentioned in your proposal: North & Northeast Asia; South & Southeast Asia; Middle East, Asia Minor & Eurasia; and Australasia & Pacific. Separately, could you please provide a list of all of the countries and territories that are within each of these four headings?

.cat

TECHNICAL

re: Policy

1. Is this TLD going to be "delegation only" (see, e.g., http://www.isc.org/index.pl?/sw/bind/delegation-only.php)? If not, describe (i) other types you expect to support; (ii) how this will affect registrars' current processes; and (iii) what allowance you will make for technical difficulties in communicating with registrars?

2. In the event a registrant is found in violation of the sponsored TLD policy, explain the process for addressing a violation, including what steps are taken to communicate with the registrant, and what technical actions will be taken.

3. If there are plans to allow 3rd level registrations, please explain the selection process for these names, and the policies for registering them.

4. Will there be a policy on what eligible registrants may register in their domain? For example, on delegations? Will certain domain names be disallowed?

re: DNS

5. Does TLD plan to use wildcard DNS records? If so, explain what will be the use and the types of records used.

6. In how many DNS zones are the NS records located? Is this zone in the requested sTLD or not? (I.e. how long will the chain of NS records be when chasing them?)

7. Is this sTLD a candidate for filtering based on the TLD? If so, what will be effects on the operation/survival of this TLD if it is locked-out (i.e., if a large ISPs return "NXDOMAIN" for all queries for it)?

re: Operations

8. Please provide a statement about how often disaster recovery plans are practiced, and for which contingencies, including whether it operates over the Internet and what peers more exactly. Also: (i) in the event of a need for recovery from primary data server failure, would there be an interruption of service? If so, for how long? (ii) is notification provided for failed transactions during a fail over? and (iii) what is the bandwidth allocation planned for the interconnection of data centers for synchronization purposes, and to the Name Servers serving the sTLD?

9. Do you - or your subcontractors - have plans to use recent standards developed by the IETF for DNSSEC and CRISP?

10. Could you please clarify your position on IPv6 transport+glue and IDN, including mappings between non-ascii and ascii characters?

BUSINESS/FINANCIAL

(Please Note: We are asking these questions to provide you an opportunity to demonstrate the existence of a well-developed business model, rather than to judge whether this information constitutes a "fail-safe" business plan.)

1. Can you provide more specific information on the possibility that members of the Community would second support for the TLD, including for management, marketing and training? Please also specify which members have promised which services.

2. Can you please provide (i) documentation (signature/ letterhead) of the loan guarantees [CONFIDENTIAL INFORMATION REDACTED]; and (ii) documentation (signature/letterhead) of the line of credit from the bank, which you mention.

3. Which staff at CORE will manage the day-to-day operations of the registry, and what are their qualifications? How much time will such staff devote to management of this TLD?

4. What evidence can you provide that indicates CORE has sufficient financial resources to be in existence in five years?

5. What other products or services, if any, do you intend to offer that could impact the new TLD? Please specify whether such products or services would rely upon the same, or different, staff and other resources.

SPONSORSHIP

1. Please provide signed letters that are representative of all parts of the Community that you propose to represent, detailing the particular reasons for their support. You should include similar letters from all supporters mentioned in your application (other than those covered under Business/Financial Q2 above). (Note: We wish to assess the breadth as well as the depth of support.) Please also describe any other entities (including regional or national governments) that were approached for support (including those that may have declined to respond or to provide support), and their reaction(s) to your request.

2. Do you have a plan for outreach to Catalan-interested organizations on a global scale?

.jobs

TECHNICAL

<u>re: Policy</u>

1. Is this TLD going to be "delegation only" (see, e.g., http://www.isc.org/index.pl?/sw/bind/delegation-only.php)? If not, describe (i) other types you expect to support; (ii) how this will affect registrars' current processes; and (iii) what allowance you will make for technical difficulties in communicating with registrars.

2. In the event a registrant is found in violation of the sponsored TLD policy, explain the process for addressing a violation, including what steps are taken to communicate with the registrant, and what technical actions will be taken.

3. Will there be a policy on what eligible registrants may register in their domain? For example, on delegations? Will certain domain names be disallowed?

4. How will the reserved list that ICANN specifies be implemented? How, and when, is the reserved list used during the registration process? What happens if the reserved list is changed?

5. Please clarify (i) the requirements for registration in the sTLD; (ii) how the requirements would be validated; and (iii) how you would address any situations where there are identical registrations in other domains.

re: DNS

6. Does the TLD plan to use wildcard DNS records? If so, explain what will be the use and the types of records used.

7. In how many DNS zones are the NS records located? Is this zone in the requested sTLD or not? (I.e. how long will the chain of NS records be when chasing them?)

re: Operations

8. Please provide a statement about how often disaster recovery plans are practiced, and for which contingencies. Also: (i) in the event of a need for recovery from primary data server failure, would there be an interruption of service? If so, for how long? (ii) is notification provided for failed transactions during a fail over? and (iii) what is the bandwidth allocation planned for the interconnection of data centers for synchronization purposes, and to the Name Servers serving the sTLD?

9. Do you - or your subcontractors - have plans to use recent standards developed by the IETF for:

IETF Standard			
CRISP	Y/N?		
EPP	Y/N?		
IDN	Y/N?		
	REGISTRY	DNS	WHOIS
IPv6			
- Transport	Y/N?	Y/N?	Y/N?
- Glue records	Y/N?	Y/N?	Y/N?
DNSSEC			
- DS records	Y/N?	Y/N?	Y/N?
- Signed TLD		Y/N?	

BUSINESS/FINANCIAL

(Please Note: We are asking these questions to provide you an opportunity to demonstrate the existence of a well-developed business model, rather than to judge whether this information constitutes a "fail-safe" business plan.)

1. What is the basis for the projections of the number of domain names expected to be registered?

2. What is the minimal number of total registrations that are required for the Sponsoring Organization to sustain operations?

3. What will you do if revenues come in less than your "low" projections? How will any revenue shortfall be funded? If it is unfunded, how will you manage – both operationally and financially?

4. Please provide the five-year financial projections that you indicated are available upon request.

5. [CONFIDENTIAL INFORMATION REDACTED]

6. What other products or services, if any, do you intend to offer that could impact the new TLD? Please specify whether such products or services would rely upon the same, or different, staff and other resources.

SPONSORSHIP

1. Please provide signed letters that are representative of all parts of the Community that you propose to represent, detailing the particular reasons for their support. You should include similar letters from all supporters mentioned in your application. (Note: We wish to assess the breadth, as well as the depth, of support.)

2. Please elaborate, consistent with the RFP criteria (concerning enhanced diversity of the Internet name space), how the new sTLD would "create a new and clearly differentiated space, and satisfy needs that cannot be readily met through the existing TLDs."

3. Do you have a plan for outreach to less developed countries to make the sTLD more global? And how can the sTLD improve the use of the Internet in that part of the world?

TECHNICAL

re: Policy

1. It seems that the zone run by the RO is "delegation only" (see, e.g., http://www.isc.org/index.pl?/sw/bind/delegation-only.php), but what about zones lower down the tree? Could you please confirm whether the RO zone is delegation only? If not, please describe (i) other types you expect to support; (ii) how this will affect registrars' current processes; and (iii) what allowance you will make for technical difficulties in communicating with registrars.

2. The polling by the XO seems to build on use of Whois data from existing key. What impact will there be on limitations on Whois queries to Whois server for key?

3. If the original key is in reality registered further down than directly below the TLD (for example foo.bar.tld, where bar is delegated from TLD, and foo is delegated from bar), how is the sTLD mail managing a request from foo to participate with foo.bar.tld.mail?

re: Registry

4. Please provide a technical description of how communication among XO, SO and RO will work, including timeouts, details on the protocols that will be used, state machines, and what happens if the validator does not respond within specified time period.

5. If a key which exists as key.mail changes owner, is there some other mechanism of detection of this, apart from polling the Whois servers of data for key?

6. What is the technical setup of the DNS, Whois and EPP servers? For all of these elements, please specify how the setups fulfill the requirements of up time from ICANN.

re: DNS

7. In how many DNS zones are the NS records located? Is this zone in the requested sTLD or not? (I.e. how long will the chain of NS records be when chasing them?)

8. Is there a risk that ISPs and others will stop receiving mail which is not from the .mail sTLD in the future?

9. What actions can you take to stop such policies, or is it in your interest to see all mail in the world use the .mail sTLD in one way or another? (I.e., can you explain what the world of email will look like before "all" major domains exist as subdomains of .mail?)

re: Operations

10. Please provide a statement about how often disaster recovery plans are practiced, and for which contingencies. Also: (i) in the event of a need for recovery from primary data server failure, would there be an interruption of service? If so, for how long? (ii) is notification provided for failed transactions during a fail over? and (iii) what is the bandwidth allocation planned for the interconnection of data centers for synchronization purposes, and to the Name Servers serving the sTLD?

11. Do you - or your subcontractors - have plans to use recent standards developed by the IETF for:

IETF Standard			
CRISP	**Y/N?**		
IDN	**Y/N?**		
	REGISTRY	**DNS**	**WHOIS**
IPv6			
- Transport	**Y/N?**	**Y/N?**	**Y/N?**
- Glue records	**Y/N?**	**Y/N?**	**Y/N?**
DNSSEC			
- DS records	**Y/N?**	**Y/N?**	**Y/N?**
- Signed TLD		**Y/N?**	

BUSINESS/FINANCIAL

(Please Note: We are asking these questions to provide you an opportunity to demonstrate the existence of a well-developed business model, rather than to judge whether this information constitutes a "fail-safe" business plan.)

1. Can you share the results of your "informal survey" that you used to back up your revenue projections? Do you have other information that would be evidence of the ability to obtain the projected number of registrations at the designated price point?

2. What is the minimal number of total registrations that are required for the Sponsoring Organization to sustain operations?

3. What will you do if revenues come in less than your "low" projections? How will any revenue shortfall be funded? If it is unfunded, how will you manage – both operationally and financially?

4. If the cost of registration will be "less than the maximum proposed to ICANN," what impact will it have on budget projections?

5. Have the new arbitration provisions you propose to include in registrant agreements been the subject of a legal opinion? If so, do you have any relevant documentation that you can share with us, particularly "with respect to the likelihood of keeping disputes out of court?"

6. Can you please clarify how a requirement for six months prior ownership of a key domain will deter abusive registrations and spammers?

7. What evidence can you provide that indicates that eNom has sufficient financial resources to be in existence in five years?

8. How much money has been allocated in the budget to enable a smooth transfer of the TLD to another operator in the event of Registry Operator or Sponsoring Organization failure? (For example, has a reserve fund been established to cover any financial obligations associated with multi-year registrations or other registry/registrar/registrant obligations?)

9. Has money been allocated in the budget to enable a smooth transfer of the TLD to another operator in the event of Registry Operator or Sponsoring Organization failure?

10. What other products or services, if any, do you intend to offer that could impact the new TLD? Please specify whether such products or services would rely upon the same, or different, staff and other resources.

SPONSORSHIP

1. Please provide signed letters that are representative of all parts of the Community that you propose to represent, detailing the particular reasons for their support. You should include similar letters from all supporters mentioned in your application. (Note: We wish to assess the breadth as well as the depth of support.)

2. Please elaborate, consistent with the RFP criteria (concerning enhanced diversity of the Internet name space), how the new sTLD would "create a new and clearly differentiated space, and satisfy needs that cannot be readily met through the existing TLDs."

3. How would you prevent the Board from being captured by three individuals? Why did you choose this mechanism for Board decision-making, as opposed to one that would allow broader participation?

4. Do you expect user organizations, such as ICANN At-large, to play a role in selecting the Board seat reserved for users?

5. What will be the impact of the relatively high fee for registration on users from less developed countries?

.mobi

TECHNICAL

re: Policy

1. Is this TLD going to be "delegation only" (see, e.g., http://www.isc.org/index.pl?/sw/bind/delegation-only.php)? If not, describe (i) other types you expect to support; (ii) how this will affect registrars' current processes; and (iii) what allowance you will make for technical difficulties in communicating with registrars.

2. If there are plans to allow third level registrations, please explain the selection process for these names, and the policies for registering them.

3. Please clarify (i) the requirements for registration in the sTLD; (ii) how the requirements would be validated; and (iii) how you would address any situations where there are identical registrations in other domains.

4. Will there be a policy on what eligible registrants may register in the sTLD? For example, on delegations? Will certain domain names be

disallowed?

5. In the event a registrant is found in violation of the sponsored TLD policy, explain the process for addressing a violation, including what steps are taken to communicate with the registrant, and what technical actions will be taken.

6. How will the reserved list that ICANN specifies be implemented? How, and when, is the reserved list used during the registration process? What happens if the reserved list is changed?

re: Registry

7. What is the technical setup of the DNS, Whois and EPP servers? For all of these elements, please specify how the setups fulfill the requirements of up time from ICANN?

re: DNS

8. Does TLD plan to use wildcard DNS records? If so, explain what will be the use and the types of records used.

9. In how many DNS zones are the NS records located? Is this zone in the requested sTLD or not? (I.e. how long will the chain of NS records be when chasing them?)

10. What guarantee do users of mobile devices have to be able to access sites outside .mobi? And what actions can you take against providers that restrict access to Internet TLDs other than .mobi?

re: Operations

11. Please provide a statement about how often disaster recovery plans are practiced, and for which contingencies. Also: (i) in the event of a need for recovery from primary data server failure, would there be an interruption of service? If so, for how long? (ii) what is the bandwidth allocation planned for the interconnection of data centers for synchronization purposes, and to the Name Servers serving the sTLD?

12. Do you - or your subcontractors - have plans to use recent standards developed by the IETF for:

IETF Standard			

CRISP	**Y/N?**		
EPP	**Y/N?**		
IDN	**Y/N?**		
	REGISTRY	**DNS**	**WHOIS**
IPv6			
- Transport	**Y/N?**	**Y/N?**	**Y/N?**
- Glue records	**Y/N?**	**Y/N?**	**Y/N?**
DNSSEC			
- DS records	**Y/N?**	**Y/N?**	**Y/N?**
- Signed TLD		**Y/N?**	

BUSINESS/FINANCIAL

(Please Note: We are asking these questions to provide you an opportunity to demonstrate the existence of a well-developed business model, rather than to judge whether this information constitutes a "fail-safe" business plan.)

1. What is the basis for the projections of the number of domain names expected to be registered?

2. The key market segments identified are (a) corporations and trademarks; (b) operators and mobile service providers; (c) mobile content and service providers; and (d) individuals or groups of individuals. How much market share do you estimate will go to each of these key market segments you have identified? Also, will all four segments have access to all products offered?

3. What is the minimal number of total registrations that are required for the Sponsoring Organization to sustain operations? What is the minimal number of total registrations that are required for the Registry Operator to sustain operations (in this case, you may include other TLDs under operation)?

4. [CONFIDENTIAL INFORMATION REDACTED]

5. [CONFIDENTIAL INFORMATION REDACTED]

6. The trademark verification fee is "expected to cover the cost of performing [such] verification." (i) What fee will you charge? (ii) What is the relationship between the fee and the overall cost of trademark verification?

7. Can you explain why companies that have already invested in their own brand will support this domain, and provide documentation of such support?

8. [CONFIDENTIAL INFORMATION REDACTED]

9. [CONFIDENTIAL INFORMATION REDACTED]

10. What, if anything, will you do to ensure that registered domains do indeed provide content appropriately configured for wireless devices?

11. [CONFIDENTIAL INFORMATION REDACTED]

12. What evidence can you provide that indicates the Registry Operator you have chosen has sufficient financial resources to be in existence in five years?

13. How much money has been allocated in the budget to enable a smooth transfer of the TLD to another operator in the event of Registry Operator or Sponsoring Organization failure? (For example, has a reserve fund been established to cover any financial obligations associated with multi-year registrations or other registry/registrar/registrant obligations?)

14. What other products or services, if any, do you intend to offer that could impact the new TLD? Please specify whether such products or services would rely upon the same, or different, staff and other resources.

SPONSORSHIP

1. Please elaborate, consistent with the RFP criteria (concerning enhanced diversity of the Internet name space), how the new sTLD would "create a new and clearly differentiated space, and satisfy needs that cannot be readily met through the existing TLDs."

2. Please provide signed letters that are representative of all parts of the Community that you propose to represent, detailing the particular reasons for their support. You should include similar letters from all supporters mentioned in your application. (Note: We wish to assess the breadth as well as the depth of support.)

3. Do you have any plans to involve industry participants outside of the United States and Europe?

4. Do you have any plans for outreach to less developed countries to make the sTLD more global? How can the sTLD improve use of the Internet in developing countries?

5. Please elaborate on which personnel will be running the day-to-day operations of the proposed sTLD, including in the areas of policy-making, regulatory affairs and marketing.

.post

TECHNICAL

re: Policy

1. Is this TLD going to be "delegation only" (see, e.g., http://www.isc.org/index.pl?/sw/bind/delegation-only.php)? If not, describe (i) other types you expect to support; (ii) how this will affect registrars' current processes; and (iii) what allowance you will make for technical difficulties in communicating with registrars.

2. In the event a registrant is found in violation of the sponsored TLD policy, explain the process for addressing a violation, including what steps are taken to communicate with the registrant, and what technical actions will be taken.

3. If there are plans to allow 3rd level registrations, please explain the selection process for these names, and the policies for registering them.

4. Please explain how the policy for registrations on 3rd level domains below a 2nd level domain that is already delegated is managed, and the policy for how to register domain names further down the tree.

5. Why is AAA-BBB.post allocated, but not AAA.BBB.post?

6. How will changes to the reserved list that ICANN specifies be implemented?

7. What is the policy for domain name registration requests from non-member countries?

re: Registry

8. If the sTLD policies require "connections" to already registered entities in another registry (including other TLDs), how is that "connection" implemented?

9. How are changes in ISO 3166 reflected, specifically to already registered domain names?

10. How is a change in ISO 3166 that collides with existing registrations managed?

11. What is the technical setup of the DNS, Whois and EPP servers? For all of these elements, please specify how the setups fulfill the requirements of up time from ICANN?

re: DNS

12. Does TLD plan to use wildcard DNS records? If so, explain what will be the use and the types of records used.

13. Please provide clarifications on the specifications that list two names per nameserver.

re: Operations

14. Is notification provided for failed transactions during a fail over?

15. Please provide more information on your plans to use recent standards developed by the IETF for CRISP, DNSSEC, IDN and IPv6 transport+glue.

BUSINESS/FINANCIAL

(Please Note: We are asking these questions to provide you an opportunity to demonstrate the existence of a well-developed business model, rather than to judge whether this information constitutes a "fail-safe" business plan.)

[CONFIDENTIAL INFORMATION REDACTED]

SPONSORSHIP

1. Please elaborate, consistent with the RFP criteria (concerning enhanced diversity of the Internet name space), how the new sTLD would "create a new and clearly differentiated space, and satisfy needs that cannot be readily met through the existing TLDs."

2. Please provide signed letters that are representative of all parts of the Community that you propose to represent, detailing the particular reasons for their support. You should include similar letters from all supporters mentioned in your application. (Note: We wish to assess the breadth as well as the depth of support.)

3. Please clarify whether the proposed TLD has the support of the Member States?

4. Is there a specific body within the POC that would be responsible for the TLD?

5. Which part of the UPU would be responsible for policy development?

6. To what degree do you plan to follow ICANN policies, either existing or that may be developed in the future? In what specific areas, if any, are you likely to diverge from ICANN policies?

7. What control mechanisms will be in place with resellers to ensure that they are enforcing ICANN policies?

8. Do you foresee that operation of the TLD could raise data privacy or law enforcement concerns? If so, how would you propose to address them?

.tel (Pulver)

TECHNICAL

re: Policy

1. Is this TLD going to be "delegation only" (see, e.g.,
   http://www.isc.org/index.pl?/sw/bind/delegation-only.php)? If not, describe (i)
   other types you expect to support; (ii) how this will affect registrars'
   current processes; and (iii) what allowance you will make for technical difficulties
   in communicating with registrars.

2. What is your response to the issues raised in the 29 April 2004 letter from ITU
   Secretary-General Utsumi to ICANN President Twomey regarding ENUM and
   E164.arpa?

3. How does your proposal relate to existing ENUM trials?

re: Registry

4. Please clarify who is eligible to register in .tel.

5. How will you handle the situation where a telephone company holding
   number assignments and the user of the telephone number both want to
   have that registration?

6. Will you allow delegation to a block of numbers, e.g., +1-202-418-0? If so, how
   will these be priced?

7. If users are registrants, how will you monitor whether the registrant is
   still the holder of that telephone number?

8. Please explain how you will verify this issue, for example, in country codes +249,
   +82 or +886 for example, in the absence of a functioning government or where
   there are language barriers?

9. What is the technical setup of the DNS, Whois and EPP servers? For all of these elements, please specify how the setups fulfill the requirements of up time from ICANN?

re: DNS

10. Does TLD plan to use wildcard DNS records? If so, explain what will be the use and the types of records used.

11. In how many DNS zones are the NS records located? Is this zone in the requested sTLD or not? (I.e. how long will the chain of NS records be when chasing them?)

12. How do you expect to meet the ICANN requirements of DNS answers RTT if all your DNS servers are in the US?

13. Please provide evidence of public DNS operations and locations of publicly available instances of DNS servers running your software.

14. Is this sTLD a candidate for filtering based on the TLD? If so, what will be effects on the operation/survival of this TLD if it is locked-out (i.e., if a large ISPs return "NXDOMAIN" for all queries for it)?

re: Operations

15. Please provide a statement about how often disaster recovery plans are practiced, and for which contingencies. Also: (i) in the event of a need for recovery from primary data server failure, would there be an interruption of service? If so, for how long? (ii) is notification provided for failed transactions during a fail over? and (iii) what is the bandwidth allocation planned for the interconnection of data centers for synchronization purposes, and to the Name Servers serving the sTLD?

16. Can you clarify whether or not you will escrow registry data?

17. Do you - or your subcontractors - have plans to use recent standards developed by the IETF for:

IETF Standard			
CRISP	Y/N?		

EPP	**Y/N?**		
IDN	**Y/N?**		
	REGISTRY	**DNS**	**WHOIS**
IPv6			
- Transport	**Y/N?**	**Y/N?**	**Y/N?**
- Glue records	**Y/N?**	**Y/N?**	**Y/N?**
DNSSEC			
- DS records	**Y/N?**	**Y/N?**	**Y/N?**
- Signed TLD		**Y/N?**	

BUSINESS/FINANCIAL

(Please Note: We are asking these questions to provide you an opportunity to demonstrate the existence of a well-developed business model, rather than to judge whether this information constitutes a "fail-safe" business plan.)

1. What is the minimal number of total registrations that are required for the Sponsoring Organization to sustain operations? What is the minimal number of total registrations that are required for the Registry Operator to sustain operations (in this case, you may include other TLDs under operation)?

2. What will you do if revenues come in less than your "low" projections? How will any revenue shortfall be funded? If any gap is unfunded, how will you manage – both operationally and financially?

3. You have stated that the purpose of the .tel TLD will be to "enable(s) the mapping of legacy telephone numbers to the Internet address information required by IP-enabled communications applications and services." How does this directory infrastructure that you propose differ from what is being done currently with ENUM trials using e164.arpa?

4. To what degree have you determined the potential market for .tel outside of North America?

5. Please explain why you believe that the limits of a "closed user group" are not yet being addressed.

6. [CONFIDENTIAL INFORMATION REDACTED]

7. Please describe further the relationship between Pulver and NetNumber.

8. In Section VII regarding Provision for Registry Failure, you state that NetNumber can provide the names of several financially viable and competent DNS infrastructure service providers who would be willing to provide contingency plan services. Please provide us with those names.

9. How much money has been allocated in the budget to enable a smooth transfer of the TLD to another operator in the event of Registry Operator or Sponsoring Organization failure? (For example, has a reserve fund been established to cover any financial obligations associated with multi-year registrations or other registry/registrar/registrant obligations?)

10. With regard to Whois service, you have proposed that you will "avoid providing any information regarding the identity of the underlying individual communications service subscriber who has been assigned day-to-day control over the registered e.164 number". How will your Registry/Registrar agreement ensure that the Registrant (IPCSP) working on behalf of the individual subscriber maintains accurate and up-to-date information about the individual subscriber? Who will assume any responsibility for the accuracy of that information?

11. Please explain how the existing staff and infrastructure can be used to operate the .tel Registry in addition to continuing NetNumber's current business operations (as noted in Section II and elsewhere) and how you can continue to count on anticipated revenue from your current operations if existing staff is re-deployed to operate the .tel TLD.

12. Will you draw your staff of conflict resolution personnel (Section IV) from existing staff? Please indicate which section of your budget addressed the cost of training existing staff for this new role.

13. Please indicate the section of your budget that provides for a possible increase in the cost of liability insurance associated with this new business activity for NetNumber.

14. Even though you have not yet finalized the numbers, please provide us with an indication of your initial thinking on the dollar amount of the deposit fee you plan

to charge registrants, and fees for the conflict resolution services that the .tel registry will provide.

15. Please explain how you can be confident that it will not be necessary to acquire any additional/new systems and facilities when the size, scope and earning potential of this new TLD are not known. (You have stated "Insufficient evidence exists to support specific revenue projection claims for the introduction of the .tel TLD.")

16. Please provide additional information regarding projected travel associated specifically with the .tel TLD side of NetNumber's operations, as requested in Section 3, Financial Model.

17. Please explain the following variations between Year 1 and Year 2 in your budget spreadsheet, as they relate to the .tel TLD side of NetNumber's operations: (i) Very minimal increase (292,000 to 315,000) in Customer/Registrar Service expenses; (ii) Decrease in Legal/Contracting expenses; (iii) Flatline in utilities expenses; (iv) Significant decreased in Systems/Software expenses and (v) Significant increase in Supplies expenses.

18. What other products or services, if any, do you intend to offer that could impact the new TLD? Please specify whether such products or services would rely upon the same, or different, staff and resources.

SPONSORSHIP

1. Please elaborate, consistent with the RFP criteria (concerning enhanced diversity of the Internet name space), how the new sTLD would "create a new and clearly differentiated space, and satisfy needs that cannot be readily met through the existing TLDs."

2. How would the Sponsor represent parts of telco community, including the wireless, wireline traditional, and voice over IP sectors? Please provide signed letters of support from these parts, which describe their specific contributions.

3. In order to further substantiate your statement of broad-based support, please indicate which of your supporters represent the universities, regulatory bodies and/or research groups that form part of "community of interest focused on the advancement of the IP communications industry," which Pulver.com is dedicated to creating. How will these groups be represented on .tel's Board of Directors?

4. Do you have a plan for outreach to less developed countries to make the sTLD more global? And how can the sTLD improve the use of the Internet in that part of the world?

.tel (Telnic)

TECHNICAL

<u>re: Policy</u>

1. Is this TLD going to be "delegation only" (see, e.g., http://www.isc.org/index.pl?/sw/bind/delegation-only.php)? If not, describe (i) other types you expect to support; (ii) how this will affect registrars' current processes; and (iii) what allowance you will make for technical difficulties in communicating with registrars.

2. If there are plans to allow third level registrations, please explain the selection process for these names, and the policies for registering them.

3. Please clarify (i) the requirements for registration in the sTLD; (ii) how the requirements would be validated; and (iii) how you would address any situations where there are identical registrations in country code domains.

4. Will there be a policy on what eligible registrants may register in the sTLD? For example, on delegations? Will certain domain names be disallowed?

5. How will the reserved list that ICANN specifies be implemented? How, and when, is the reserved list used during the registration process? What happens if the reserved list is changed?

6. Please provide details on how the .tel TLD would avoid interference with established and/or future national and international telephone numbering plans.

7. What is your response to the issues raised in the 29 April 2004 letter from ITU Secretary-General Utsumi to ICANN President Twomey regarding ENUM and E164.arpa?

8. Does TLD plan to use wildcard DNS records? If so, explain what will be the use and the types of records used.

9. In how many DNS zones are the NS records located? Is this zone in the requested sTLD or not? (I.e. how long will the chain of NS records be when chasing them?)

10. Is this sTLD a candidate for filtering based on the TLD? If so, what will be effects on the operation/survival of this TLD if it is locked-out (i.e., if a large ISPs return "NXDOMAIN" for all queries for it)?

re: Operations

11. Do you - or your subcontractors - have plans to use recent standards developed by the IETF for:

IETF Standard			
CRISP	**Y/N?**		
EPP	**Y/N?**		
IDN	**Y/N?**		
	REGISTRY	**DNS**	**WHOIS**
IPv6			
- Transport	**Y/N?**	**Y/N?**	**Y/N?**
- Glue records	**Y/N?**	**Y/N?**	**Y/N?**
DNSSEC			
- DS records	**Y/N?**	**Y/N?**	**Y/N?**
- Signed TLD		**Y/N?**	

BUSINESS/ FINANCIAL

(Please Note: We are asking these questions to provide you an opportunity to demonstrate the existence of a well-developed business model, rather than to judge whether this information constitutes a "fail-safe" business plan.)

  [CONFIDENTIAL INFORMATION REDACTED]

SPONSORSHIP

1. Please describe more precisely who the proposed sTLD Community includes, and who it excludes.

2. Please elaborate, consistent with the RFP criteria (concerning enhanced diversity of the Internet name space), how the new sTLD would "create a new and clearly differentiated space, and satisfy needs that cannot be readily met through the existing TLDs."

3. Please provide signed letters that are representative of all parts of the Community that you propose to represent, detailing the particular reasons for their support.

You should include similar letters from all supporters mentioned in your application. (Note: We wish to assess the breadth, as well as the depth, of support.)

4. Do you have a plan for outreach to less developed countries to make the sTLD more global? And how can the sTLD improve the use of the Internet in that part of the world?

5. You have stated that the proposed Policy Advisory Group (PAG) is advisory only, and that all final policy decisions will be made by the Board of Directors of the Supporting Organization, which will be a for-profit corporation. Please explain how you will ensure that policy decisions are made in the best interests of the defined community, and not solely in the best interests of the SO.

.travel

TECHNICAL

re: Policy

1. Is this TLD going to be "delegation only" (see, e.g., http://www.isc.org/index.pl?/sw/bind/delegation-only.php)? If not, describe (i) other types you expect to support; (ii) how this will affect registrars' current processes; and (iii) what allowance you will make for technical difficulties in communicating with registrars.

2. In the event a registrant is found in violation of the sponsored TLD policy, how is denial communicated to the registrant?

3. How will the reserved list that ICANN specifies be implemented? How, and when, is the reserved list used during the registration process? What happens if the reserved list is changed?

re: Registry

4. Please provide a technical description of how communication with the external validator will work, including details on the protocols that will be used, state machines, and what happens if the validator does not respond within specified time period.

re: DNS

5. Does TLD plan to use wildcard DNS records? If so, explain what will be the use and the types of records used.

6. In how many DNS zones are the NS records located? Is this zone in the requested sTLD or not? (I.e. how long will the chain of NS records be when chasing them?)

re: Operations

7. Please provide a statement about how often disaster recovery plans are practiced, and for which contingencies. Also, is notification provided for failed transactions during a fail over?

8. Do you - or your subcontractors - have plans to use recent standards developed by the IETF for:

IETF Standard			
CRISP	**Y/N?**		
EPP	**Y/N?**		
IDN	**Y/N?**		
	REGISTRY	**DNS**	**WHOIS**
IPv6			
- Transport	**Y/N?**	**Y/N?**	**Y/N?**
- Glue records	**Y/N?**	**Y/N?**	**Y/N?**
DNSSEC			
- DS records	**Y/N?**	**Y/N?**	**Y/N?**
- Signed TLD		**Y/N?**	

BUSINESS/FINANCIAL

(Please Note: We are asking these questions to provide you an opportunity to demonstrate the existence of a well-developed business model, rather than to judge whether this information constitutes a "fail-safe" business plan.)

1. What is the basis for the projections of the number of domain names expected to be registered (including registration volumes and price points)?

2. What is the minimal number of total registrations that are required for the Sponsoring Organization to sustain operations? What is the minimal number of total registrations that are required for the Registry Operator to sustain operations (in this case, you may include other TLDs under operation)?

3. What will you do if revenues come in less than your "low" projections? How will any revenue shortfall be funded? If it is unfunded, how will you manage – both operationally and financially?

4. What evidence can you provide that indicates the Registry Operator you have chosen has sufficient financial resources to be in existence in five years?

5. Please describe (i) the staffing for TTPC, and which personnel will perform which functions; and (ii) how it will be funded prior to reaching a critical mass of registrations.

6. Has money been allocated in the budget to enable a smooth transfer of the TLD to another operator in the event of Registry Operator or Sponsoring Organization failure?

7. What other products or services, if any, do you intend to offer that could impact the new TLD? Please specify whether such products or services would rely upon the same, or different, staff and other resources.

SPONSORSHIP

1. Please provide signed letters that are representative of all parts of the Community that you propose to represent, detailing the particular reasons for their support. You should include similar letters from all supporters mentioned in your application. (Note: We wish to assess the breadth as well as the depth of support.)

2. Please elaborate, consistent with the RFP criteria (concerning enhanced diversity of the Internet name space), how the new sTLD would "create a new and clearly differentiated space, and satisfy needs that cannot be readily met through the existing TLDs."

3. Do you have a plan for outreach to less developed countries to make the sTLD more global? And how can the sTLD improve the use of the Internet in that part of the world?

4. Is a potential registrant required to be a member of one of the trade associations you mention?

5. Does the role envisioned for the trade associations raise any antitrust issues?

6. Is registration required in order to be included in the value-added travel directory that you mention?

7. Who would be excluded from this Community (e.g., Expedia.com; the travel press; etc.)?

8. How does your proposed verification system function outside the US-centric context?

9. How will registration policies beyond the 2nd level be enforced?

10. Please clarify how conflicting IP claims will be resolved.

.xxx

[CONFIDENTIAL INFORMATION REDACTED]

Additional Questions from ICANN for DotAsia Bid (Technical Section)

June 22, 2004

TECHNICAL

re: Policy

1.   Please elaborate on the framework for potential future policy that has an impact on technical operations. For example,

a.   In the event a registrant is found in violation of the sponsored TLD policy, explain the process for addressing a violation, including what steps are taken to communicate with the registrant, and what technical actions will be taken.

In the event a registrant is found in violation based on a CEDRP or UDRP result, the DotAsia registry will facilitate the corresponding resolution by providing a registry system that is capable of provisioning for these resolutions via the sponsoring Registrar as is done today in gTLDs for UDRP resolutions.

For example, upon the initiation of a UDRP challenge, the complainant may, through the selected arbitrator, ask the current sponsoring registrar to place the domain in question on "Lock Status." This will be supported by the registry system via EPP. Upon the conclusion of the UDRP, the sponsoring registrar will process the resolution via the EPP registry interface. The DotAsia registry will not participate in the administration or conduct of any proceeding before a Panel (assigned by the selected arbitrator) for domain disputes.

For a CEDRP challenge, the current sponsoring registrar for the domain in question will be responsible, upon a decision by a qualified arbitrator, to provide instructions to the registry. This may include placing the domain on "Lock Status," subsequently releasing it or proceeding with the cancellation of the domain. Note: based on the CEDRP, as adopted by ICANN, the remedy available to a Complainant pursuant to any proceeding before a Panel (assigned by the selected arbitrator) shall be limited to the cancellation of the domain in question.

b.   If there are plans to allow 3rd level registrations, please explain the selection process for these names, and the policies for registering them.

There are no current plans to offer 3rd level registrations. Should the market demonstrate a demand for such registrations in the future, the DotAsia Organisation will conduct a thorough bottom-up policy development process, and coordinate closely with ICANN to

investigate the feasibility, value and appropriateness of offering ssssuch 3rd level registrations at that time.

<table>
<tr><td>c.   Will there be a policy on what eligible registrants may register in their domain? For example, on delegations? Will certain domain names be disallowed?</td></tr>
</table>

There are no current plans to restrict either the names that may be registered in the ".Asia" domain, or the content those registrants may publish. The registry system will require at least 2 delegation name servers for each registered 2nd level name before it may be published into the TLD zone file. Furthermore, the format of the domain name chosen as the hostname for delegation NS records will be required to comply with technical standards (e.g. each label has a maximum of 63 octets, etc.).

Should ICANN or the community subsequently determine that there is a need to place restrictions on further delegations or registrations under the 2nd level domain (that has been delegated to the registrant), the DotAsia Organisation will explore the means, feasibility and scope of incorporating such restrictions into our policies.

<table>
<tr><td>2.   How will the reserved list that ICANN specifies be implemented? How, and when, is the reserved list used during the registration process? What happens if the reserved list is changed?</td></tr>
</table>

In the 2001 round of new TLDs, there were several types/lists of reserved names. Reserved names for the DotAsia registry may include the following, in addition to others:

1. Names reserved from registration: See
   http://www.icann.org/tlds/agreements/unsponsored/registry-agmt-appk-26apr01.htm
   for a representative ICANN contract and list. Either ICANN or the registry operator
   is listed as the registrant, as appropriate. These names include:
   a. ICANN and IANA-related names
   b. single-character and two-character labels
   c. registry operations names (e.g. nic, whois, www)
   d. TLD labels (e.g. aero, arpa, biz, com, etc.)
   e. country names.

2. Registry Operator's domain names: See
   http://www.icann.org/tlds/agreements/info/registry-agmt-appx-11may01.htm for a
   representative ICANN contract and list. The registry operator is listed as the
   registrant.

3. Additional Community Relevant Reserved Domains. The DotAsia Organisation will
   maintain a set of reserved domains that is relevant to the sponsored community.

Domain names in categories 1a, 1c, 1d, 1e, 2 and 3 may be reserved (i.e. created) in the registry before commencement of the Sunrise Period, making them unavailable in the SRS.

Names in category 1b can be prevented from being registered by setting the registry system to reject one- or two-character registrations.

Our service provider, Afilias, successfully implemented ICANN-reserved lists using these methods before the launch of the .INFO TLD.

If a different reservation implementation is desired, or should ICANN introduce a new type of reserved name that cannot be adequately reserved using the above methods, our service provider Afilias has implemented a "registration restricted" filter in its registry software. This filter prevents a list of given domains from being registered in the registry system.

Changes to a reserved list before the commencement of Sunrise registrations pose no known problems. Changes to a reserved list after the registry is opened for business (i.e. after the commencement of Sunrise registrations) could present issues. The most serious potential issue surrounds a previously registered name being placed on the intended reserved list. In such a case, the registry operator will rely on ICANN's guidance regarding the state of the current ownership.   If the existing registration is allowed to persist, the "registration restricted " filter noted above would preclude the name from being re-registered should it ever complete a deletion cycle. Our service provider, Afilias, successfully managed the implementation of a similar "post-opening" ICANN-reserved list of country names resulting from ICANN Board Resolution 01.92 (see http://www.icann.org/minutes/prelim-report-10sep01.htm).

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re: Registry

3.   Please provide a technical description of how communication with the external validator will work, including details on the protocols that will be used, state machines, and what happens if the validator does not respond within specified time period.

The DotAsia Organisation intends to contract with a competent provider to verify trademark claims during the Sunrise period. The DotAsia Organisation will require that the organisation have experience in: 1) domain registrations and disputes, 2) reviewing and verifying mass trademark information, and 3) policy issues surrounding the cancellation and redistribution of names that have presented false or inaccurate trademark information.

All registrations will be submitted via accredited Registrars to the registry EPP servers. Prior to the opening of registration, the DotAsia registry will provision the collection of trademark / service mark information by making specific EPP extensions available in the Registrar Toolkit (RTK). Registrars may use the RTK or the extension specifications to

pass certification tests that will ensure their familiarity with these extensions. Additional extensions will be provided for the proof-of-presence requirements, enabling a registrant to self-certify their eligibility.

Upon the receipt of a registration request, the EPP server will follow the Offline Review of Requested Actions specified in the EPP standards and place the domain object on "pending create." The intellectual property claim will be forwarded to the validation provider for review before the application will be granted and the name is registered.

After receiving the information from the DotAsia registry, the validation provider will manually verify the submitted data by various means, including but not limited to searching of trademark databases, requesting copies of trademark certificates, etc. The validation provider may also attempt to contact the registrant directly to obtain clarifications required to complete the verification process.

The result of the verification process will be submitted back to the DotAsia registry, manually, via a Web-assisted interface, or an EPP / XML based API, for the registry to further process the registration request. The registrant, through its sponsoring registrar, may monitor the status of the registration by polling the registry EPP server.

If the verification is successful, the domain will be placed on "active" status and will become resolvable (if requirements for inclusion in the zone file are also met). If the verification fails, the EPP server will notify the registrar that it has failed to create the domain due to the registry's inability to verify the trademark or proof-of-presence claims. During the Sunrise Period, multiple applications for each domain will be allowed, and all applications will be processed on a First-Come-First-Serve basis.

As explained in our proposal, it is anticipated that the Sunrise period would run for 60 days followed by a Quiet period of 30 days. All registrations that are successfully verified will begin to resolve, while all domains that have failed the verifications will be released back to the available pool (or in the case where another pending application for the domain is in the queue, it will be processed). For applications that have not completed the verification process within the specified time, they will remain in "pending create" status until the claim has been resolved. Should the name be cancelled and redistributed following the availability of public registration, standard deletion policies and redistribution procedures will apply.

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4.   What is the technical setup of the DNS, Whois and EPP servers? For all of these elements, please specify how the setups fulfill the requirements of up time from ICANN?

Detailed information on the technical setup of the DNS, Whois and EPP servers are provided in the application.

Fault-Tolerant EPP Servers

EPP is a load balanced application service provided against multiple stateless application servers. The application servers in use are either SUN or IBM Enterprise UNIX servers, and may be a combination of both. This approach permits the registry to maintain live EPP servers at all times with a minimum capacity of N+1 service availability in the primary data center. The EPP application interacts with the primary database instance for the registry, which resides in an N+2 data layer environment using IBM Enterprise UNIX servers. Afilias has architected the primary data servers in the registry with a redundant hot standby RS6000 server solution - based on IBM's HACMP technology and a shared fibre disk array configured as Raid 1+0 with multiple hot spares. This failover will be initiated automatically upon machine failure. Each primary database server is replicated in real-time to a completely separate data server and dedicated fibre disk array both within the Primary Data Center and also to a completely separate data server and dedicated fibre disk array at the Secondary Data Center. This solution allows the registry to maintain both rapid (minutes) catastrophic failover capability, as well as the ability to minimize permitted service outages during maintenance periods.

Redundant Whois Servers
Whois is a load balanced application service provided against multiple stateless application servers. The application servers in use are either SUN or IBM Enterprise UNIX servers, and may be a combination of both. This approach permits the registry to maintain live Whois servers at all times with a minimum capacity of N+1 service availability in the primary data center. The EPP application interacts with multiple secondary database instances for the registry. In the unlikely event all secondary dataservers fail at both the primary and secondary datacenters, the Whois application is designed to automatically fail interactions over to the primary data database instance. Afilias has architected the primary data servers in this registry with a redundant hot standby RS6000 server solution - based on IBM's HACMP technology and a shared fibre disk array configured as Raid 1+0 with multiple hot spares. This failover will be initiated automatically upon machine failure. Each primary database server is replicated in real-time to a completely separate data server and dedicated fibre disk array both within the Primary Data Center and also to a completely separate data server and dedicated fibre disk array at the Secondary Data Center. This solution allows the registry to maintain both rapid (minutes) catastrophic failover capability, as well as the ability to minimize permitted service outages during maintenance periods.

Global DNS Server Constellation
DNS services as provided by UltraDNS are architected in a highly redundant and geographically distributed manner. The core registry system will maintain redundant 100 megabyte per second encrypted VPN connections to the UltraDNS injection servers from both the Primary and Secondary DataCenters. DNS updates are streamed in near real-time through a dedicated SSL encrypted XML based API and propagated globally throughout the UltraDNS leafnodes in seconds. Multiple, geographically dispersed API injection points are maintained at all times, during rare full maintenance events on the API system, DNS updates continue at the core registry system and are queued for later submission to UltraDNS.

UltraDNS applies an Anycast Network Strategy, automatically limiting DOS and DDOS attacks to the announced routes (and therefore local environs) of individual nodes of the DNS distribution system. Name servers answer IP DNS queries based on authoritative DNS data. The name server at each node shares a global IP address, and each server has two addresses. If one address becomes un-routable, the user will fall over to the second. By injecting a BGP route from each node, the system routes user queries to a topologically nearby node, resulting in reduced network latency for DNS transactions, fewer queries that are routed to distant servers and fewer dropped query packets. Should a name server fail to answer for any reason, the routing announcement for that node is withdrawn, removing it from the "reach" of an end user.

UltraDNS servers are distributed strategically, and will grow to meet scalability demands and geographic coverage in line with the growth of network traffic.

- Verio Inc: JP
- Metromedia Fiber Network Inc (AboveNet): UK
- Switch and Data: CA & VA, USA
- Equinix Inc: CA, VA and Chicago, USA
- USC Information Sciences Institute (ISI): CA, USA

Peering is in place in geographically dispersed locations as follows:
- Japan Telecom
- KDDI
- Telefonica International
- MAE East, West and Los Angeles
- Switch and Data (formerly PAIX), East and West
- Equinix East, West and Chicago
- AADS Chicago

The DNS Server Constellation employed by UltraDNS on behalf of Afilias has maintained 100% uptime resolution record since inception, and has permitted a near real-time streamed DNS update capability unique amongst TLD registries. We expect this performance to exceed ICANN standards.

5.   Does TLD plan to use wildcard DNS records? If so, explain what will be the use and the types of records used.

The DotAsia registry has no plans to use wildcard DNS records at the TLD name servers.

6.   In how many DNS zones are the NS records located? Is this zone in the requested sTLD or not? (I.e. how long will the chain of NS records be when chasing them?)

The ".Asia" domain will implement the sTLD in a manner consistent with the best practices currently in place at ICANN sTLD and gTLD registries. The ".Asia" zone will conform to global Internet standards.   Our chosen Registry services provider, Afilias, is an experienced and skilled organization with significant operational experience in the management of the DNS.

For the NS records of the ".Asia" TLD, we plan to have them in more than one zone, with at least one that would exist inside the ".Asia" sTLD zone. The glue record for the hostname chosen for the NS record(s) within the ".Asia" zone will also be published at the TLD zone so that there will be no need to "chase" for it. For hostnames chosen that are not within the ".Asia" sTLD zone, we plan to use hostnames that are already published in the immediate TLD zone to avoid having to further "chase" the NS record. The DotAsia registry will work closely with Afilias during the technical negotiations with ICANN to finalize the hostnames to be used for the NS records of the ".Asia" TLD zone to ensure stability, security and performance.

For second level registrations within the ".Asia" TLD, the registry will publish glue records for the hostnames within the ".Asia" TLD (e.g. if a domain utilizes an "in-zone" hostname as a name server: "dns.example.asia"). Because we will be leveraging the Afilias infrastructure, other zones that may be managed within the same set of name servers will also effectively enjoy the direct publishing of glue records for hostnames within those TLD zones, further reducing the need to "chase" for the NS records. For "out-of-zone" (domains in a different TLD) hostnames used as NS records, the ".Asia" TLD will not be able to authoritatively publish the glue records.

All second level registrations will be located within the sTLD zone. However, because of the distributed, delegated nature of the DNS, the registry itself does not control the depth of the zone. For example, if the domain example.stld is registered, the registrant could create many levels below this zone, such as a.b.c.d.e.f.g.h.example.stld. This behaviour is supported within the DNS, and beyond the control of the registry.

re: Operations

7.   Please provide a statement about how often disaster recovery plans are practiced, and for which contingencies. Also: (i) in the case of a disaster according to the scenarios

Disaster Recovery (DR) Plan procedures are fully componentized between various registry services. Registry Staff enacts staging or dry run DR events on multiple services or components quarterly. Each service is included in at least two DR staging or dry run events each year. Further to these efforts, the registry intends to include registrars in an annual cooperative full failover exercise from geographically dispersed primary to secondary data centers.

Full failure of a primary data server is an unlikely event as the registry will be deploying IBM RS6000 enterprise class UNIX servers at the data layer. This equipment has redundant and multiple occurrences of key components, and has been specifically designed to decommission failing components on a live server without ceasing services.

Afilias has architected the primary data servers in this registry with a redundant hot standby RS6000 server solution - based on IBM's HACMP technology and a shared fibre disk array configured as Raid 1+0 with multiple hot spares. This fail-over will be initiated automatically upon machine failure.

(i) In the event of a full disaster at the Primary Data Center, EPP service would be out for a maximum of 5 minutes for read only access and 30 minutes for full service. WHOIS service would be out for a maximum of 5 minutes, and DNS service would be unaffected.

(ii) Notifications of unscheduled service outages are provided upon detection and confirmation of service unavailability. Transactions logs are provided to registrars within the EPP client server session at all times, as well as in a downloadable report generated every four hours. In the event of a fail-over when the client has not received either a success or failure notice for an outstanding transaction, the registrar will be able to refer to the downloadable transaction report for final state of the transaction. Alternatively, the client can query the current state of the registry object upon service restoration.

(iii) Bandwidth allocation planned for the interconnection of data centers and primary injection point of the Name Servers for synchronization is 100 megabytes per second.

The DotAsia registry has plans to support IPv6 glue records at launch, but we do not anticipate that all necessary IPv6 components outside the registry's control will be ready at launch. We will work in close coordination with various service providers to ensure that the support of IPv6 glue is useful.

The .Asia registry endorses the adoption of DNSSEC. Based on our understanding from our registry technology provider, the current DNSSEC "standards track" document being discussed at the IETF allows any user of the DNS to "walk the zone" (using considerable resources on the server). This ability, as currently proposed, poses privacy and availability issues, which could prohibit the registry from using DS records. Some work has been done to eliminate this problem but, to date, no standard has been adopted to resolve the issue.   Once the problem of "walking the zone" is resolved, the registry plans to incorporate DS (or its replacement) records.

Although DNSSEC is not a standard at the time of this writing, the DotAsia registry, together with Afilias, is evaluating signing the DotAsia TLD zone. Considerable work needs to be done in the area of key rollover and announcement. Once this work is completed in cooperation with the Internet community, the TLD zone will be signed.

CRISP is not currently an IETF standard. Our provider, Afilias, is a participant in the IETF CRISP Working Group. When the IRIS protocol standard is finalized, the DotAsia Organisation will evaluate it in the light of its adopted privacy policies to ensure that the use of the standard does not in any way infringe or impact the privacy of its registrants.

Additional Questions from ICANN for DotAsia Bid (Business/Financial and Sponsorship)

June 24, 2004

CONFIDENTIALITY: Please note that the DotAsia Organisation requests that the confidentiality of the questions and answers for these sections, where possible, be maintained.

BUSINESS/FINANCIAL

(Please Note: We are asking these questions to provide you an opportunity to demonstrate the existence of a well-developed business model, rather than to judge whether this information constitutes a "fail-safe" business plan.)

1. What is the basis for the projections of the number of domain names expected to be registered?

The projections of the number of domain names expected to be registered are based on available market data from the Pan-Asia and Asia Pacific region (as defined by ICANN), including domain registration statistics from gTLDs and ccTLDs.

Our market size estimates are based on the following:

1. COM/NET reported results: In a March 2004 report (http://www.verisign.com/nds/naming/newsletter/2004/march.html#1) published by VeriSign, 12% of all .COM and .NET registrations are reported to come from the Asia Pacific region (not including the Middle East), for a total of about 3.8 million registrations.

2. INFO/ORG analysis: DotAsia Organisation's analysis of .INFO and .ORG registrations show 7-9% are from the Pan-Asia and Asia Pacific region, representing about 333,600 total registrations.

3. ccTLD estimates: Regional data on ccTLD registrations obtained through ccTLD Web sites and other informal survey and statistics sources, including Web sites such as DomainWorldwide.com indicate an estimated 2.85 million ccTLD domain names registered in the region as of June 2004.

Altogether, our study estimated a total of about 7 million domain names registered in the region.

Our target demand projection is based on a 5% penetration (335,600 domains) rate in the first year, growing to 10% by Year 3 and assumes a 10% annual growth of the overall market. The Low-Demand projection is based on a 3% penetration (201,500 domains) rate, growing to 5% in Year 3, while the High-Demand projection is based on a 7% penetration (489,000 domains) rate, growing to 16%.

Although our projections are conservative, the introduction of a new TLD may help grow the overall market by attracting new customers. For example, a comparison of the development of .INFO in parallel with .DE and .UK growth shows that .INFO appeared to have no negative impact on ccTLD growth in the German and UK markets, respectively.

Beyond the existing business, however, is even larger potential growth. As stated in Lovells' June 2004 Domain Name Newsletter – Anchovy: "Current estimates suggest that Asia Pacific has by far the largest total number of Internet users at 223 million, followed by North America (175 million) and Europe (173 million). However, these figures, as a total of each area's population, represent 6%, 55% and 22%, respectively. It is, therefore, clear why many analysts feel that the greatest scope for development and opportunity in the Internet domain name and IT sector currently lies in Asia… ."

We believe our volume estimates are reasonable based on both the demonstrated existing market and its anticipated future growth.

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2. Please provide us with more details on your plans to market the domain name, and what the marketing budget will be spent on.

The marketing plan for the launch of .ASIA will focus in two areas which we believe provide the greatest leverage for the registry: 1) sales programs to support the distribution channel; and 2) Public Relations (PR) support to stimulate awareness and demand.

As seen in the launch of various "proof of concept" TLDs in 2001, major investments in marketing to directly stimulate demand are not effective or sustainable at the registry level. The .ASIA registry will impact results by ensuring that: 1) the domain is properly positioned; and 2) this positioning is communicated to the proper audiences.

To support the distribution channel, DotAsia will allow accreditation to both ICANN-accredited registrars and participating ccTLD registries. Distributors will have access to marketing material that can help guide their own launch and ongoing promotion activities. In addition, DotAsia will offer cooperative marketing programs designed to reimburse advertising dollars, stimulate and reward growth, and support customised sales programs. Cooperative initiatives may also include bundling packages or co-marketing campaigns with ccTLD registries. These activities will support interest generated by the business potential represented by the large and growing demand in the community.

PR support will also help stimulate demand. The DotAsia registry will establish appropriate Public Relations resources in the region to support and stimulate press and general consumer awareness. We intend to focus on the geographies with the highest potential for growth and include press outreach and support activities, sponsorships to relevant regional conferences, speaking engagements, and outreach programs to

interested stakeholder groups. This public awareness campaign will aim to educate consumers and Internet users on .ASIA's value proposition and the benefits of owning a .ASIA domain.

Part of the marketing budget will also support outreach programs to further recruit DotAsia Organisation members to ensure its continuing ability to represent the dynamic community it serves.

3. Would operation of the proposed registry violate any laws concerning DNS management in jurisdictions covered by the geographic area, including the host jurisdiction of Hong Kong?

The DotAsia Organisation intends to be a membership-based, not-for-profit organisation incorporated in Hong Kong. We believe that our proposal is consistent with applicable laws in that jurisdiction. Insofar as 1) the .ASIA agreement with ICANN will be consistent with ICANN's agreements with other gTLD/sTLD operators, and 2) other ICANN domains have been operating in the Asia geography without significant legal issues, we believe our proposed approach does not entail any undue risk.

4. What is the minimal number of total registrations that are required for the Sponsoring Organization to sustain operations? What is the minimal number of total registrations that are required for the Registry Operator to sustain operations (in this case, you may include other TLDs under operation)?

The Low-Demand projections in the proposal (200,000 registrations) are sufficient for the DotAsia Organisation to maintain its operations. As an additional safeguard, the business plan provides for a further buffer (of about 70,000 registrations) below the Low-Demand projections in case revenues are below estimates.

Aside from initial staff expense, the DotAsia Organisation has a very low fixed cost base, providing a prudent level of flexibility to adjust to volume. Our arrangement with Afilias is entirely variable on a per-domain-year-registered basis with no upfront costs, which minimises risk associated with technology and operational costs. Since Afilias already operates large scale registry systems, it is not sensitive to .ASIA volume fluctuations.

In the worst case (as discussed in the registry failure sections of the proposal), Afilias is prepared to maintain domain operations should the DotAsia Organisation fail for any reason.

The DotAsia Organisation is financially designed to succeed within a wide range of volume projections, and has established adequate safeguards should demand fall outside our expected volume levels to ensure that the registry continues to be viable and can sustain operations in a reliable and stable manner.

If realised volume is below our lowest estimate of 130,000 domains, the DotAsia Organisation will initiate a contingency plan that will ensure the continued viability of the organisation. This is possible because aside from initial staff expense, the DotAsia Organisation has a low fixed cost base, and the technical and operational costs (Afilias) are entirely variable.

The DotAsia Organisation realises that it's primary motive of serving its sponsored community is dependent on continued viability. To this effect, we have explored the following options, without any binding commitment from the organisations mentioned below:

1. The DotAsia Organisation may be able to co-locate at a participating Sponsor Member's facilities, / Co-Sponsor Members' facilities, as well as to leverage the capacity among the Members to reduce fixed costs.

2. The DotAsia Organisation may be able to procure supplemental funding as a loan from its registry services provider, Afilias. Afilias has indicated that it would consider funding short-term revenue shortfalls.

In the worst case (as discussed in the registry failure sections of the proposal), Afilias is prepared to maintain domain operations should the DotAsia Organisation fail for any reason. Even if this happen, both the Board <u>and</u> governance of the Organisation would remain intact (they are voluntary positions), ensuring that the charter continues to be observed. The DotAsia Organisation Board will work with both ICANN and Sponsor Members to identify an appropriate successor organisation.

While the DotAsia Organisation is both the "Sponsoring Organisation" and the "Registry Operator" in the application, we assume this question relates to the registry services provider, Afilias.

Afilias Limited ("Afilias") is a privately held Irish Limited company. As a private company, Afilias does not report financial results publicly. However, certain information regarding the firm is available and may be helpful in illustrating the firm's long-term viability. Specifically:

- Afilias is a profitable company - Since inception, Afilias has been prudent in managing its business, and as a result, the company is both cash-flow positive and profitable.

- Afilias is an ICANN-authorised Registry-Since 2001, Afilias has met or exceeded the requirements to be an ICANN authorised provider of registry services for a gTLD. ICANN requires Afilias to provide regular reports regarding these responsibilities.

- [CONFIDENTIAL INFORMATION REDACTED]

- [CONFIDENTIAL INFORMATION REDACTED]

- Afilias also provides services to ccTLDs-Afilias is also the official registry services provider for the nations of Antigua (.AG), Burundi (.BI), Gibraltar (.GI), Honduras (.HN), Laos (.LA), Seychelles (.SC), St. Vincent & the Grenadines (.VC), and Singapore (.SG), and provides IDN services for Belize (.BZ) and Tuvalu (.TV).

As a global organisation, Afilias has offices in Dublin, London, Düsseldorf, Toronto, and Horsham, Pennsylvania (near Philadelphia). Afilias has established long-term service contracts with established multinationals such as IBM and DSI Technology Escrow Services, Inc. (Fort Knox / Iron Mountain).

While no company can guarantee its long-term viability, we believe that Afilias has established a track record that supports our confidence that it can support this domain reliably.

7. Do you believe you have adequate staffing for disputes arising during the Sunrise period? If there are more disputes than anticipated, how would you handle them?

The DotAsia Organisation believes it will have adequate staffing for disputes arising during the Sunrise period. The Organisation intends to outsource the core verification processes to a competent provider to avoid overloading its internal staff as well as supplementing its expertise.

The Organisation may also explore leveraging its relationship with participating ccTLDs (Sponsor Members), to seek necessary regional or local policy advice in administering Sunrise disputes. Because ccTLDs currently handle dispute resolution processes for their respective domains, they are deeply experienced in the management of registration disputes in the Asia Pacific region.

The DotAsia Organisation may be able to learn from the experience and resources of Afilias to assist in the handling of disputes arising from the Sunrise period. Afilias has demonstrated a reasonable competence and has significant experience in managing these types of disputes based on its experience during the launch of the .INFO registry.

8. How much money has been allocated in the budget to enable a smooth transfer of the TLD to another operator in the event of Registry Operator or Sponsoring Organization failure? (For example, has a reserve fund been established to cover any financial obligations associated with multi-year registrations or other registry/registrar/registrant obligations?)

To ensure a smooth transfer of the TLD to another operator in the event of financial failure, the Organisation will work closely with Afilias, which has committed to the following:

- Continuation of registry services (DNS, WHOIS, EPP, etc.) and fulfilment of obligations for multi-year registrations;

- Frequent and standards-based backup and data escrow practices; and

- Contingency and transition procedures and preparations.

Under normal operations, .ASIA registration fees will be paid upon registration, meaning multiyear registrations will be paid by registrars "in advance." Afilias will collect these fees from accounts that registrars maintain at Afilias. Under normal operations, Afilias deducts its service fees from the registration fees and remits the balance to the DotAsia organisation on a regular basis. Should the DotAsia organisation cease to exist for any reason, Afilias would continue to operate normally, escrowing the balance of registration fees until such time as a successor operator is appointed. Net, we believe funds will exist to support ongoing operations even if the DotAsia organisation fails.

The financial plans for all High / Medium (target) / Low-Demands include an allocation to a reserve fund for contingencies to be set aside and accumulated over time based on the surpluses from the DotAsia registry. This contingency reserve fund is envisioned for the DotAsia Organisation's emergency use (such as short term cash flow or revenue shortfalls) and not as a specific reserve fund to facilitate a registry operator transfer in the event of the failure of the Organisation.

Should it be necessary to transfer the domain to a new registry services provider, Afilias is prepared to assist as needed in migrating the data.

9. What other products or services, if any, do you intend to offer that could impact the new TLD? Please specify whether such products or services would rely upon the same, or different, staff and other resources.

No additional products or services other than those indicated in the sTLD application are currently planned. The DotAsia Organisation intends to work through its Registrars, in accordance with its financial and resource capability and market demands and trends, to offer secondary services intended to promote the usage of the domain.

The term "Asia" represents both the geographic boundary of the intended region that the .Asia TLD is expected to serve and as a signifier of the cultural and common characteristics shared by the intended registrant group. We have interpreted the question above as relating to the charter and eligibility restrictions of the proposed sTLD, rather than requiring an explanation for the selection of the TLD namestring itself.

As discussed in the proposal, the DotAsia Organisation will adopt the boundaries defined by ICANN (http://www.icann.org/montreal/geo-regions-topic.htm) for the Asia / Australia / Pacific (AP) region as a basis for its scope of eligibility. This provides for a clear definition of eligibility based on the economies represented within the region.

The DotAsia Organisation views "Asia" as a term that appropriately embodies the diverse and vibrant Pan-Asia and Asia Pacific community, and a TLD namestring that is representative, short, recognisable and conceptually viable. The DotAsia Organisation believes that "Asia" as a term used for a TLD has broad significance, clear and lasting value, and creates a new and differentiated space that enhances the diversity of the Internet namespace.

The DotAsia Organisation has received a total of 31 signed letters supporting its proposal for the creation of a ".ASIA" sponsored gTLD registry. These include organisations and individuals that are representative of different parts of the Pan-Asia and Asia Pacific community.

Sponsor Members: As explained in the application, a key support community for DotAsia are the ccTLDs (Sponsor Members) in the region. ccTLD managers sponsoring over 72% of the registered domains in the region have already signed a letter of intent to become a member of the DotAsia Organisation (source: DomainWorldwide.com; excluding .cc and .tv). We believe that the endorsement of ccTLD managers supports our belief that a .Asia domain will benefit the community and the individual registrants in their region.

Many of the ccTLDs in the region are also active promoters of the Internet in their own markets, with mandates not limited to the operation of the TLD registry. Furthermore, many maintain very close and positive relationships with their national governments. As

such, they are also representative of their local Internet community, especially in a governance role (as envisioned in the framework of the DotAsia Organisation) for a TLD registry.

Co-Sponsor Members: Augmenting ccTLDs in the governance and sponsorship structure are Co-Sponsor Members from Internet / IT / community groups in the region. Not only do Co-Sponsor Members represent a geographically and demographically diverse group, their experience in community based policy making provides them with a unique perspective on the benefits of a .Asia TLD. Among the groups that have provided official support letters are: APNIC, (www.apnic.net) the largest and most well established Internet community organisation in the region; APNG, (www.apng.org) one of the longest standing Internet community groups in the region; APTLD, (www.aptld.org) (email support letter through the ICANN public forum) the most representative domain name industry group in the region; and PAN, (www.panasia.org.sg) which has many ties with local governments and intergovernmental initiatives in the region.

Non-sponsor support: The DotAsia Organisation has received signed support letters from 15 Individuals and Non-Members. These include well respected individuals, end-user groups (e.g. HKTUG – Hong Kong Telecom User Group), ISP associations (e.g. PISO – Philippine Internet Services Organisation, HKISPA – Hong Kong Internet Service Providers Association), government departments (e.g. Invest Hong Kong, Hong Kong SAR Government), quasi-government organisations (e.g. HKPC – Hong Kong Productivity Council) as well as ccTLD accredited registrars and ICANN accredited registrars (e.g. IP Mirror, Web CC, Netpia) in the region.

All signed letters of intent to join DotAsia Organisation as members and all signed letters of support can be found at http://www.dotasia.org/letters/ (electronic hardcopies are also included along with this document). From the list, notice also the range and breadth of the organisations both in terms of functions as well as in geography, from the Middle East / West Asia (e.g. IRNIC, AINC), to South Asia (e.g. INNIC), South East Asia (e.g. SGNIC, VNNIC, ccTLD-ID, DotPH), the Pacific Islands (e.g. IUSN), Australasia (e.g. InternetNZ) as well as North and East Asia (e.g. CNNIC, JPRS, KRNIC, TWNIC, MONIC), that have expressed support and excitement towards the DotAsia Organisation.

There are also support emails to the public comments forums (http://forum.icann.org/lists/stld-rfp-asia/ and http://forum.icann.org/lists/stld-rfp-general/) from other organisations and individuals, including a young professional (end-user) group in North America (NAAAP – North American Association of Asian Professionals, Toronto) with a broader perspective on .ASIA's significance outside of those residing within the eligible region.

Based on our conversations with many individuals in their personal capacity as well as in their organisational capacities, we believe that the following are some of the main reasons for their support.

1. ".ASIA" is a TLD name that is recognisable and representative of the community.

2. ".ASIA" is a TLD registry "for Asians by Asians".

3. ".ASIA" will for the first time give a clear recognition of the region on the Internet and allow Asian individuals and organisations to express their identity online that is globally recognised and meaningful.

4. The DotAsia Organisation is a not-for-profit organisation with a community-based, bottom-up framework that invites and encourages stakeholders from all parts of the community to participate.

5. The financial construct of the DotAsia Organisation is sound and leverages the already available resources in the industry well. This ensures a low-risk, low cost approach, which in turn places no financial burden on its members or the community as a whole.

6. The surplus proceeds from the DotAsia registry operations will be re-invested back into the community to aid the sometimes struggling technical development initiatives and projects in the region.

Besides the official signed letters of support from the organisations, the following are emails we have received from respectable individuals in the community supporting the creation of the ".ASIA" domain, as well as their support for the framework of the DotAsia Organisation.

From: hotta@jprs.co.jp [mailto:hotta@jprs.co.jp]

Let me express my sincere support for .Asia TLD sponsored by DotAsia Organisation.

- the concept of .asia

I think the concept of .asia proposal is very attractive and sound.

First of all, Asia is a social space in the real world and is already established as a brand in itself. A lot of entities and activities exist associated with the concept of Asia, and their Internet usage is rapidly growing. Therefore, .asia TLD must be very useful for these entities and activities.

Secondly, various languages and cultures exist in Asia, and many people in this area are not familiar with English alphabets. So, the usage of IDNs under .asia, including non-ASCII representation of .asia, will greatly serve the proof of concept of IDN-related policies and best practices.

- organization structure

The governance structure of the sponsoring organization, DotAsia Organization, is sound. ccTLDs are the most appropriate organizations to lead this initiative, because they are tasked with serving the local community, knowing its needs very well.

Proposed structure of DotAsia Organization has a mechanism that can reflect community's interests by adopting ccTLDs as key players in making policies.

- conclusion

I believe, if approved, .asia as proposed by DotAsia Organisation will introduce a unique and sound mechanism to serve Internet users.

Best Regards,

Hiro Hotta
JPRS

From: Charles Mok [mailto:charles.mok@halogroup.com.hk]

DotAsia and the ".ASIA" domain will present a unique identity and great opportunities for the Asian Internet community. It will also be a forum for better and more concrete cooperation for various parts of the Asian Internet community.

DotAsia's suggested model allows for participation from the Asian Internet community. It has the chance to develop into a platform for regional cooperation and to arrive at a win-win situation.

I hope that DotAsia's bid with ICANN will be successful and Asia can work with the world in developing best Internet governance practices.

Charles Mok
President, Hong Kong Information Technology Federation

From: Sin Chung Kai [mailto:cksin@sinchungkai.org.hk]

The Internet has been considered as Western based for too long. .COM, .NET and .ORG give people impression of being used by western companies and organisations. A top level domain name specifically for Asians is long-awaited as Internet in Asia is getting bigger and bigger, soon to surpass North America and Europe. .ASIA will be a top level domain name that, for the first time, gives a clear recognition of Asia Region on Internet. Mostly importantly, it will be run by Asians for the Asians.

The sponsoring organisation of .ASIA will be a not-for-profit organisation based in Hong Kong with community-based, bottom-up structure which allows all stakeholders around Asia to participate. The surpluses of the operations will be re-invested back to the community which is very important to the Internet development in Asia. I think it is the most appropriate structure for running .ASIA. And, because Hong Kong is a truly international city in Asia, it is the perfect home for .ASIA.

Sin Chung Kai
Legislative Councillor (Information Technology Functional Constituency)
Hong Kong SAR

From: sstseng-twnic [mailto:sstseng@twnic.net.tw]

I am very excited about the initiative of .Asia, which is a strong symbol to represent the Asian Internet community as a whole. Asian online community is fast growing and for global Internet users, so .Asia will encourage them to reach Asian region more easily.

Best Regards,

Shian-Shyong Tseng

From: yang yu [mailto:leo@cnnic.cn]

We are aware of the rapid development of the Internet in Asia and the increasingly close cooperation among Asian countries and regions. There are so many multinational corporations or organizations in Asia are prefixed with "AP" DotAsia may help to classify their position and define their scheme. It's also a good idea for promoting IDNs within the biggest IDN market. We hope DotAsia could achieve broader representative and operate soundly under the registry's administration and become a valuable addition to the namespace.

Leo Yu

From: Paul Wilson [mailto:pwilson@apnic.net]

My experience is that there have been many calls over a substantial period of time (since before ICANN) for a gTLD which provides a natural home for organisations, brands, activities and enterprises that are Asian or wish to be associated with "Asia". These calls appeared to reach a peak with the establishment of the .eu domain, which is perceived to provide a similar facility in Europe.

I support the establishment of ".asia" because I believe that there is sufficient demand to justify the domain. I support the DotAsia bid because it is a strong, responsible and well-supported bid which will provide direct benefits to Internet development in Asia through the accountable distribution of the financial surplus to be generated by the registry.

I also support this bid because it will be the first gTLD to be run by Asians for Asians. It is important, even urgent, for ICANN to support any such bids that can help to correct the current imbalance in global distribution of DNS responsibilities, providing that they are sufficiently strong to demonstrate a high chance of success.

The essential value of a gTLD lies in the level of demand for names within it, and as stated above I believe that for .asia there is sufficient demand to justify the entry in the root zone file. Because .asia is unique, having no direct intersection with other gTLDs (as there is for instance between ".com" and ".biz") the demand for this gTLD should be sustained in the long term, beyond short-term market or trend based influences.

Furthermore, the value of any particular gTLD registry lies in the specific benefits which are "given back" to the Internet community through the operation of the gTLD. In the case of .asia there is a clear intent as well as accountable mechanisms to ensure that benefits do accrue, and are distributed efficiently and appropriately for the benefit of Internet development in Asia.

There is a great need for Internet developmental activities in many parts of the Asia Pacific region, in the areas of technical Internet operations training, Internet infrastructure support, building of indigenous research and development capabilities, and education in aspects of Internet governance (to name a few). In meeting these needs, it is very important for funding and decision-making structures to be based in the Internet community itself, rather than in Government, Intergovernmental, academic, international development sectors. The "DotAsia" bid represents such an outcome, and as such has great promise the uniquely address important regional needs.

The bid, being based in Asia itself, represents the first gTLD which could be run by Asians for Asians. As there is no other example, and since the bid is clearly of sufficient strength to be successful, I suggest that it is in fact urgent for ICANN to approve this bid, in order to start to redress the current imbalance in the location of gTLD registries throughout the world. I hope that in future there will be substantially more gTLDs based in Asia and in other underrepresented regions of the world - this will only strengthen ICANN's own position within current and future political debates.

Paul Wilson
Director General
APNIC

From: LIM_Choon_Sai@ida.gov.sg [mailto:LIM_Choon_Sai@ida.gov.sg]

DotAsia represents a collective effort of ccTLDs in Asia and Asia-based organisations interested in domain names developments. It's the first time a region-wide effort launched to bring together parties concerned with domain names developments. Not only it serves as a registry, it also serves as a forum for interested parties to exchange views and ideas on how domain name registrations can be further enhanced to bring benefits to the Internet community at large. We have seen effort that has been taking place in other regions (eg DotEU) to create awareness and promote registration of names on regional basis, it's timely for Asia to think of a similar effort to complement ICANN to enhance the outreach to the region. We see DotAsia as complementing the activities of ccTLD or gTLDs rather than a threat to them.

Asia is a fast growing area and if we can create a registry or forum with Asian characters, features and cultural links to serve business community while supporting ICANN broad objectives, it's a worthwhile effort and deserves serious consideration.

It's hoped that DotAsia can function and develop into trustworthy partner with other ICANN stakeholders jointly to promote missions and objectives of ICANN.

Best regards,

Choon Sai

From: yktham@umac.mo [mailto:yktham@umac.mo]

I support the DotAsia Organisation's proposal and application for the .ASIA TLD. The plan is well conceived, which will serve the needs and aspirations of the growing local Internet communities in Asia in years to come. .Asia will give Asia's Internet users a potent, relevant top-level identification and recognition on the Internet.

The DotAsia Organisation has achieved broad representation of the local Internet communities in Asia and I trust it will serve its constituencies well.

Yiu Kwok THAM
Administrative Contact
Macao Network Information Centre

From: Indra K. Hartono [mailto:indrakh@idnic.net.id]

Because it is created as a non-profit service to the community, and whatever excess money it has will be used to develop the internet community in the region. Moreover, DotAsia might be domain alternatives to Asian Countries. Therefore secure e-commerce platform can be improve and build by its communities among Asian Countries as well.

A pan-asia identity is good to strengthen the region's socio-economic development and DotAsia can be cooperative forum among ccTLDs in Asia region. Especially in order to overcome the lack of DNS security mutually. Acceleration of IDN and IPv6 implementation can be carry out by DotAsia and Asia is where most people in the world live with non ASCII character.

Hopefully this will help create cohesiveness in the region, a domain where people can work together regardless of nationality background. We do hope there will be mutual secure DNS and e-commerce transactions, as well as multinational business entities alternative domains. Development on IDN and IPv6 issues will be important role in DotAsia and internet communities in Asia region may also achieve significant improvement.

B. Rgds,
Indra K. Hartono, MMIS
Country Code Top Level Domain Indonesia (ccTLD-ID)

From: Kenny Huang [mailto:huangk@alum.sinica.edu]

I'd like to support DotAsia because it is needed. Global competition is forcing local industry to continuously improve their operations, technology and product quality. There are more and more e-business collaborations in Asia. The Internet naturally become the excellent platform for electronic data interchange. With DotAsia, that strengthens the bundle of business collaboration, and brings new value to Asia.

Kenny Huang, Board of PIR

From: Izumi Aizu [mailto:izumi@anr.org]

The reason I support DotAsia is that the objective and the mission of this new domain/registry initiative:

As Asia and Pacific regoin has a very strong history of cooperation for the development of Internet, this "regional" namespace approach rides on this tranditon and will further extend this spirit of cooperation to the future.

And, as is stated in the proposal, the intention to use the surpluses of operation to "reinvest" for the advancement of Internet initiatives of the region, is a very unique and much needed approach for the region where many are still very poor and yet trying to use the potential of ICT and that of Internet to the socio-economic development. If approved, this approach will show a great precedence for the use of Internet resoruces for the larger social development, which we believe will be an important component of achieving the "Internet for all" objective we all share.

As is already demonstrated, this initiative, though first came out of Hong Kong, is now gaining wider support from many ccTLD managers in the region, and I believe as it develops it will further expand its support from most corners and islands of the vast region of Asia Pacific.

Thank you for your consideration,

Izumi Aizu
Deputy Director, Institute for HyperNetwork Society
and a member of ALAC, from AP region

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3. Which "non-participating ccTLDs" were invited to support your proposal? Please describe their reaction(s) to your request for support. Please also describe any other entities that were approached for support (other than those listed in your Application), including those that may have declined to respond or to provide support. Will it be possible for such ccTLDs and other organizations to participate as Sponsor Members and Co-Sponsor Members later?

As described in Question 1 of this Sponsorship section, the DotAsia Organisation is committed to an inclusive approach for the entire Pan-Asia and Asia Pacific community. As such, we have extended invitations to all of the ccTLDs associated with the 73 economies and regions identified by ICANN in the Asia / Australia / Pacific region. In addition, we also contacted many regional internet organisations. These invitations were distributed via e-mail.

Of those that have responded and for some of the Internet / IT / community groups in the region, we were able to engage in meaningful discussions with many of the individuals at these organizations. To augment electronic outreach, we visited about 10 ccTLDs and some of the local community groups, introduced the DotAsia concept at the APRICOT meetings in Kuala Lumpur earlier this year, and have presented our proposal at the AP* Retreat (http://www.apstar.org/kl/minutes.html) and APTLD meetings.(http://www.aptld.org/newsite/meeting/2004/20040226_APTLD_KL_AGM_Minutes.htm) The responses from the community have generally been encouraging.

The collective group of ccTLDs is not the "sponsored community" in itself. Nevertheless, these organisations represent their respective local communities in many cases. Furthermore, their expertise and experience in the governance and operation of a TLD registry or other public resources in the best interests of the community at large is a key element that the DotAsia Organisation envisions to leverage by inviting and encouraging them to participate and contribute to the governance of the Organisation. This in turn will ensure that the DotAsia initiative is operated in the best interests of the sponsored community.

Generally speaking, the following are some main reasons that we have heard from prospective Sponsor and Co-Sponsor Members who have not officially joined the DotAsia initiative:

1. Need more time – many of the organisations approached indicated that they would need more time to evaluate the level of commitment and benefits of their participation.

2. Beyond Mandate – some of the organisations and ccTLDs were not sure if their current mandate allows them to commit to participating in the governance of the DotAsia Organisation.

3. Competition – there is a worry from a select few ccTLDs that the ".Asia" TLD would bring further competition to their operations.

4. Wait and See – some organisations are concerned about the uncertainties of whether the ".Asia" TLD would be granted by ICANN, whether their organisation should align with Asia or the EU, or the future of the ICANN process in general.

5. Organization in flux – Some organizations were undergoing significant internal changes and were hence unable to engage with DotAsia Organisation at this time.

In summary, we believe that our outreach conducted to date has illustrated a broad and representative interest in the .Asia domain.   The organizations that have already expressed support represent a significant portion of the Internet users in the region, and some enjoy the endorsements of their governments as well.

Organisations that have signed on to support the initiative since our application was submitted in March, include:

- .IN - .IN ccTLD Registry

- .IR - .IR ccTLD Registry

- .KR - Korea Network Information Center (KRNIC)

- .NZ - InternetNZ

- .PH - PH Domain Foundation

- .SG - Singapore Network Information Centre (SGNIC)

- PAN - Pan Asia Networking, International Development Research Centre

- Asia Pacific Top Level Domain Association (APTLD)

- Netpia.com (ICANN-Accredited Registrar from Korea)

- Philippine Internet Service Organization (PISO)

The continued outreach and recruitment of Sponsor and Co-Sponsor Members is an important part of the mandate of the DotAsia Organisation. We believe that the diversity of the Membership would be very important to the continued relevance and viability of the Organisation. Sponsor and Co-Sponsor Members are welcome to join the initiative at anytime, and at a pace that they feel comfortable with.

Furthermore, the operational structure of the organisation does not place any financial burden on its Members, which means that ccTLDs and Internet / IT / community groups are encouraged to join without needing to worry about potential financial liabilities. The DotAsia Organisation has also allocated budget for outreach activities to continue to recruit Sponsor and Co-Sponsor Members through regional and international conferences (such as APRICOT, ICANN, APAN, APNG Camp, etc.), other gatherings and meetings as well as individual visits.

However, to address the concerns raised by the different organisations that have not yet endorsed the concept, the DotAsia Organisation will:

1. Continue to invite, outreach and keep its doors wide open for new Sponsor and Co-Sponsor Members at anytime and at the pace they are comfortable with

2. Work closely with participating ccTLDs to create win-win situations in the local market for the DotAsia registry as well as the ccTLD by focusing on market awareness and cooperative promotions

3. Continue to explain to prospective Members the vision and mission of the Organisation and how their degree involvement could be managed and defined by the Member themselves, and how their involvement would contribute to their local community, the regional community and the Internet community at large

4. Work closely with ICANN to complete the delegation of the ".Asia" TLD and demonstrate the viability of the registry

These are very important initiatives and are reflective of the commitment that the DotAsia Organisation has in operating the ".Asia" TLD in the best interests of the community it serves and the understanding and respect it has on the diversity of the Members it looks to include.

CAT

A) TECHNICAL

  re: Policy

    _____

    1. Is this TLD going to be "delegation only" (see, e.g.,
       http://www.isc.org/index.pl?/sw/bind/delegation-only.php)? If
       not, describe (i) other types you expect to support; (ii) how
       this will affect registrars' current processes; and (iii) what
       allowance you will make for technical difficulties in
       communicating with registrars?

       ---- Response: ----

       PuntCat does not currently intend to provide other resource
       records than NS RRs and the address RRs needed as glue records
       for IP numbers of name servers.

       In particular, PuntCat does not intend to use wildcards on second
       level.

       If this had to occur in the future, be that for use in future
       pplications or because it derives from an ICANN consensus policy,
       puntCAT would in that case implement those changes only after
       consultations with registrars and following ICANN-defined
       processes.

       ---- End of Response ---

    2. In the event a registrant is found in violation of the sponsored
        TLD policy, explain the process for addressing a violation,
        including what steps are taken to communicate with the
        registrant, and what technical actions will be taken.

       ---- Response: ----

       The following technical actions are available, among others, to
       support policy compliance verification and to act on suspected
       or proven policy violations.

       2.1. Change of Status of the domain name

       The change of the status of a domain is a formal action. It can
       be used as a form of communication with the registrant if the
       normal mode of communication (email) is not available.

       The SRS supports status flags for domain names and other registry
       objects such as contacts and hosts. A given object may have more
       than one status flag. If new requirements are discovered, new
       status flags can be defined as needed. Each available status flag
       has its own set of properties, such as whether it is published on
       the whois or not, or who can set or remove the flag (registrar,
       registry operator, sponsor, accredited policy compliance
       organization). Some status flags are purely informational, others

have an effect on registration or modification rights and/or on
the resolution of the domain. Each status flag can be one-to-one
to a translation in Catalan and any of the languages supported by
the SRS. The SRS stores the dates at which the status flags were
set and has the ability to cause these dates to be published on
the Whois.

The following status flags are planned to be available to support
policy compliance operations:
  - "under-investigation"
  - "under-dispute"
  - "pending-action"
  - "registry-lock"
  - "registrar-lock"
  - "transfer-prohibited"
  - "registry-hold"
  - "registrar-hold"

If a domain or contact object is placed on lock, the SRS
disallows changes. This can be used to prevent changes to domains
under investigation for policy issues. The measure can be
associated with a notification giving the registrant a deadline
for a response or, if applicable, measures to cure the policy
violation.

If a domain is placed on hold (e.g. registry-hold), it is no
longer delegated in the TLD zone. If case of registry-hold, set
by the registry or the sponsor, the registrar cannot remove the
hold flag.

The SRS allows the Sponsoring Organization to upload bulk
instructions for changes to status information. Alternatively,
the status can be changed using via the registry protocol and
over the web user interface made available to the Sponsoring
Organization.

A given registration can be associated in the SRS with a given
organization in charge of ENS for that name (ENS Organization or
ENSO). In this case, the respective ENSO can discharge its
compliance activities directly through the SRS on the basis of
permissions assigned by the Sponsoring Organization.

2.2. Deletion of Registrations

The Sponsoring Organization can cause a domain to be deleted on
the grounds of policy violation.

2.3. Updates to Automated Registration Rules

The SRS provides the sponsor with the technical ability to modify
the registration rules at any time.

If it is determined that a given domain name, or a given pattern
of domain names must not be registered, the Sponsoring
Organization can update the rules accordingly. In particular,

this may be the case if a name is deleted for policy violation
and the policy the re-registration should be inhibited from the
start.

2.4. Communications with Registrant

The registrant is required to maintain adequate contact
information including e-mail. In case of suspected or proven
policy violations, the Sponsoring Organization, or a body
performing that function by delegation, will contact the
registrant by e-mail. The SRS supports automated email
verification and notification functions, including the automatic
recording of confirmations via HTTP (proving that the registrant
has received the email and clicked on a link in it). Other means
of communications may be used in addition to e-mail as may be
justified.

The SRS supports the automatic setting-on-hold, after a deadline,
of domains where the registrant has not followed up on a
notification regarding suspected policy violations.

2.5. Status data provided to registrars (communication via
registrar)

Registrars can download the status information using the generic
data export function. This enables them to contact the
registrants through their own channels.

The communications via the registrar are no substitute for direct
notifications by the Sponsor, but provide additional security
against accidental communications problems (e.g. if the
registrant has lost his or her e-mail account, but maintains an
information channel via its registrar or a channel partner of
that registrar).

2.6 Relation to Dispute Policies and Mechanisms

Please bear in mind than the above points refer to the technical
options available in order to implement the Policies described in
our application (Please see Part B, point C Assurance of Charter-
compliant registrations and avoidance of abusive registration
practices, where the Charter Compliance Policy (CCP) is
described, and point D Assurance of adequate dispute-resolution
mechanisms, where the Charter Eligibility Dispute Resolution
Policy CERDP) is described on number 1, and the Compliance
Reconsideration Policy (CRP) is described on number 2).

CEDRP is a Dispute resolution Policy similar to those applying to
existing sTLDs. CCP is implemented by the Sponsor itself. In may
initiate either ex-officio (ie, following the routine checks
performed by the Sponsor) or through complaint from a third
party. In any case, the Sponsor will immediately sent out a
Notice of Compliance Check, and the name will be flagges us
"under investigation" (preventing transfers or DNS changes during

that time). If the Registrant fails to address the concrete claim
of Registration Policy violation during the following 30 days,
then the name could be either blocked (put on Registry-hold) or
removed (deletion), depending on the nature of the violation of
said Policy (which always would imply a period of registry-hold
status). Procedures for CERDP, CRP and UDRP will follow the
procedures and communication patterns followed by similar
policies on other gTLDs

---- End of Response ---

3. If there are plans to allow 3rd level registrations, please
   explain the selection process for these names, and the policies
   for registering them.

   ---- Response: ---

   PuntCat does not intend to offer third-level registrations (as we
   state on our Application, Part B; Naming and Conventions; First
   sTLD choice, Naming conventions).

   From a technical standpoint, the SRS has the ability to handle
   3rd-level registrations and apply specific rules to them.

   ---- End of Response ---

4. Will there be a policy on what eligible registrants may register
   in their domain? For example, on delegations? Will certain domain
   names be disallowed?

   ---- Response: ---

   4.1. No Technical Restrictions on Sub-domains

   SLD holders are allowed to handle their sub-domains without
   technical restrictions regarding the SLD zones imposed by the
   .cat registry. puntCat recommends that they follow generally
   accepted BCP recommendations.

   4.2. Security Restrictions for Glue Records

   Glue records ending in .cat can only be created in the .cat TLD
   zone if a corresponding parent domain exists in the .cat zone
   file. For example, the host ns.example.cat can only be created in
   the SRS if example.cat exists.

   Moreover, the creation or modification is only allowed to be
   performed by the registrar in charge of the underlying parent
   domain name. The registrar must apply equivalent security to
   ensure that glue records are only created at the request of the
   holder of the parent domain.

This restriction is current practice for all gTLDs.

4.3. Technical Ability to Apply and Change Registration Rules

From a technical standpoint, the SRS has the ability to require
certain properties in the eligibility records (ENS Records) for
any registration corresponding to a given pattern or lexical
property. Pattern-based rule elements are defined using regular
expressions. Lexical rule elements are defined using collections
of strings (e.g. all reserved strings based on protocol names).

The actual policies are set by the Sponsoring Organization. Any
changes are carried immediately.

4.4 Restrictions during Start-up Period

As described in our application (Part B, point C Assurance of
Charter-compliant registrations and avoidance of abusive
registration practices), during the Start-Up Period where some
specially-qualified registrants can apply for .cat domain names,
there will be rules restricting registrations to either the
applicants' trademarks, registered names, corporate names, or
other categories defined. For instance, writers will be able to
register the names of works they have written (the list of such
special entitlements and the procedure for compliance will be
defined in a case-by-case basis with professional Guilds or
associations).

4.5 Names reserved by the Sponsor

As it is the case in all gTLDs, the Sponsor will submit to ICANN
a list of reserved names, which will fall under two different
categories (as explained in or Application, Part B, Proposed
Extent of Policy-Making Authority): a Reserved Names list (one-
and two-characters; internet common protocols and applications;
etc) and what we described as Community-assigned names, as
defined in our Application, in Part B, dd New Value to the
Internet Name Space

None of these lists is complete as of now.

---- End of Response ---

_re: DNS _

_ _

5. Does TLD plan to use wildcard DNS records? If so, explain what
    will be the use and the types of records used.

    ---- Response: ---

PuntCat has no plans to use a wild card in the TLD zone file.

In line with registrants' freedom to define the delegations within their domains, there are no policy requirements preventing SLD holders from placing wild card resource records in their own zones on third or lower level.

---- End of Response ---

6.   In how many DNS zones are the NS records located? Is this zone in the requested sTLD or not? (I.e. how long will the chain of NS records be when chasing them?)

---- Response: ---

6.1. Allowed TLDs for Name Server Records

The Registry does not restrict the TLDs allowed for name server records other than to make sure, if need be, that those TLDs exist.

6.2. Glue Records Must End in .cat

The SRS does not allow the creation of glu records that do not end in the registry TLD (i.e. .cat).

6.2. Glue Records Required for Hosts Ending in.cat

Conversely, all host names ending in .cat are inserted as glue records in the .cat TLD zone.

In this respect, the security restrictions described under 4.2 apply.

6.4. Length of Chain of NS Records

As a result of the of the glue records restrictions for host names ending in .cat, the number of chain of NS records has a length of two for domains delegated to hosts whose names end in same domain.

If the hosts to which a domain is delegated do not end in the same domain, the length of the chain is not limited by any technical imposition from the .cat registry.

The TLD servers will be configured with standard methods to be configured to avoid inappropriate load due to erroneous DNS configurations, such as looping resolution paths.

This is the current practice in gTLDs. puntCat intends to follow the same practice because most gTLD registrars are used to it.

---- End of Response ---

7. Is this sTLD a candidate for filtering based on the TLD? If so,
   what will be effects on the operation/survival of this TLD if it
   is locked-out (i.e., if a large ISPs return "NXDOMAIN" for all
   queries for it)?

   ---- Response: ---

   The .cat TLD is not a candidate for filtering based on the TLD
   string. This is neither its purpose nor a reasonable expectation.

   It is well-known that accidental lock-out effects exist on
   application level. Most of these accidental lock-out effects are
   due to programs based on inadequate verification criteria, such
   as requiring that TLD have a length of two characters or be part
   of an enumerated list stored in the application. In this context,
   puntCat will do its fair share of an effort to promote the use of
   adequate verification algorithms.

   ---- End of Response ---

re: Operations

8. Please provide a statement about how often disaster recovery
   plans are practiced, and for which contingencies, including
   whether it operates over the Internet and what peers more
   exactly. Also: (i) in the event of a need for recovery from
   primary data server failure, would there be an interruption of
   service? If so, for how long? (ii) is Notification provided for
   failed transactions during a fail over? and (iii) what is the
   bandwidth allocation planned for the interconnection of data
   centers for synchronization purposes, and to the Name Servers
   serving the sTLD?

   ---- Response: ---

   8.1. Disaster Recovery Firedrills

   A disaster recovery firedrill is performed at the rate of one in
   6 months. The firedrills are performed on the evaluation systems
   and do not affect the production environment. The exercises are
   generally combined with other tests on the evaluation system, as
   the tests can be combined advantageously with the need to switch
   over between databases on the evaluation system.

   In addition to firedrills, switchovers between replicated
   databases systems have been performed to facilitate maintenance
   of the production environment. The successful switchovers
   demonstrate the viability of the concept.

8.2. Event of Primary Server Failure

In the event of a Primary Database Server Failure where the database were to have been corrupted, the techni al team at the main site can switch over to the replicated machine at the same site, or to a remote replicated machine. The preferred solution, if possible, is to switch over to the local replicated backup database.

It must be pointed out that the SRS is composed of fully mappable resources, i.e. separate storage-attached networks (SAN) can be mapped to servers which in turn can be swapped on the basis of purely logical instructions, without physical intervention.

In case the data itself on the main RAID array were to have become unusable, a switch-over is performed manually after consultation between the members of the technical teams.

8.2.1. SRS Service Availability in Case of Failover

A switchover from the primary database server to the replicated backup database server at the same location can be performed within minutes. However, given the residual risks, notably the possibility that the original cause of the crash could possibly have had an effect on replication before the crash occurred, a switchover will only be performed after proactive verification.

As a result, in the case of a Primary Database Server failure, the switchover will most likely involve two to six hours of during which registrations cannot be updated. CORE feels that in this respect, prudence is preferable to minimizing the SRS downtime at all costs and risks.

Of course any SRS downtime has absolutely no effect on the TLD servers' 100% availability.

In case the SRS needs to be switched over to a remote server. As the remote server runs on different IP numbers and IP numbers cannot be mapped to a remote system. In this case, the domain names are mapped to the new IP numbers.

Given the fact that the whois server is remote, users can still obtain the latest registration data even if the SRS is unavailable.

8.2.2. Failed Transactions in case of Fail-over

The SRS protocol provides synchronous responses to requests sent via a socket interface or HTTPS. If is down, the requests are not delivered and error messages are returned by the transport-level protocols. As a result, there are no backlogs of unprocessed requests. In case of requests sent by e-email, they will be queued on the mail server if the SRS does not process them. They will be forwarded to the newly activated backup system unless the registrar requests their deletion.

As a general rule, registrars only rely on transactions which returned a success message. The lack of a success message must be interpreted by the registrar to the effect that the request may have failed.

The registrar can absolutely rely on the success messages. A concept based on dispatching a list of "failed" requests could never be reliable because the system could have failed to send a failure message.

8.2.3. Bandwidth between Interconnected Data Centers

At the age of streaming video and high bandwidth to people's homes, bandwidth is no longer the limiting factor for database replication.

SRS and standby components are currently linked at bandwidths in excess of between 15 and 34 Mb/s. Peripheral system components such as Whois and Account servers have been tested to provide 2Mb/s in sustained throughput on the route from the main SRS or the remote backup SRS site.

It must be pointed out with respect to synchronization that this process occurs continuously, so that in the event of a crash there is not need to synchronize the central database tables. Additional, non critical data may be synchronized later.

8.4. Bandwidth to Name Servers Serving the TLD

All TLD servers are hosted at central locations with substantial available bandwidth in excess of 150Mb/s. The limiting factor is thus the route in-between the stealth primary server and the various TLD servers, or throttling on the respective servers' interfaces. CORE's statistics show that TLD server AXFRs take place at a speed of 2 Mb/s at least. Given the modest size of the zones currently transferred, the actual throughput is certainly much higher. Both figures are by far in excess of the highest imaginable requirements.

It can therefore safely be said that bandwidth to TLD servers is not an issue unless it is affected by causes totally unrelated to the registry operations.

---- End of Response ---

9. Do you - or your subcontractors - have plans to use recent standards developed by the IETF for DNSSEC and CRISP?

    ---- Response: ---

    9.1. DNSSEC

    Both CORE and puntCAT are firmly committed to offering DNSSEC once the standard is fully operational. Recent discussions in the DNSSEC working group related to the danger of zone file mining

have raised fears that finalization may be delayed by another
year.

As CORE already runs the .aero SRS, it regards DNSSEC is a
central concern. Thanks to its running on the same technology,
.cat is likely to be one of the early adopters of DNSSEC.

puntCAT will offer to participate in the beta-testing of DNSSEC
as it evolves. We would supply plans for signing the sTLD zone
and we would certainly registeer DS records for registrants.

9.2. CRISP

Both puntCAT and CORE fully support the objectives of CRISP and
the endeavors to develop it. CRISP has a particularly important
role to play in view of the shortcoming of the Whois protocol and
the lack of standardization in the alternative methods to balance
privacy and authorized access.

However, neither CORE nor puntCAT nor anyone else can make the
use of CRISP a reality by decree, or simply by implementing it on
the server side. The objectives of CRISP are extremely ambitious,
as is its architecture - namely the use of a new transport
protocol (BEEP) with which the Internet community has little
experience to date. puntCAT and CORE therefore feel that
temporary alternatives to CRISP need to be offered as well, in
particular the option of access authentication and additional
request standardization in conjunction with the currently used
protocols (port 43 whois and web whois).

puntCAt will apply ICANN consensus policies related to Whois
access. It will actively participate in the elaboration of
recommendations to registries. CORE will ensure that the
recommended protocols, including CRISP if part of the
recommendations, are supported.

---- End of Response ---

10. Could you please clarify your position on IPv6 transport+glue and
    IDN, including mappings between non-ascii and ascii characters?

    ---- Response: ---

  10.1. IPv6 Transport And Glue

  It must be expected that for some time to come not all portions
  of the Internet support IPv6 Transport. puntCAT therefore
  recommends that in addition to IPv6 IP numbers, name servers have
  also IPv4 IP numbers and that both types are reflected in NS
  records and hosts provisioned in the .cat registry.

  Moreover, as IPv6 IP numbers are partly dependent on the upstream
  connectivity provider, a given name server may have more than one

IP number depending on the route through which it is reached.
Those IP numbers should be reflected in the glue records.

However, puntCAT does not currently intend to apply algorithmic
rules to this effect. Correct configuration is the responsibility
of the users.

10.2. IDN ascii/non-ascii Mapping

IDN is supported for characters appearing in the Catalan
language.

To minimize conflicting ownership of domain names perceived to be
equivalent in view, the SRS ensures that they are registered by
the same applicant. The verification is purely algorithmic: for
any IDN registration, the SRS verifies that the corresponding
ascii registration is registered to the same Registrant object ID
(handle). If the matching ascii registration does not exist, the
registration is rejected. If the matching ascii registration is
not attached to the same registrant object ID in the database
(registrant contact handle), then the registration is rejected.

The algorithm to discover the matching ascii variant is such that
for a given Catalan-language string only one ascii string is
found. The mapping is performed as follows:

```
1    à (U+00E0) "a" with GRAVE      : mapped to "a" (U+0061)
2    é (U+00E9) "e" with ACUTE      : mapped to "e" (U+0065)
3    ê (U+00EA) "e" with CIRCUMFLEX : mapped to "e" (U+0065)
4    í (U+00ED) "i" with ACUTE      : mapped to "i" (U+0069)
5    ï (U+00EF) "i" with DIAERESIS  : mapped to "i" (U+0069)
6    ò (U+00F2) "o" with GRAVE      : mapped to "o" (U+006F)
7    ó (U+00F3) "o" with ACUTE      : mapped to "o" (U+006F)
8    ú (U+00FA) "u" with ACUTE      : mapped to "u" (U+0075)
9    ü (U+00FC) "u" with DIAERESIS  : mapped to "u" (U+0075)
10   ç (U+00E7) "c" with CEDILLA    : mapped to "c" (U+0063)
11   Ela geminada (U+0140 "l" with MIDDLE DOT): mapped to "l-"
(U+006C U+002D)
11a Ela geminada as substring composed of "l","middle dot" and
"l" (U+006C U+00B7 U+006C):  mapped to "l-l" (U+006C U+002D
U+006C)
```

The mapping is performed on the lower-case letters. Registrations
are converted to lowercase before the analysis begins.

Punycode treats the letter U+0140 as equivalent to the string
U+006C U+00B7 . Example: xn--collegi-xma.cat

The ela geminada represented as the substring "l.l", though
perceived as a non-preferred substitute for the substring "l"
"middle dot" "l" (l U+00B7 l), is not mapped because the dot
period character is the separator for labels in domain names.

The apostrophe character is not allowed as it is excluded by
virtue of the IDN standards.

Any IDN domain in the .cat registry is thus recorded with a pointer linking it the mapped ASCII domain. This link can be used to prevent the deletion of the underlying ASCII domains without the prior deletion of the dependent IDN domains.

No restrictions apply to the modification of ASCII domain, but IDN domains can only be modified in a way that the resulting records shows the same registrant handle as its underlying ASCII domain.

From the Policy side, as we explain in our Application (Part B; Add new value to the Internet name space), we won't allow IDN-only (punycode) registrations and we will not until such time as the vast majority of web-browsers support them natively (ie, without user-installed plug-ins) and also a solution for mail is found (and perhaps for some other DNS-reliant services, but the two mentioned here are the minimum requirements). Allowing independant non-ASCII names as of today could amount to a huge level of frustration aomng users (registrants or not) as they would be paying for a service thatn, in practice, cannot be used. We offer to experiment with the easy translation table proposed above, and test how people get used to cope with it. Furthermore, in case IDNs as we know them today should be re-encoded (because of new Unicode or protocol-related requirements) or abandoned altogether, .cat registrants would already have a simple, guesseble, smooth-transitioning alternative. This is something that cannot be done when applying IDns to registries with exisitng ASCII-only zones.

BUSINESS / FINANCE

2. Can you please provide (i) documentation (signature/ letterhead) of the loan guarantees [CONFIDENTIAL INFORMATION REDACTED]; and (ii) documentation (signature/letterhead) of the line of credit from the bank, which you mention.

--- Response ---

[This part was already sent in our responses to Part B) Business / Finance]

As agreed with the Independent Evaluation Process Project Manager, an extension of this question has been obtained (until Monday, June 28th, 16:00 UTC). We hope nevertheless to be able to provide such documents by Friday 25th (June 24th being a local bank holiday).

We would like to underline that, as we wrote in our Application, we haven't opened the line of credit as of now. The Association would face serious and unnecessary problems from the accounting and tax perspectives if that credit was made available on its bank accounts, given the nature of its current activities (only one: being a vehicle for the .cat application process). And in case of effective delegation of .cat, the Sponsor would be a yet-to-be-established Foundation, which is the designated beneficiary of both the credit and the linked guarantees. The documents we submit are therefore contingent upon ICANN's approval of .cat and the Foundation being set up. It does not mean that the line of credit would only be materialised upon signature of the contract between the Sponsor and ICANN (it would certainly happen before that). But given the accounting and tax constraints already mentioned, it only makes sense to enact it at a stage of the application process (to be determined in conjunction with ICANN).

[Annexes to be sent by Monday, June 28th]

[Part of Response added on Friday, June 25th, with annexes]

--- CONFIDENTIAL INFORMATION---

 [CONFIDENTIAL INFORMATION REDACTED]

SPONSORSHIP

1. Please provide signed letters that are representative of all parts
of the Community that you propose to represent, detailing the
particular reasons for their supportf. You should include similar
letters from all supporters mentioned in your application (other than
those covered under Business/Financial Q2 above). (Note: We wish to
assess the breadth as well as the depth of support.) Please also
describe any other entities (including regional or national
governments) that were approached for support (including those that may
have declined to respond or to provide support), and their reaction(s)
to your request.

1.1 Letters from representative parts of the Community

Associació puntCAT is a membership non-for-profit association which
only goal is to promote the establishment of a .cat TLD, and to help
launching and managing it. This Association will not become the Sponsor
of the .cat TLD, which would in that case be a yet-to-be-established
Foundation (Fundació puntCAT). The Association is merely the vehicle of
the application process, and an outreach tool.

As such, some decisions were taken: only legal entities, no individuals
could be part of the Association. Membership came though invitation,
and invitations came through proposals of current members. Three
sectors were specially envisaged: entities promoting Catalan-language-
related activities; entities promoting other aspects of Catalan
culture; entities specially active on the Catalan Internet community
(as the goal was the establishment of a TLD for precisely that
community). Membership organizations would be preferred over individual
entities, and we would look or the most representative ones in each
area. Lots of membership requests have therefore been hold until such
time as the Foundation is created.

Nevertheless, we have obtained express support (even if in online form,
and not in more traditional signed letters) from an astonishingly large
number of people (see 1.1.2 below).

1.1.1 Support from members of the Association

Associació puntCAT currently has 73 members. All of them (except the
threee founding members, Institut d'Estudis Catalans, ISOC-CAT and
CCRTV) have submitted a signed letter of application where they:
accept the Association bylaws, which in article 2 say that the goal of
the association is to promote the creation of a TLD and to manage it,
and in article 6 establishes that member duties are to promote those
goals and to financially support the Association, among others (see
Annexes 1 & 2 to this question for the original Catalan version of the
bylaws, and an unofficial English translation. Annex 5 & 6 contain the
original Catalan text and the unofficial English translation of the
membership request form. Annex 5 contains scanned versions of all the
individual membership form).

In order to explain the relevance of each member, we have outlined in
Annex 7 the nature and field of activity of each of the 73 members
[Unfortunately we have only been able to complete the description for a
small part of them, due to time constraints.]

We would like to draw the Evaluators attention to the fact that Associació puntCAT is by no means a generic-purpose association, but an entity created with the sole goal of this application process. Our membership came with this goal in mind, and with the commitments expressed in the Bylaws of the Association and those expressed on the bylaws of the future Foundation (approved by the General Assembly of the Association, annexed with numbers 7 & 8).

We are not claiming any indirect commitment or legitimacy. We do not pretend that all writers who are members of the Catalan Writers Association of the Catalan PEN Club have made those commitments, or are represented by Associació puntCAT. But we hold a strong and direct commitment to support the establishment, funding, technical operation and outreach of the Registry from each and every of those members. And collectively, our members represent a very significant part of our target community.

1.1.2 Support from non-members

During the Public Comment Period, Associació puntCAT launched a website and an online petition for support. The text of the petition (Manifest) is attached with numbers 9 & 10, again in its original Catalan version and its working English translation.

The answer from our community was overwhelming. Just with the help of the promotion made by our members and a single press realease (and a total marketing expenses for the Association of exactly 0 euros!) we received some 60.000 express statements of support. Each of them with name, email address, postal address, legal form and tax identification number for enterprises and national identity card or passport number for individuals.

The breakdown of the total number is as follows:

• Non-for-profit entities (all types): 790 (see Annex 11) • Corporations (commercial): 1,459 (see Annex 12) • Individuals: 58,022

The number of overall surprised us. Even more astonishing is the number of statements from commercial corporations , as companies are usually less likely to support online petitions than individuals.

[Unfortunately we cannot provide the Evaluators with the contents of the file regarding to individuals right away. Our domestic (both EU and Spanish) Personal Data Protection legislation require a specific procedure for exporting such data outside the EU, including formal representations and guarantees from the receiving end. We are certainly open to discuss the best way to do so, as we have already communicated to ICANN officials and the Project Manager.]

The reasons for supporting the initiative might be different for each statement. We only know that they have expressely supported the text of the Petition we attach as anexes 9 & 10. Some have offered to promote the Asociation, or the TLD when approved. Many have enquired about their involvement in the policy-making process (which is open to anyone, as outlined in our Appication and the bylaws of the Foundation

attached as annexes 7 & 8). Some have offered financial contributions. All respondents have expressed their support to the initiative and their willingness to obtain a .cat domain and to somehow be active in the process.

As for the reasons for support expressed in the comment area, there are certain common patterns. The most generally stated view is that .cat would reinforce the visibility and the long-term viability of Catalan-language. The Internet is seen as an area where our language is under-represented, and such a TLD stands as a tool to enhance its presence. Many insist in the need to have choices as to the types of TLDs that are available. Many supporters simply state that they find it a good idea, without further elaboration. The wider cultural aspect is less present than the linguistic one. Identity reasons, or political statements are also present, even if in a lesser proportion. The exclamation "And why not?" is a recurrent comment, indeed.

[We are unable, both in terms of time, human resources and finances, to translate or further analyse in a more sientific way the thousands of comments. Please take the above comments as the impressions gathered along the last three months by the people following the website, and a quick perusal of the comments during the last few days.]

1.1.3 Letters specifically written to address the question asked by the Evaluators

If the online petition described above and the membership campaign where absolute successes, the response to the request we made in order to obtain letters specifically for this purpose is of course slower. For one thing, many if not all of our members are Associations, Federations or other membership organizations which process for authorizing the issuance of public letters take longer than four working days. We should also express the negative reaction that some of them had when they were told that the letters as such would be made publicily available on the Internet. It is a fact that in some part of the world this is not usual at all (one thing being the very nature of the letter, and its content, and a very different one being the physical expression of the letter, and even more specially, of a signature).

In any case, we attach (numbered as annexes 13 to 18) letters from both members and non-members of our Association for this specific purpose, offering support in all areas, from technical support, to managerial to outreach and marketing.

1.2 Regional or national governments that were approached for support (including those that may have declined to respond or to provide support), and their reaction(s) to your request.

We are unfortunately unable to address this question under this form. We have requested that this answer be treated confidentially, and the response from the ICANN review panel has been rather inconclusive.

What we can say now and here is that we have only held some informal conversations with a series of Departments and officials in different

administrations and for different purposes. Most of them have been purely informative on our side. Some have explored the possibility of obtaining a grant for the future Fundació puntCAT, linked with the availability of such grants for activities/entities promoting Catalan language in specific areas. (As you know, most European admistrations are firm believers of "positive discrimination" in the cultural field, and this is specially so in the area of Catalan language, given its recent history of legal and social marginalization.) We hope to obtain such a grant in the future, but no commitment has been made by any Administration (and, as we explained in our application, no provision in this respect is included in our financial model).

No other kind of specific support has been discussed and, in any case, we do not have any right nor the permission to disclose the exact content of any of those conversations. It was certainly not possible to obtain formal permissions or statements in the last one-and-a-half working days, especially as it was clarified that this part of the responses was not to be treated confidentially as a whole.

We are absolutely confident that Associcació puntCAT and the Project Manager will find a way to communicate more precisely the names and offices with whom we have approached, now prevented by the short deadline provided. But Associació puntCAT will in no circumstance be the appropriate channel to express the position regarding .cat or any other ICANN-related affair from any Governmental agency. This can only be done by those Governments themselves.

--- End of Response ---

2. Do you have a plan for outreach to Catalan-interested organizations on a global scale?

--- Response ---

We have a plan, which is not finalised in all its details. It will mainly consists of three different approaches and phases.

2.1 Outreach through current Associació puntCAT's membership

As described now in other parts of these responses, the main choice of membership when designing Associació puntCAT was precisely the presence of those membership entities having a strong presence on the different fields of the Catalan cultural community (Academia, media, publishing industry, cultural promotion in Catalan-speaking areas and abroad, etc.). Our members are our own main tool for the outreach plan. A clear proof of their commitment and efficiency have been the nearly 60.000 expressions of support during the Application Public Comment period, already mentioned in question 1 above.

We cannot overstress the broad representativity of our membership. It will only increase once the Foundation has been set up, as the current base has been drawn mainly by individual invitation, based more on

rerpresentativity and diversity than exhaustive inclusion.

2.2 Awareness of the "rest of the Community"

As wide as the reach of our members alone could be, it will always be a
fraction of the interested Community as such. We are currently setting
up a list of alternative communications channels (be that online or
offline media, meetings, events, Conferences,...) where the .cat TLD
should be present or represented. We are also enquiring into the
availability of our members, or third-parties, in order to help us gain
presence and therefore increase awareness of the .cat TLD.

2.3 Outreach beyond the Catalan cultural and linguistic community

The .cat proposal is not just a proposal for the Catalan-speaking or
Catalan culture related community. It is an identifier to be used both
for that Community and for those interested in addressing that
community
in order to offer their services or products (with the restrictions
established in the Eligibility Policy). Therefore, in a later phase
(certainly after the Start-Up Period, possibly by the end of the first
year of operation), outreach effort will be extended to the Internet
community in general. One of the objectives is to present the .cat TLD
Community and explain what uses of .cat would be convenient for those
willing to communicate with that community, and which ones would be
encouraged, and allowed).

In order to do this, we first need to engage our own community. This is
why the previous two points will have absolute preference in terms of
time and resources.

--- End of Response ---

.jobs Response to Sponsorship Questions Promulgated on June 17, 2004

1. Please provide signed letters that are representative of all parts of the Community that you propose to represent, detailing the particular reasons for their support. You should include similar letters from all supporters mentioned in you application. (Note: we wish to assess the breadth, as well as the depth, of support.)

Answer:

Please see the attached .pdf file which contains a signed copy of each letter from the following:

Name	Position	Company
Lev Gonick, Ph.D.	Vice President for Information Technology Services/CIO	Case Western Reserve University
Scott DePerro	Managing Partner	Goldstar Holdings, Ltd.
John Graham	Chief Executive Officer	Nationwide Advertising Service
Ray Leach	President & CEO	JumpStart Inc.
Susan R. Meisinger, SPHR	President & CEO	The Society for Human Resource Management
Gary Rubin	Vice President Publications and New Media	The Society for Human Resource Management
Jamie Kellner	Chairman	ACME Communications, Inc.
Martin Pompadur	Chairman	News Corporation Europe
Raynor Dahlquist	Acting Vice President	VeriSign Naming & Directory Services
Ray Fassett	Vice President	Employ Media LLC
Thomas J. Embrescia	Chairman	Second Generation Ltd.
Scott Finerman	Treasurer	Second Generation Ltd.

Employ Media may supplement this list with additional letters of support, as agreed with Ms. Miriam Sapiro, until and including June 28, 2004.

2. Please elaborate, consistent with the RFP criteria (concerning enhanced diversity of the Internet name space), how the new sTLD would create a new and clearly differentiated space, and satisfy needs that cannot be readily met through the existing TLDs.

Answer:

I.   Distinct Message

Current TLD's connote general business, commercial enterprise, non-profit organizations, educational organizations, museum organizations, cooperatives, airline industry enterprises, general information, individual countries, and individual users. With the exception (by design) of gTLD's, each has a diverse purpose or mission for existence in the DNS name space.

The .jobs TLD is to connote jobs. It is to be a name space for employers. Or more specifically, the Community of members tasked to carry out the very distinct organizational mission of communicating employment opportunities and benefits of the organization. This communication is a common mission that transcends size, location, products, services, or whether designated for-profit or non-profit. Jobs are the product that the Community needs to market on behalf of its employer. Community focus is not to market commerce, airports, museums, individual names, not-for-profits, or cooperatives. The focus is to bring jobs to the market place and the .jobs TLD provides an exact navigational identifier to provide employment related purposes not fulfilled by the intended mission or purpose of any other TLD. This message makes .jobs distinct and differentiated.

II.   Community Task and Opportunity

It is a function of every employer business to promote and otherwise make available employment opportunities. No existing TLD fits this distinct and differentiated mission. The strength of the diversity resides within the Community tasked to carry out this organizational mission. This Community has long established itself as one tasked with the responsibility to market jobs. People recognize, and rely upon, this Community for this diverse purpose. It is a differentiating factor.

In reality, the diversity of this Community is characterized by their shared goals, challenges, and objectives regardless of other business influences such as competitive pressures or physical geographic location. Recruitment is a main staple of this Community. No other Community is recognized for the same traits and focus as that of the HR Community. And this is what defines the diversity of this Community. Diversity of the name space is to be achieved from within the Community in the very same capacity it has historically proven capable through its use of media that long pre-dates the Internet.

The general populace (those seeking employment opportunities to the tune of over 5,000,000 per day) rely upon this Community for its distinct and differentiated purpose and mission on behalf of the employer organization. This reliance has translated to the Internet in a manner that has increased year-over-year. It is a distinct and differentiating factor. The opportunity for the name space, in its own evolution, is to translate this diversity through this mobilized Community vehicle via a focused TLD to serve this purpose and focus. No existing TLD maximizes this opportunity nor can one readily meet such purpose. DNS is a crucial communication tool of this medium. And the top level identifier is indeed a crucial point of differentiation.

The marriage of a TLD with the focus of employment recruiting offers differentiation for the employer organization, the distinct Community tasked with this mission, and the general Internet population that has historically relied upon this Community. The Internet medium has served to increase this reliance level in a manner unparalleled prior to. Diversity and differentiation of the name space will derive from the Community because it has proven this capability, or relationship with the labor market, long before the advent of the Internet, DNS and TLD's. It is a proven source. Again, the opportunity is for the TLD naming arena to take full advantage of this at a time it is able by way of willing, motivated, and very qualified participants – each expert in their respective fields of HR, technology, and promotion - that have come together to place this

application forward in a manner that conforms well to a myriad of complicated issues that have, in the past, proven elusive to its own evolution.

III.   Representing the Company Name

.Jobs is an innovative naming tool, to reside at the top level, to marry the company name directly to its employment opportunities that provides a resource locator far more closely related to the historical relationship of employer and job seeker. This marriage correctly falls under the jurisdiction and mission of the HR community, on behalf of the employer organization, and is the source job seekers would expect. This is a differentiating factor of the .jobs TLD as no existing TLD, standalone, provides or was created to provide, the job seeker this assurance.

The Community carries a distinct purpose and message within the Internet medium, commonly known now as e-recruiting. It represents the company name in the mission it is charged to carry out that includes the World Wide Web of which URL's remain an important source. Motivated job seekers, in the traditional sense, recognize the company name as an identifier. The basis of this motivation, for the job seeker, is for the specific purpose of employment related opportunities in relation to the company of interest. This naming relationship – of the two groups being employer and job seeker - is already well recognized and ingrained within the recruitment process and has been for decades. The Community has long represented the company name with little confusion but certainly for a differentiating reason and purpose.

Today, millions of employment URL's in existence represent the distinct purpose. Put another way, employers have employment URL's. But one is not going to confuse the purpose of an employment URL to that of a home page URL or, for that matter, the purpose of any other URL. This is a distinct and differentiating factor not be confused or inferred that current TLD's readily meet the need of this company name relationship between employer and job seeker. In fact, .jobs is an innovative top level approach to address a default evolution that is more of a derivative out of necessity for the Community to carry out its assigned task.

Today it is quite logical to reason the facilitating nature of exchange of the Net that has impacted, if not revolutionized, the relationship between employer and job seeker would produce a particular value equation for all concerned; a value equation that is increasingly maximized the more efficiently the Community can direct the labor market to the exact navigational destination of its employment opportunities. Tools or products that provide the Community this opportunity is a differentiating factor and purpose of the .jobs TLD.

IV.   Innovation

Innovation includes the improvement of products and services and is what drives differentiation. .Jobs is differentiation of the name space by way of innovation that is able to remain within the scope of DNS functionality in its most pure sense (i.e. the product of simple domain name resolution). Fragments of the Community have made an attempt to innovate under current naming constructs. One is example is the FBI that moved away from .gov to fbijobs.com as a method of differentiation to its jobs page.

The employer URL is representative of a Community purpose, or organizational mission, well understood by the labor market. The evolution of the companyname.jobs name space will be a mirror image that absolutely includes differentiation in a manner that is consistent to what this Community has historically proven to be representative of, including its more recent history of participation with DNS resource locators. People understand the purpose, mission, and differentiation of an employment URL, as confusing, absent of conformity, or long winded as these may be today within current default naming structures available. .Jobs is improvement of a product, in this case being employment URL's, to the benefit of the Community and job seeker relationship. It is innovation at the top level that inherently means differentiation to those that interact with it, potentially in the millions per day.

Community participation with employment URL naming schemes to date is further evidence that this differentiation will translate to the more simplified top level name space structure but is in reality simply consistent with the historical relationship this Community has shared with the labor market on behalf of the employer organization. .Jobs is to serve this purpose currently not satisfied, nor possible to be, by existing TLD's given the comparative purpose or differentiating factor for the existence of each. It is not reasonable to expect that TLD's created for entirely different purposes can satisfy this purpose for the Community it is intended to be created for in addition to the labor market it is obligated to communicate with. For reasons described here, .jobs is clearly an innovative, differentiation of the name space.

3.   Do you have a plan for outreach to less developed countries to make the sTLD more global? And how can the sTLD improve the use of the Internet in that part of the world?

>   Answer:

The search for a job (and related HR services) is an endeavor that has importance in every geographic region in the world, for every region has employers that need employees and potential employees who need a job. While the volume and/or density of employers/employees may be greater in more developed countries than in less developed countries, HR services (including job posting and searching) play an important role in every country, including less developed countries. In this light, the marketing and pursuit of jobs is truly global and generally spans all demographics, including those typified in less developed countries.

Employ Media believes that this solidifies Employ Media's vision that the Community has great breadth and depth. The fact is that the Community is not just limited to members in more developed countries; wherever there is employment, wherever an employer seeks employee(s), wherever the human element of an entity is managed, the Community exists. This is true in most, if not all, less developed countries.

Employ Media plans to promote the .jobs sTLD globally, to the entire Community, including representatives/members thereof in less developed countries. To the extent that entities and/or organizations exist which endeavor to promote employment and/or human resources in less developed countries, Employ Media will seek to work with such entities and/or organizations in order to promote the .jobs sTLD therein.

For example, it is anticipated that the initiation of the .jobs sTLD will begin with one or more start-up periods, the first of which is currently planned to be directed to employers who employ or are represented by Qualified Applicant(s) who are registered members of a Personnel Management Association (a "PMA"), such as a member of the World Federation of Personnel Management Association ("WFPMA"), of which SHRM is also a member. PMA's exist throughout the world, including representing Community members in less developed countries. Employ Media plans to promote the .jobs first start-up period by targeting such PMA members. To the extent Community members of less developed countries are represented in such a PMA (which is a near certainty in light of the global presence of PMA's), they will be specifically targeted by Employ Media.

In a further example, SHRM boasts membership in over 120 countries, including some which may be considered "less developed." Employ Media and SHRM anticipate particular outreach to all SHRM members in terms of .jobs sTLD promotion. Such an outreach will clearly extend to such members in less developed countries.

In still a further example, both Employ Media and SHRM are committed to and will promote openness and transparency in managing the .jobs sTLD and in policy making. See, Part B - Application Form (Openness and Transparency). This includes providing mechanisms, including internet forums, for soliciting Community input and disseminating .jobs sTLD information. All Community members of less developed countries, and indeed all people in less developed countries, will be invited to access such forums, receive the information and voice their opinion in .jobs-related matters.

The .jobs sTLD can improve the use of the internet in less developed countries by providing a simple, easy and intuitive way for potential employees to connect to prospective employers. A difficulty prevalent in less developed countries regarding the Internet is a lack of education in how to use the Internet. Users (potential employees) in less developed countries may be less likely to find a prospective employer's jobs-related postings because of the current complexity and lack of standards regarding how such job-related postings are located on the Internet (such as the disparity in job-related URL's -- see, Part B - Application Form, Part A (Add new value to the Internet name space)). Similarly, employers face the additional task of educating potential employees about how to get to their job-related URL's. These tasks will be greatly simplified by a registration in the .jobs sTLD, thus facilitating connection between the potential employee and the prospective employer.

Answers to ICANN's Questions regarding .Mail

Technical Questions ....

1. It seems that the zone run by the RO is "delegation only" (see, e.g., http://www.isc.org/index.pl?/sw/bind/delegation-only.php), but what about zones lower down the tree? Could you please confirm whether the RO zone is delegation only? If not, please describe (i) other types you expect to support; (ii) how this will affect registrars' current processes; and (iii) what allowance you will make for technical difficulties in communicating with registrars.

   As proposed, and as defined by ISC, the .Mail zone will be delegation-only. However, we would like to note a few salient points:

   A. There is no delegation for tld.Mail, where "tld" is one of the existing top-level domains. That is, there is no delegation for com.Mail, but there would be for example.com.Mail.

   B. All delegations in the .Mail zone are to the DNS servers of the XO, which are solely authoritative for the .Mail domain in question. All changes to records in the XO's DNS servers are made through the XO's secure DNS editing systems. In other words, neither the RO nor the XO will delegate control over individual .Mail domains. Indeed, this is one of the key components of the technical proposal: all .Mail domains are served only from name servers under the control of the XO, preventing forged or otherwise unauthorized records. Each zone contains both A records for the mail servers authorized to send mail under the .Mail domain for that subdomain, as well as TXT records to support one of a number of Sender Authentication Technologies. Additionally, we anticipate progress from the IETF MARID working group in defining new DNS record types for the purpose of authentication and spam control, which we would naturally implement.

   C. We deliberately chose to keep the RO's zone delegation-only in order to minimize the amount of additional work required on the RO's side.

2. The polling by the XO seems to build on use of Whois data from existing key. What impact will there be on limitations on Whois queries to Whois server for key?

   The impact will be limited for the following reasons:

   A. **Initial Whois check.** Few registrations are expected, at least initially. At the highest demand level, 4,000 domain name-years are expected over the course of the first year of operations. Assuming that worst case, instead of over the course of the year, 4,000 names were registered each month (twelve times more than highest anticipated), then:

a. Each of these key names requires a Whois lookup at either the registrar (for thin registry names) or either the registrar or the registry (for thick registry names) to initially validate the registrant's Whois information. Therefore 4,000 Whois lookups would be required each month, or 133 per day on average. This number is well below the number of transfers that a larger registrar performs on a daily basis (each transfer also requiring a Whois request for a domain), as some large registrars perform well over 500 (or 60 times the number required at the highest .Mail demand level anticipated) transfers per day. Therefore, since Whois requests demanded by transfer requests are below the limitations on Whois queries, so to would be Whois requests demanded by registering .Mail domains.

b. Additionally, registrars and registries have implemented Whois speed-bumps to prevent Whois data mining by limiting the number of queries possible from a single IP.

    i. The number of Whois lookup required for the key domain (133/day) is much below all registrars' thresholds which is on the order of 50 per minute.

    ii. Whois lookups could be performed by the XO from a number of different IP addresses instead of from a single IP address.

    iii. Whois lookups could be performed from a known IP address, given unrestricted access by the registries and registrars. Many registrars now offer this functionality as a courtesy to other registries and registrars. In this case, expected levels would be known by all parties.

B. **Change-of-registrant check.** If the registrant of the key domain changes, the key domain's Whois information needs to be re-verified. At 12 times the highest anticipated load, there would be 48,000 domains in the .Mail registry at the end of the year. Even if all these domains were looked up each day (to ascertain if the registrant had changed), according to Name Intelligence this would be below the number of Whois lookups performed by a single one of the larger Whois services providers such as Whois.sc, uWhois.com, and Whois.com that perform greater than 5,000 lookups per day per registrar for top-10 registrars (where probably most of the key domains will be registered) or per registry for thick-registry names.

a. If necessary, the Whois may not need to be performed each day, but only when certain domain events occur, such as a change in the name server information for the key domains. These changes can be easily

ascertained by examining the publicly available zone files for the key domain gTLD.

    b. If necessary, the number could be further reduced for thick registry names by splitting the load between the registry and the registrar.

C. **Registrar incentive.** If the key domain is at a registrar that prevents low query rate access to the Whois information by the Anti-spam Community Registry (.Mail registry), or disallows Whois queries entirely, then the registrant of the key domain will be unable to obtain the .Mail domain as long as the key domain is at that registrar. The key domain registrant would then ask the registrar to allow access to the registrant's Whois information from the .Mail registry or will likely choose another registrar. Therefore, registrars have a financial incentive to grant reasonable, limited, query rate access to their Whois servers for queries coming from the Anti-spam Community Registry. The registrars have another incentive in that the Anti-spam Community Registry is performing certain validation checks on the Whois information; therefore if the key domain is in the .Mail zone, the registrar would have high confidence that the Whois validation checks were passed and they may not have to duplicate those same checks for those key names, saving them money, therefore they have an incentive to allow the Anti-spam Community Registry reasonable query-rate access to the Whois information.

D. **New Whois Policies.** If the Whois policy changes so that only authorized entities have access to the required Whois information, then the Anti-spam Community Registry will seek to become an authorized entity. If that is not granted, registrants seeking a .Mail will be required to authorize the registrar of the key domain to grant access to the Whois information on an individual key-domain basis much in the same way as if the registrant was trying to obtain a certificate and the certificate authority needed to have access to the Whois information but was somehow not a Whois-authorized entity.

3. If the original key is in reality registered further down than directly below the TLD (for example foo.bar.tld, where bar is delegated from TLD, and foo is delegated from bar), how is the sTLD mail managing a request from foo to participate with foo.bar.tld.Mail?

    This type of delegation is outside of the scope of the operation of the .Mail proposal. In order for foo.bar.tld to be registered as foo.bar.tld.Mail, the registrant of bar.tld would first have to register bar.tld as bar.tld.Mail, and follow the procedures for such a registration. Once that registration was in place, they could then add foo.bar.tld.Mail to their .Mail zone by requesting the addition of the appropriate A records and TXT records with the RO, via the RO's procedures for DNS editing. Registrants will access this control via the account name and

password provided during the verification process. As all records exist in the .Mail zone maintained by the XO, such additions can be made in a verified and secure manner.

4. Please provide a technical description of how communication among XO, SO and RO will work, including timeouts, details on the protocols that will be used, state machines, and what happens if the validator does not respond within specified time period.

Its not that complicated. Initial requests for registration will be communicated to the RO by the registry in a manner consistent with existing EPP procedures. Upon the addition of the domain at the RO (using default delegation records which point to a "registration in progress" placeholder at the XO), the XO will be made aware of the registration by polling the RO. This polling consists of periodic checks of the RO's .Mail zone file for changes that indicate a registration (we will get the zone via ftp). Upon noticing a registration, the XO will signal to the SO that validation must proceed. This signal consists of a call, via a SOAP web service, to a server at the SO with the purpose of notifying the appropriate workgroup of individuals to perform the validation. Upon a successful validation, the procedures for which are outlined in our proposal, the SO will signal the XO, via a SOAP web service, that the domain has been approved. This web service will allow the XO to activate the account and password for the .Mail domain such that the registrant can immediately affect changes in order to add validated mail servers (A records, in this case) and appropriate TXT records. The XO will add MX records so that the XO will receive any abuse email messages (also as outlined in our original proposal).

We are unclear what is meant by "what happens if the validator does not respond within specified time period?" if this question is asking what happens if the registrant fails to respond to the SO's validation procedure, then that name will not be delegated by the XO's zone, in essence the registration would fail.

5. If a key which exists as key.Mail changes owner, is there some other mechanism of detection of this, apart from polling the Whois servers of data for key?

One method would be to have the registrar-of-record for the key domain inform the .Mail registry of this fact, but we deemed that not practical. Another method is to put the burden on the registrant to inform the .Mail registry directly that their Whois information has changed, but again that is not practical. For thick registries, it may be more practical to request the thick registries inform the .Mail registry. The poling may be reduced by only requesting the Whois information when the name servers change or when the IP address of a host in the key domain changes. This would require daily downloads of the key domain TLD zones and polling of name servers and websites which is not complicated and is also efficient. Regardless, daily or weekly poling is not complicated and will not tax the resources of the Whois system (see answer to Q2 above) even at ten times the high-level demand projection. More than a few organizations today provide commercial Whois monitoring/poling whereby if the Whois

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        for a domain changes, they will notify their client. Examples
        include snapnames.com, completeWhois.com, nameprotect.com and
        checkmarknetwork.com

6. What is the technical setup of the DNS, Whois and EPP servers?  For
   all of these elements, please specify how the setups fulfill the
   requirements of up time from ICANN.

The setup will be the same as that for the other registries that the RO
operates and the setup will fulfill the requirements of up time from
ICANN in the same way.
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General Availability – From Section a.

EPP Registration Systems: Production EPP traffic will be load-balanced as a normal mode of operation. Load balancing provides extra capacity as well has a high degree of confidence (in addition to formal testing) that the system will remain available in the event of a server failure. Network and databases will also be configured to provide high availability and failover protection.

DNS Resolution Systems: Internet DNS is, by its very nature, quite robust, but this is no excuse not to invest in and implement additional DNS functions to improve DNS reliability and security. The number of DNS sites must be scaled to meet several demands for a TLD availability, responsiveness, and capacity. VeriSign has made a substantial investment in the selection, design, and operation of its 13 DNS sites to ensure optimal performance of the DNS Constellation. To meet the DNS needs for the proposed sTLD, VeriSign will evaluate the global demands to select the locations and scale of each site to exceed availability, responsiveness, and capacity needs. VeriSign regularly reevaluates its DNS infrastructure to reposition and scale the DNS Constellation as necessary to meet the most aggressive demand forecasts. Each nameserver resolution site around the globe must adhere to strict facility standards. Beyond this, however, VeriSign has developed operational processes and procedures that allow us to quickly move DNS services from one site to another. We also maintain three DNS hot standby "swing sites", where DNS traffic from any of the 13 resolution sites can be quickly redirected. The swing site concept is a major element of our business continuity plan and supports transparent (from a customer perspective) site maintenance.

DNS: From Section e:

The XO's proprietary DNS software will power each DNS server and BCP0040 and RFC 2870 (Root Name Server Operational Requirements) will be fully implemented on name servers in all locations. The XO's DNS software is a modular service utilizing an extensible plug-in architecture for name resolution and administration, and is in production, currently being used by the XO's registrar operations. This software currently provides DNS service for over 2,750,000 domain names with over 8 million host records (sub-domains) and has been in continuous production for over three years. The DNS software is database-driven and relies on standard well-tested data replication to deliver zone file updates.
Location of Nameservers

VeriSign has at its disposal a Constellation of 13 globally deployed DNS nameservers (see Section E.1). Each site has multiple load-balanced DNS servers managed remotely over secure VPNs and are monitored around the clock in four-second intervals. Each site also contains multiple servers and a complete set of redundant hardware components to eliminate single points of failure. Each site has a minimum of two Gigabit Ethernet connections and is served by at least two separate Tier-1 network bandwidth providers. VeriSign selected these sites because of their location at major Internet peering points.

Zone file publication and distribution requires extremely high levels of quality control. Even six sigma quality (99.9999 percent, or 3.4 defects per million units) means that a TLD with two million registrations will have seven that were not working properly at any given time.

WHOIS – From Section i:

Software and Hardware

Initially, the WHOIS service serving the .mail sTLD domain will be based on the existing VeriSign WHOIS software and servers used for .com and .net, with additions provided to include "thick" registry contact data (or as modified to support specific .mail sTLD requirements). This service is fully compliant with RFC 954 and is currently being provided via servers located in two separate facilities. The uptime rate currently exceeds that of the .com and .net registry database because not all database outages require a WHOIS outage. The current five servers process 30,000 transactions per minute.

Connection Speed

The current WHOIS software can be migrated to any Unix platform. The current architecture is load-balanced between multiple servers at each site, and balanced between multiple sites. This provides maximum reliability, and is highly extensible by adding more servers behind the load balancers. The presence of multiple servers, multiple facilities, and multiple network providers means that the current service is well protected in the event of an issue within the control of the registry provider, as well as for many events outside the control of the registry provider such as an outage of a major Internet bandwidth provider. The current servers are connected to the Internet by multiple network connections at each facility.

Search Capabilities

The current WHOIS service has rate-limiting characteristics within the software (e.g., the ability to throttle a specific requestor if the query rate exceeds a configurable threshold). In addition, QoS technology enables rate limiting of queries before they reach the actual servers, which provides protection against DoS and DDoS attacks. The current software also permits restrictions on search capabilities. For example, wild card searches can be disabled. VeriSign is generally not in favor of restricting searches unless it is clear that the results of the search are being used in ways not beneficial to registrants. It is possible to restrict or block individual requestors (i.e., requests coming from specific IP addresses).

EPP – From Section b:

Hardware and Software Systems

We recommend a three-tiered architecture to operate the proposed sTLD registry. Technologies applicable to each tier provide redundancy. For example, at the database tier, the EMC Symmetrix Remote Data Facility (SRDF) product can replicate data in real-time, both inside the data center (e.g., between multiple data centers in the same facility) and to the Disaster Recovery Data Center. Additionally, hot stand-by servers with automated failover using IBMs HA/CMP function, provide redundancy of the database server. Load-balancing the transactions across multiple gateway servers and application servers provide reliability and redundancy in the other tiers. The hardware systems that VeriSign proposes to use to support the sTLD registry have been extensively tested and validated in our state-of-the-practice engineering lab. IBM Enterprise Servers running the AIX operating system will perform as database servers using Oracle as the DBMS database. Application and gateway servers are predominately Intel-based

solutions. Web and FTP servers are also predominately Intel-based. VeriSign uses equipment from leading network vendors to provide a robust solution for network and load-balancing equipment. Verisign will use a three-tiered architecture for the sTLD registry as described in Section E.2.c. This structure separates gateway functions (e.g., login, session management, and service auditing), application functions (e.g., business rules), and database functions. This separation also improves security, allows easier problem diagnosis, and makes it easier and more reliable to test and deploy modifications. Standard industry software products (e.g., Java, C, and C++) facilitate performance and compatibility as appropriate at each tier. We use BEA"s WebLogic software for web application server development. We apply a rigorous QA and testing methodology that includes a separate, fully functional, production "look alike" Environment where we can test new software before deployment. Additionally, a "staging" environment enables us to practice repeatedly to ensure that deployments can be executed seamlessly within maintenance windows. The staging environment also enables an accurate prediction of the length of a deployment and back-out plan, if necessary.

Hot standby servers using IBM HA/CMP for automated failover monitoring and execution protect the database server functions. The data is stored on EMC SRDF and is synchronized in real-time to a secondary device located in a physically separate Data Center. This architecture has a demonstrated capacity of processing more than 300,000 transactions per minute and a proven availability rate higher than 99.99 percent.

7. In how many DNS zones are the NS records located? Is this zone in
   the requested sTLD or not? (I.e. how long will the chain of NS
   records be when chasing them?)

   The root zone will contain delegation records for the sTLD. This
   is no different from any other TLD. In the sTLD zone, maintained
   by the RO, there will be NS records for each registration (that
   is, each example.tld.Mail domain) which delegate to the XO's name
   servers. The XO will then serve A and TXT records for each
   registration. Thus, the chain is no longer than any other TLD
   which typically delegates to a user's DNS server(s).

8. Is there a risk that ISPs and others will stop receiving mail which
   is not from the .Mail sTLD in the future?

   We believe we understand the question, but to be clear, we are
   not proposing that any messages be "from" the .Mail sTLD, now or
   in the future. We propose that the "from", "to", "reply-to" and
   all other email header addresses be exactly the same as they are
   today. What we are proposing is that the .Mail TLD be utilized in
   the SMTP "HELO/EHLO" handshake. If you are asking "what is the
   risk that mail receivers will voluntarily (or otherwise) blindly
   reject all email that does not utilize the .Mail TLD in the
   "HELO/EHLO" handshake", then the answer is we believe there is
   little risk of that. The rejection of non .Mail email depends on
   the amount of spam originating from servers that do not use the
   .Mail TLD. The more spam messages originate from non .Mail
   senders, the more the receivers will reject those particular
   messages. The receiving servers will likely scrutinize that
   message (a message from a server not utilizing the .Mail TLD) to
   a greater degree by spending more resources on it (such as CPU
   cycles) than those that utilize the .Mail TLD, not blindly block
   it. We believe that even if .Mail was extremely widespread that
   mail receivers would not indiscriminately reject each message
   sent from a sending server not utilizing the .Mail TLD. They may

weigh it higher (in their filter algorithm or using other spam
filtering methods), but even with widespread .Mail use, those
receivers would still analyse each non .Mail email as they do
today, there would just be less email messages to analyze.

The question raised here has also been raised in various forums
regarding the newly proposed sender authentication technologies
(SPF, Microsoft's caller ID, Yahoo's DomainKeys). The answers
given by ISPs and others were that the existence of sender
authentication records will be used only to assist in processing
and filtering incoming email, and not as a blanket outright
denial of incoming mail that does not have the sender
authentication technologies.

9. What actions can you take to stop such policies, or is it in your
   interest to see all mail in the world use the .Mail sTLD in one way
   or another? (I.e., can you explain what the world of email will look
   like before "all" major domains exist as sub domains of .Mail?)

It is not in the receiving mail-server's interest to blindly
block all messages from non .Mail email servers because they
would then be generating false negatives (an email that is not
spam being blocked) for **all** mail coming from a non .Mail mail
server that is not spam. We would therefore recommend to them
that the appropriate policy is for them to use the .Mail TLD to
allow messages utilizing the .Mail TLD to pass unobstructed and
without delay but that they should not use the .Mail TLD to
reject all messages coming from non .Mail email servers. That
they should apply whatever method they utilize today to
distinguish spam messages from non-spam messages for those non
.Mail messages.

There will be some domain name registrants who either cannot
afford a .Mail TLD (even if the price is near zero there is
someone who still cannot afford it) or will not have the
opportunity to register a .Mail domain name because the TLD at
which their domain name (the key domain) is registered does not
have a contract with ICANN, and its "registrars" are not required
to be ICANN accredited and therefore that TLD registry is not
contractually bound to collect and display Whois information and
to implement any of ICANN's policies. This is another reason why
it shall be the .Mail policy for receiving mail servers to not
blindly reject mail from servers not utilizing the .Mail TLD,
otherwise all mail "from" certain ccTLDs would be blocked by
.Mail participating mail receivers even if it was not spam.

It should be noted that any person, whether or not they can
afford a .Mail TLD (even at great cost), and whether or not they
have a name registered at a ccTLD registry without an ICANN
contract, and whether or not they have a domain name registered
at all, can still send mail utilizing the .Mail TLD. That person
would use a sending mail server which does have a .Mail name
registered. For example a registrant with the domain foo.de could
send mail with all the same header information (from "foo.de",
etc.) using the mail server that is utilizing the .Mail name
bar.com.Mail. The registrant of "bar.com.Mail" would be taking

the risk that foo.de did not use that server to spam, and therefore it is in the interest of the bar.com registrant to possibly do its own spam filtering. In this case foo.de may pay a small fee to bar.com for this service and the fee could be proportional to the risk that bar.com assumes.

It is also not in our interest to have non .Mail messages blindly blocked because the receiving person who would have received the spam-free message (if it had not been blocked by the receiving server) will complain to their email service provider (the receiving server) and therefore either

1) that service provider may stop using the .Mail TLD altogether, or

2) that service provider will do the right thing and not block all messages from non .Mail mail servers, but use a different method to detect spam for those messages or, ultimately

3) that service provider will lose their customer to one who does implement a recommended policy.

Additionally, in this scenario the mail sender might either

1) get a .Mail name

2) utilize someone else's .Mail name

10.   Please provide a statement about how often disaster recovery plans are practiced, and for which contingencies. Also: (i) in the event of a need for recovery from primary data server failure, would there be an interruption of service? If so, for how long? (ii) is notification provided for failed transactions during a fail over? and (iii) what is the bandwidth allocation planned for the interconnection of data centers for synchronization purposes, and to the Name Servers serving the sTLD?

(i) Disaster recovery drills will be conducted by the XO and RO on a regular basis consistent with best industry practices. In the event of a need for recovery from primary data server failure, we would anticipate no interruption of services for DNS resolution due to multiple server locations. It is conceivable that there would be a very short period where new records could not be entered, and existing records could not be changed, while the primary data source was switched to a backup. This time period would be notably short (presumably on the order of minutes).

(ii) Notification would be provided on the editing web site if any failure were to cause an inability to create or edit records.

(iii) The XO's chosen provider, eNom, maintains multiple data centers in geographically diverse locations and with sufficient bandwidth to support a top-five registrar. We anticipate that the amount of bandwidth necessary to support the operation of the .Mail registry will be significantly less than that already in place. If more is needed, however, it will be acquired.

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     The disaster recovery plan by the RO is the same as that for the
     other registries they operate.

11.    Do you - or your subcontractors - have plans to use recent
       standards developed by the IETF for:
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Our Registry Operator makes every effort to deploy systems that are standard compliant. However, it is difficult to comment on the eventual deployment of proposals that have not yet become an accepted standard. Nonetheless, our Registry Operator is very active in many of the working groups covering these subjects.

IETF Standard			
CRISP	See #1		
IDN	See #2		
	Registry	**DNS**	**WHOIS**
IPv6			
Transport	See #3	See #3	See #3
Glue Records	Yes	Yes	Yes
DNSSEC			
DS Records	See #4	See #4	See #4
Signed TLD	See #4	See #4	See #4

1. CRISP: There is no current standard. VeriSign is participating in the CRISP working group and participating in discussions on the IRIS standard. We will be implementing IRIS when it becomes a standard.

2. In the original RFP for .Mail we did not outline support for multilingual domains. However, our Registry operator does have the technology to support multilingual registrations following the current standard.

3. IPv6 Transport implementation is dependent on the outcome of the IANA comment period on changes to the root zone. The XO and SO will look toward the RO for leadership in this issue to determine when it available for "prime-time".

4. DNSSEC: Eventual deployment of DNSSEC is a complicated issue and still requires considerable work in the community and among ICANN constituencies. The following steps outline key milestones that remain open:

   Step 1: Development of a final standard.

   Step 2a: ICANN may develop a consensus policy on DNSSEC. We would adopt this policy.

   - or -

   Step 2b: A consensus policy is NOT developed. We would continue to work with the registry operator on how best to implement this technology.

QUESTIONS

.mail

BUSINESS/FINANCIAL

(Please Note: We are asking these questions to provide you an
opportunity to demonstrate the existence of a well-developed business
model, rather than to judge whether this information constitutes a
"fail-safe" business plan.)

1.   Can you share the results of your "informal survey" that you used
to back up your revenue projections? Do you have other information
that would be evidence of the ability to obtain the projected number of
registrations at the designated price point?

We had eNom verbally ask their 10 largest customers by volume, among
who are domain name resellers, to estimate the number of names that
they thought would be registered in the first year at $1,000 and $2,000
price points. Their estimates did not vary much on price, for example
the volume at $2000 price-point was less (but not half) that at $1000,
but it did vary greatly on volume across the group. Some estimated low
(less than 2000 names), others estimated high (more than 35,000 names),
which is one reason why the deal with the RO has their prices decrease
to $6 per name-year after 30,000 names.

Other evidence is difficult to come by as new names have not been
offered at this price-point and utility. The value of most new names
in other TLDs is mostly based on the semantic meaning of the TLD string
and the value in preventing others from registering "your" name. The
only comparable in the newly registered names area would be .tm even
though, as near as can tell, the value in ".tm" lies with the implied
meaning of "TM" as "Trademark" not as "Turkmenistan". The .tm registry
offers names at $100/year with a 10-year minimum registration length so
that names cost $1,000 each up-front. The .tm registry has about 3,000
names registered according to http://www.domainworldwide.com/.

The other comparable would be for domains that are not new
registrations, but newly available (they were registered previously and
have recently become available, sometimes called "dropped names"). eNom
participates in this market and has over one year of data. In this
area, the volume for newly available names is about 30,000 names per
month and the dollar volume is about $3 million per month or on average
$100 each. At least 200 newly registered names per month (or 2,400 per
year) are sold market-wide for at least $2,000 each, most of them
because they have some value other than their semantic content, usually
traffic.

The utility of the .mail TLD depends on the take-up rate of the
receiving mail servers. Spamhaus (a founding member of the .mail
registry) estimates its spam filtering blocklist is now used by over

300 million user accounts world wide. It is a good assumption that
most if not all current users of this blocklist will also readily use
the .mail TLD based on their trust in Spamhaus and the knowledge that
the TLD policies are maintained to their standards. Other members of
the Anti-Spam Community Registry, such as CAUCE, plus outside entities
will also, we believe, assure, or at least help promote, a rapid world-
wide acceptance.

The bottom line, as with every TLD, is value. We believe that the
value in a .mail name is gained because of its utility to get the mail
through (if the user is not a spammer). We believe that it is worth
$2,000 per year for non-spamming companies (such as ebay.com or
amazon.com who send many emails per day) to be more assured that the
email they send will actually reach their customers. We estimate that
there are at least 2,200 such companies that exist worldwide and will
buy a .mail domain.

2.   What is the minimal number of total registrations that are
required for the Sponsoring Organization to sustain operations?

At $1,995 per year, the total number of registrations required for
ongoing operations could be extremely low because 1) the fixed costs
will be funded by the XO and RO before operations start, 2) the ongoing
variable costs, which are incurred mostly by the RO and XO would be
covered by the per-year fee, and 3) the SO could be run by volunteers
if worse comes to worst, much as Spamhaus is currently run (even
though, it is to note, its user base is estimated at over 300 million
email boxes). Therefore we estimate the total registration volume to
sustain operations at below 1,000 domains.

3.   What will you do if revenues come in less than your "low"
projections? How will any revenue shortfall be funded? If it is
unfunded, how will you manage - both operationally and financially?

1.   A high price-point serves three main purposes: to give a
disincentive to spammers who repeatedly register low-cost domain names
in order to spam, to fund the operations of the registry, and to reduce
risk in assuming the per-name-year validation and other costs. If
revenue that is less than the "low" projections were to occur, we would
consider lowering the per-name-year fee with the objective of raising
volumes more than the fee reduction and therefore increasing revenue.
The drawback is that the probability that spammers will attempt to
register multiple names would increase which would put additional
stress on the validation and other costs of the registry, though the
rule that the key domain must be registered for 6 months may provide
some strain relief. The positive is that the utility that the .Mail TLD
provides would then be affordable to more entities (therefore we would
consider lowering the per-name-year fee even if revenue is not below
"low" projections as early-adoption and experience in the validation
process is acquired).

2.   Even if the revenues come in below the projections, there still
may be no need to obtain outside funds, as we would look to renegotiate

the funds going to the XO and RO, in an effort to reduce their profit margins. Were we unable to reduce costs enough to avoid a deficit and the need does occur we may ask anti-spam groups, who utilize the .Mail TLD in their email clients or email-receiving servers, or in other ways, to help fund the registry with contributions.

4. If the cost of registration will be "less than the maximum proposed to ICANN," what impact will it have on budget projections?

Making the cost of registration lower is something we have considered and will consider on an ongoing basis. We believe that the .Mail registry idea has genuine utility. There is no need to "cybersquat" on any .Mail name, and leave it unused as that name cannot be registered by someone other than the key registrant. Each name registered will be used and we strongly believe that the renewal rate will be higher than gTLDs (currently at about 70%)

Revenue Impact
We believe that for more than 2,200 (medium demand level) key domain registrants who are not spammers, that $1,995 is smaller than the yearly value of the utility they will receive: their email will likely reach its destination and not be blocked as a false-positive by spam blocking software. Receivers of their email will know it came from them and was not forged, not to mention value received by sharing their .Mail name with those who do not have one. There are some mail senders that have no problems with false-positives, spoofing and phishing. For those senders (likely individuals), the .Mail sTLD provides little utility that they need right now so $1,995 is more than the value they would receive. But we do believe that the number of key domain registrants for whom the .Mail TLD will be of more value than the price increases rapidly if the price is lowered because the utility decreases very slowly with price, while the number of eligible buyers increases much faster. For example if the price were decreased to 1/10 of $1,995 (to $199) we believe more than 10 times 2,200 (or more than 22,000) key registrants would find the utility of a .Mail domain worth more than $199. Therefore the revenue would increase in this scenario, albeit at the risk of making the domain inexpensive enough that spammers may try to purchase a large number in an attempt to "fall through the cracks."

Cost Impact
The vetting costs increase as the cost of registration decreases. We believe the vetting cost on a per-registration basis will not be fixed because as the registration costs are lowered, more spammers will attempt to register names, even if used for a short period before they are cut off. This is because the value of the spam sent during that short period approaches the cost of the domain as the domain registration cost is lowered, especially because with .mail, all the mail sent will likely get through it the recipients. Because of this effect, by utilizing our automated spam traps, we will strive to shut off the spammer very soon after the spam burst is detected.

On balance we believe that the high cost will deter spammers, not because they have no money (the larger "professional" spammers have significant financial resources) but because the value they get will be

significantly less than the $2,000 registration fee because they will
not be able to spam much, if at all, before the name is shut off, even
if after the vetting process, they are able to obtain a name.

5.   Have the new arbitration provisions you propose to include in
registrant agreements been the subject of a legal opinion? If so, do
you have any relevant documentation that you can share with us,
particularly "with respect to the likelihood of keeping disputes out of
court?"

The framework for the arbitration provisions for .mail registration
agreements have been reviewed by the General Counsel of eNom.   The
General Counsel of eNom has first-hand experience with the litigation
issues faced by registrars, first- and second-hand experience with the
litigation issues faced by registries, and in depth understanding of
the United States statutory framework which insulated registries and
registrars from liability for trademark and copyright issues. Much of
the legal opinion was provided in the application, but is reiterated
here, with additional focus on the question of the enforceability of
arbitration provisions ("Can an arbitration provision prevent the
parties to a contract from taking a contract dispute to a court?").

Due to the unique "mirrored ownership" attribute of the proposed .mail
sTLD, specifically that the   .mail registrant must also be the
registrant for the "key domain," it is anticipated with a high degree
of certainty that the .mail registry will not be subject to first- or
third-party suits regarding the ownership of domain names in the .mail
sTLD ("first" parties in this context are the .mail registry and .mail
registrants).   The statutory laws of the U.S. and the laws of other
nations insulate registries from liability for trademark issues and
from liability for copyright infringement taking place on a website (or
through email) which is associated with a domain name; as a
consequence, the registry operator can be located in the U.S. or one of
these other countries   and would have, with a high degree of
certainty, no liability for nor the responsibility to settle copyright
or trademark disputes.

While there is a low probability that the .mail registry will face
first- and third-party legal claims regarding ownership and
intellectual property issues surrounding domain names and the use of
domain names in the .mail sTLD, it is anticipated that there will be a
significant number of claims regarding the enforcement of the .mail
registry's spam, WHOIS and other compliance rules.   As an initial
matter, the use of the .mail sTLD is not compulsory by anyone, neither
senders nor recipients, so the legal framework governing the registry
would be that of the law of contracts.   Both the senders of email in
the .mail sTLD and the recipients will be required to agree to enter
into contracts with the .mail sTLD.   Senders will enter into lengthy
signed contracts which, as part of the WHOIS compliance process, will
be mailed to the registrant and which must be returned with a
signature, or by another suitable method.   Recipients, or more
properly, the administrators operating email systems which are used by
recipients, by using the DNS system of the   .mail registry, will agree
to terms of use.

This response will first address the litigation risk posed by email
recipients.   The typical complaint by an email recipient would be
that a WHOIS or spam compliance process has been incorrectly applied,
resulting in either the receipt of spam or the blocking of legitimate
email.   Because recipients are not required to use the .mail DNS, and
because the typical complaint by an email recipient would result in a
review of the WHOIS or spam compliance process with respect to a
particular domain name, it is not anticipated that email recipients
will present a significant litigation risk.   Nonetheless, users of
the .mail DNS will be required to agree to terms of use regarding the
use of the .mail DNS.   The terms of use   will specify that users of
the DNS will hold the registry harmless for failures by the registry to
follow the registry's own spam and WHOIS compliance rules and that such
users agree that the exclusive remedy for any disputes regarding the
use of the .mail DNS shall be the right to lodge a complaint with the
.mail registry regarding the compliance action and/or the entry of the
parties into binding arbitration regarding the enforcement action.
At this time, we propose that email recipients do not pay any
consideration to the .mail registry for using the .mail DNS, though the
administrators of their email systems   will have to expend effort to
reconfigure their mail systems to use the .mail DNS.   This
expenditure of effort under the U.S. common law of contracts is known
as "detrimental reliance" and   may be used to supply the consideration
which is necessary to find that there is a binding contract between the
.mail registry and email recipients.   To the limited extent that
email recipients, as distinct from the administrators of email systems,
also expend some effort to submit WHOIS and spam complaints, the email
recipients will also be required to agree to click-through agreements
when they use the registry's complaint system.   In   either event,
the courts in the United States and in many other jurisdictions would
recognize the formation of a contract between the recipients of email
and the   .mail registry and would   enforce the   hold harmless,
limitation of liability, and binding arbitration provisions of such a
contract.   Provided the .mail registry submits to the binding
arbitration process specified in the contract,   the courts in the
United States and in many other jurisdictions would be reluctant to
substitute their own judgment for that of the .mail registry or for the
judgment of an arbitrator.   Statutory authority for   such an
arbitration clause is found in the United States in the   Federal
Arbitration Act 9 U.S.C (particularly Section 2), as upheld by the U.S.
Supreme Court in <u>Allied-Bruce Terminex Companies, Inc., v. G. Michael
Dobson, et al</u>, 513 U.S. 265 (1995).   Arbitration clauses may be found
to be unenforceable in certain contexts, such as when a consumer is
particularly vulnerable relative to the service provider and when the
enforcement of the arbitration clause would "shock the conscience" or
is against public policy.   This, however, is not one of these contexts
because the email recipients are not required to use the .mail DNS,
because the extent of their detrimental reliance is minimal, and
because exposure of the .mail registry to wide-ranging litigation might
force the closure of the registry and would, itself, be against public
policy.   The extent to which a U.S. or similar court would act would
be to require that the parties submit to the judgment of the specified
arbitration system, as specified in the agreements.

Senders of email will be required to enter into signed agreements with
the .mail registry and considerable consideration will be paid.   This
agreement will include a hold harmless clause, a limitation on

liability (capping the .mail registry's liability to the   fees paid
by the email sender, plus   any award of arbitration fees, per the
arbitration rules), and a requirement that the parties submit all
disputes regarding the registry's enforcement actions to binding
arbitration in the jurisdiction chosen by the registry.   This
agreement will allow that the disputed decision of the registry will be
allowed to stand pending the outcome of the arbitration process.
This agreement would be enforced by the courts in the United States as
well as many other similar jurisdictions.   The extent to which such a
court would impose its judgment would be to require the parties to
submit to the specified arbitration process.

Thus, it is the opinion of the General Counsel of eNom that, if the
.mail registry operates   out of the United States or another
jurisdiction offering   equivalent protections, then the arbitration
provisions contemplated for use by the .mail registry will be
enforceable and will prevent the registry from having to answer to
disputes in court regarding the enforcement actions taken by the .mail
registry.

6.   Can you please clarify how a requirement for six months prior
ownership of a key domain will deter abusive registrations and
spammers?

There are multiple reasons for this delay period.

a) We hope and assume in this day and age, many of the problems caused
by trademark violating registrations and cyber-squatting of domains are
dealt with in a much quicker manner than in years past. Sadly, it's the
internet fraudsters themselves, such as "phishers", who have pushed the
requirement for many businesses and domain holders to constantly
monitor the domain space for abusive registrations. The six month time
period should allow for most of these issues to have been dealt with
without imposing too much of a burden on legitimate domain holders.

b) The spammers' current model of registering domains one day, spamming
with them the next, and then discarding them once the spam filters have
listed them will not work nearly as well with a delay of this type.
Spammers will have to spend money registering domains well in advance
of when they could be used to get a .mail and used to spam. This sort
of forward planning is not a known spammer trait. Also, anti-spam
groups keep a close watch on every domain they can link to one spam-
gang or another. This data, published to the web, usenet, or in
databases such as the ones at www.Spamhaus.org allow for easy checking
when an application for a .mail domain is being vetted.

c) Without it, spammers will register gTLD domains with stolen credit
card numbers and then obtain the .mail domain soon after. Many
registrars trap for fraudulent credit card activity and de-activate the
gTLD name when they detect fraud or when a chargeback occurs. Most
charge-backs happen within 6 months of the transaction. With the
delay, the .mail registry benefits from the gTLD registrar's vigilance
against credit card fraud when gTLD names are purchased.

d) Finally, many registrars have their own anti-spam and other policies

in place whereby they de-activate domains for spam.

It is true that a determined spammer could register a gTLD with valid payment information, then wait 6 months to register the .mail name, pay $2,000, then pass the vetting process, and spam, only to be shut off as soon as the spam is detected.

The six months prior ownership of a key domain is also adjustable to a longer period if we see spammers actively trying to "game" the system, or to a shorter period if we find vetting can be done properly with less registration time of the key domain and if the burden on legitimate domain holders is too great.

7.   What evidence can you provide that indicates that eNom has sufficient financial resources to be in existence in five years?

1.   eNom is profitable and has been for over two years as evidenced by the fact that it has not accepted or needed any capital investment during that period.
2.   eNom has been in existence for more than 5 years and is one of the top five largest and fastest growing ICANN registrars for over two years.
3.   eNom's cash based revenue is over $2.5 million per month

The remainder of this answer is confidential and is being sent by eNom separately and directly to the ICANN sTLD evaluators via email to Miriam Sapiro [msapiro@starpower.net].

8.   How much money has been allocated in the budget to enable a smooth transfer of the TLD to another operator in the event of Registry Operator or Sponsoring Organization failure? (For example, has a reserve fund been established to cover any financial obligations associated with multi-year registrations or other registry/registrar/registrant obligations?)

None specifically for that purpose, but there is $800,000 allocated in the first year for any contingency including RO or SO failure. The figure increases to $1.66 million in the second year.

9.   Has money been allocated in the budget to enable a smooth transfer of the TLD to another operator in the event of Registry Operator or Sponsoring Organization failure?

This seems to us to be the same question as number 8 above. Please see the answer for number 8.

10.   What other products or services, if any, do you intend to offer that could impact the new TLD? Please specify whether such products or services would rely upon the same, or different, staff and other resources.

We do not plan on offering any other products or services.

SPONSORSHIP

1.   Please provide signed letters that are representative of all parts of the Community that you propose to represent, detailing the particular reasons for their support. You should include similar letters from all supporters mentioned in your application. (Note: We wish to assess the breadth as well as the depth of support.)

    Sent separately

2.   Please elaborate, consistent with the RFP criteria (concerning enhanced diversity of the Internet name space), how the new sTLD would "create a new and clearly differentiated space, and satisfy needs that cannot be readily met through the existing TLDs."

Due to its uniqueness, this sTLD adds to the diversity of the Internet name space.   It expands the number of dimensions for which a domain name can be used. In this case, the name both represents a validated identification and also an underlying system that enriches one of the most basic functionalities of the Internet: email. The sTLD provides an additional "layer" to other parts of the namespace increasing their utility by allowing them to participate in a responsible email community. Existing TLDs are unable to fully reach these goals.

Part of this sTLD's mission is to distinguish one group of users from another group. An sTLD is intended to be an easily remembered, clear, logical, classification of a community of Internet users not already classified. It makes them easily identifiable by other users. By using a second level domain under an existing TLD, this community of users would be mixed-in with the other TLD's users, and this clarity is lost.

In the system the Anti-spam Community Registry (ASCR) proposes, the risks of not using a sTLD are severe. If, for whatever reason, there was a service interruption in the delegation of the SLD, the entire, now established, trust system would be neutralized.
* There is a risk that the TLD in which the second-level domain was registered, goes under.
* The second-level-name the ASCR selects is revoked. Many if not all registration contracts reserve the right of the registry to remove the name for any reason.
* A legal proceeding could be filed against the registry compelling them to suspend the domain at best and delete it at worst, this could be something as simple as a UDRP proceeding. The ASCR, being delegated a sTLD, would be in complete control in all these circumstances and would not have to rely on another party for security and stability.

To illustrate, with a second-level domain, were it to be taken out of the TLD zone for any reason, validation queries (by the receiving mail server) will return NXDOMAIN, the DNS response for "domain not found." In this case the receiving mail server is instructed to distrust the source of mail. This is the response we will send when the mail source is, in fact, not trusted. Therefore, the effect of being removed from the TLD zone would be that all trust verifications would actively fail. If this were to happen, all receiving mail servers that were using the

SLD would break and they would have to change their code. The level of damage could be massive as now, every formerly trusted email, would be put though every recipient's spam filter systems, if they cannot quickly scale to this load, email service interruption would occur. The NXDOMAIN DNS response to the recipients query will normally mean a revoked TLD or an attempt at forgery, some systems will chose to "bounce" or delete incoming emails based on this. A failure of the DNS itself results in a time-out, which is not an active failure, and in this case the receiving mail server is instructed to fall back on alternative methods of verification. With a TLD, as we would not take ourselves out of the root zone for any reason, an NXDOMAIN would not be generated falsely.

Also, it is desirable for the string to be an easy memorable mnemonic because the public, if it remembers the string, can use it to easily find information on the mail sender or to easily send abuse messages to the SO (the ASCR) by simply appending the string to the end of the key domain. With a second-level name, or a not-so-memorable TLD string, this benefit is greatly reduced.

We would like the sTLD string to be as generic as possible because then the wider community of Internet users have an easy, and more important, memorable, way to 1) visit the site of the mail sender with verified information regarding the sender displayed there, and 2) to complain about sent mail by submitting an abuse complaint. Just add ".mail" to the domain to send an abuse or to see information about the sender. Using an existing TLD would greatly reduce this benefit.

3.   How would you prevent the Board from being captured by three individuals? Why did you choose this mechanism for Board decision-making, as opposed to one that would allow broader participation?

If we made a structure that required a large number of quality participants, there would be the risk that the required number of quality participants would not show up to the party. This is a reason why we did not impose a geographical restriction as well. Rather, we are trying to achieve broad, quality, active, *representation*, and not necessarily maximize the number of individuals on the board. Highly-qualified individuals are busy. We were not sure that we could get more than one person for each of the five sub-groups to devote the necessary time. If more people were named to board seats, we were unsure that all would be able to put in quality time to actively study the issues, participate and serve intelligently. We realize the risk of capture exists, and if demand for active and studied participation at the board level rises so that there are many highly qualified individual candidates for each sub-group, those participants would be welcomed. If that demand materializes (and we would be very pleased if it did), we could expand the board to 10 (2 for each sub-group) or more members and include a geographical restriction component as well.

4.   Do you expect user organizations, such as ICANN At-large, to play a role in selecting the Board seat reserved for users?

We would warmly welcome a role for the ALAC in selecting the board seat

reserved for users. An anti-spam "At Large Structure" could be formed that would focus participation at the anti-spam issue level (this At large structure would not be geographic-based). The Anti-spam At Large Structure and other At Large Structures could provide input to the 10 ALAC members to select this board seat.

We actually thought about proposing a similar ICANN role on the board but did not propose it because we wanted to avoid even the appearance of a conflict of interest.

5.   What will be the impact of the relatively high fee for registration on users from less developed countries?

1.   The price may be lowered over time once we have actual registrations and can accurately gauge the real-world costs of vetting each registration.

2.   We actually expect that costs to screen applicants in less developed countries will probably be higher than in the developed countries of Asia and the West. The model we envision will look much the same way as the Spamhaus Project's own model for providing access to the large data sets served. Those who can afford to pay the bandwidth costs associated with the serving of this data cover the costs for the rest of the world who use it.

3.   Any user in less developed countries or anywhere on the planet can utilize the benefits of a .Mail name by sharing one with another person or company that has one. The .Mail registrant takes on the responsibility that the person or people who are sharing it do not spam. The owner can charge a small fee for this or bundle it with other services such as ISP service. The .Mail system is not tied to a sender's email address; it is only used in the actual SMTP transaction.

4.   Even if the user in the developing country does not share a .Mail name that user will still be able to send email exactly as today and, if as we expect, mail receivers filter non .Mail email the same as they do today, it will arrive at its destination or not, just like today. There is no negative impact as compared to today.

.mobi

TECHNICAL

<u>re: Policy</u>

1. Is this TLD going to be "delegation only" (see, e.g., http://www.isc.org/index.pl?/sw/bind/delegation-only.php)? If not, describe (i) other types you expect to support; (ii) how this will affect registrars' current processes; and (iii) what allowance you will make for technical difficulties in communicating with registrars.

   Answer:

   The .mobi TLD will operate in a manner similar to the operation of other sTLDs currently under contract with ICANN. The entire TLD is going to be "delegation only". Nameservers for SLD sub domains are not operated by the TLD registry

2. If there are plans to allow third level registrations, please explain the selection process for these names, and the policies for registering them.

   Answer:

   The current plan of record is for Mobi JV to start operation with second-level
   registrations as defined in the products section of the application.

   Additional product investigations are anticipated to support discoverability of
   location based services and provisions for consumer names, e.g.
   - local.mobi (for discoverability of location based services)
   - name.mobi (for user naming purposes)

   The detailed policies for those 3rd LD names are still under discussion. Until
   final clarity exists the two SLD are reserved (i.e. blocked for registration).

In any case, when final policy has been defined for these two sub-spaces of the

.mobi domain, all 3rd Level registrations based on these will be handled through

the usual established channel of ICANN accredited registrars only.

All other names are second level registrations

3. Please clarify (i) the requirements for registration in the sTLD; (ii) how the requirements

would be validated; and (iii) how you would address any situations where there are

identical registrations in other domains.

Answer:

mTLD Registrant requirements will be clearly published via registrars such that those companies or persons registering an mTLD domain name will fully understand the commitments that make mTLD differentiated from other domains; and will indicate acceptance as part of the registrations process.   The mTLD requirement details are under formulation but at a minimum will include a commitment to support known and proven advanced networking and a best effort that mTLD domains will operate on all devices (including PC's although optimised for mobile) providing a quality user experience.

The validation of the registrant requirement will occur primarily thru self-policing where industry and market forces will identify services that do not conform to mTLD requirements and/or recommendations and be avoided by user's and/or identified in various publications or websites as poor quality.

Mobi JV does not plan on addressing any situations when identical domains (except for TLD) are registered – the decision as to the number and type of domains shall be made by the service

provider. At all times, mTLD will respect trademarks in the operation of the registry.

4. Will there be a policy on what eligible registrants may register in the sTLD? For example, on delegations? Will certain domain names be disallowed?

Answer:

The mobile TLD has policies for eligible registrants. The SLD names that can be registered must confirm to ICANN requirements but are not further restricted by the Registry.   However, the intent is to publish a style guide policy that demands the registrants to follow best practices for content publishing, thus allowing a positive user experience for mobile end users.

Certain domain names will be disallowed for registration, such as the ICANN reserved names but also some mobile industry specific names, for example gprs.mobi and other names, which relate to mobile organizations or key standards. The use of those names will be reserved for respective organizations such as standard bodies, trade associations, regulatory bodies, etc. It is the intent of the Mobi JV to minimize the set of reserved names to mitigate cyber squatting and user confusion – all other domain names shall be leased to valid registrants.

 (see also question 6 for ICANN reserved names)

5. In the event a registrant is found in violation of the sponsored TLD policy, explain the process for addressing a violation, including what steps are taken to communicate with the registrant, and what technical actions will be taken.

Answer:

The intent of the Mobi JV is for registrars to implement registrant agreements through which

registrants agree to follow the style guide and other policies of the TLD. These will also be
available on the registry's website and will be updated from time to time, when technology so
requires. The primary intention of the style guide is not to block innovative content and other
service provisioning from the Mobile TLD, but to protect customers against inconveniences
and costs related to inappropriate or non-functional services from mobile point of view. We
are considering a system of warnings and ultimately exclusion from the name space, if the
warnings don't produce results.

However, we are still open for discussions about the details in this matter.

6. How will the reserved list that ICANN specifies be implemented? How, and when, is the reserved list used during the registration process? What happens if the reserved list is changed?

Answer:

In the 2001 round of new TLDs, there were several types/lists of reserved names. Reserved names for new sTLDs might include these among others:

1. Names reserved from registration: See http://www.icann.org/tlds/agreements/unsponsored/registry-agmt-appk-26apr01.htm for a representative ICANN contract and list. Either ICANN or the registry operator is listed as the registrant, as appropriate. These names include:

   a. ICANN and IANA-related names

   b. single-character and two-character labels

   c. registry operations names (e.g. nic, whois, www)

   d. TLD labels (e.g. aero, arpa, biz, com, etc.)

   e. country names.

2. Registry Operator's domain names: See http://www.icann.org/tlds/agreements/info/registry-agmt-appx-11may01.htm for a representative ICANN contract and list. The registry operator is listed as the registrant.

3. Reserved Generic Second-Level Domains: Selected generic second level domains will be reserved for distribution in an equitable manner, which may include auction. The successful bidder in each case will enter into a contract with Mobi JV to operate the second level domain in the interests of the sponsored community. The registry will also sell some reserved generic names directly to interested parties. These reserved names will be created/reserved in the registry prior to the opening of the Sunrise Period.

   Domain names in categories 1 and 2 can be reserved (i.e. created) in the registry before commencement of the Sunrise Period, making them unavailable in the SRS, consistent with ICANN policies.

   Names in category 1b can be prevented from being registered by setting the registry system to reject one- or two-character registrations.

   Our service provider, Afilias, successfully implemented ICANN-reserved lists using these methods before the launch of the .INFO TLD.

   If a different reservation implementation is desired, or should ICANN introduce a new type of reserved name that cannot be adequately reserved using the above methods, our service provider Afilias has implemented a "registration restricted" filter in its registry software. This filter prevents a list of given domains from being reserved in the SRS.

   Changes to a reserved list before the commencement of Sunrise registrations pose
   no known problems. Changes to a reserved list after the registry is opened for
   business (i.e. after the commencement of Sunrise registrations) could present issues.
   The most serious potential issue surrounds a previously registered name being placed
   on the intended reserved list. In such a case, the registry operator will rely on ICANN's

guidance regarding the state of the current ownership.   If the
existing registration
were allowed to persist, the "registration restricted " filter noted
above would preclude
the name from being re-registered should it ever complete a
deletion cycle. Our
service provider, Afilias, successfully managed the
implementation of a similar "post-
opening" ICANN-reserved list of country names resulting from
ICANN Board
Resolution 01.92 (see http://www.icann.org/minutes/prelim-
report-10sep01.htm).

re: Registry

7.   What is the technical setup of the DNS, Whois and EPP servers? For all
of these elements, please specify how the setups fulfill the requirements of
up time from ICANN?

Answer:

Detailed information on the technical setup of the DNS, Whois and
EPP servers are provided in the application.

Fault-Tolerant EPP Servers

EPP is a load balanced application service provided against
multiple stateless application servers. The application servers in
use are either SUN or IBM Enterprise UNIX servers, and may be a
combination of both. This approach permits the registry to
maintain live EPP servers at all times with a minimum capacity of
N+1 service availability in the primary data centre. The EPP
application interacts with the primary database instance for the
registry, which resides in an N+2 data layer environment using
IBM Enterprise UNIX servers. Afilias has architected the primary
data servers in the registry with a redundant hot standby RS6000
server solution - based on IBM's HACMP technology and a
shared fibre disk array configured as Raid 1+0 with multiple hot
spares. This failover will be initiated automatically upon machine
failure. Each primary database server is replicated in real-time to
a completely separate data server and dedicated fibre disk
array both within the Primary Data Centre and also to a

completely separate data server and dedicated fibre disk array at the Secondary Data Centre. This solution allows the registry to maintain both rapid (minutes) catastrophic failover capability, as well as the ability to minimize permitted service outages during maintenance periods.

Redundant Whois Servers

Whois is a load balanced application service provided against multiple stateless application servers. The application servers in use are either SUN or IBM Enterprise UNIX servers, and may be a combination of both. This approach permits the registry to maintain live Whois servers at all times with a minimum capacity of N+1 service availability in the primary data centre. The EPP application interacts with multiple secondary database instances for the registry. In the unlikely event all secondary dataservers fail at both the primary and secondary Datacentres, the Whois application is designed to automatically fail interactions over to the primary data database instance. Afilias has architected the primary data servers in this registry with a redundant hot standby RS6000 server solution - based on IBM's HACMP technology and a shared fibre disk array configured as Raid 1+0 with multiple hot spares. This failover will be initiated automatically upon machine failure. Each primary database server is replicated in real-time to a completely separate data server and dedicated fibre disk array both within the Primary Data Centre and also to a completely separate data server and dedicated fibre disk array at the Secondary Data Centre. This solution allows the registry to maintain both rapid (minutes) catastrophic failover capability, as well as the ability to minimize permitted service outages during maintenance periods.

Global DNS Server Constellation

DNS services as provided by UltraDNS are architected in a highly redundant and geographically distributed manner. The core registry system will maintain redundant 100 megabyte per second encrypted VPN connections to the UltraDNS injection servers from both the Primary and Secondary Datacentres. DNS updates are streamed in near real-time through a dedicated SSL encrypted XML based API and propagated globally throughout the UltraDNS leafnodes in seconds. Multiple, geographically dispersed API injection points are maintained at all times, during rare full maintenance events on the API system, DNS updates

continue at the core registry system and are queued for later submission to UltraDNS.

UltraDNS applies an Anycast Network Strategy, automatically limiting DOS and DDOS attacks to the announced routes (and therefore local environs) of individual nodes of the DNS distribution system. Name servers answer IP DNS queries based on authoritative DNS data. The name server at each node shares a global IP address, and each server has two addresses. If one address becomes un-routable, the user will fall over to the second. By injecting a BGP route from each node, the system routes user queries to a topologically nearby node, resulting in reduced network latency for DNS transactions, fewer queries that are routed to distant servers and fewer dropped query packets. Should a name server fail to answer for any reason, the routing announcement for that node is withdrawn, removing it from the "reach" of an end user.

UltraDNS servers are distributed strategically, and will grow to meet scalability demands and geographic coverage in line with the growth of network traffic.

- Verio Inc: JP

- Metromedia Fiber Network Inc (AboveNet): UK

- Switch and Data: CA & VA, USA

- Equinix Inc: CA, VA and Chicago, USA

- USC Information Sciences Institute (ISI): CA, USA

Peering is in place in geographically dispersed locations as follows:

- Telefonica International

- Japan Telecom

- KDDI

- MAE East, West and Los Angeles

- Switch and Data (formerly PAIX), East and West

- Equinix East, West and Chicago

- AADS Chicago

The DNS Server Constellation employed by UltraDNS on behalf of Afilias has maintained
a 100% uptime resolution record since inception, and has permitted a near real-time
streamed DNS update capability unique amongst TLD registries. This performance
is expected to exceed ICANN's requirements.

re: DNS

8. Does TLD plan to use wildcard DNS records? If so, explain what will be the use and the types of records used.

Answer:

Wildcard DNS records will not be implemented.

9. In how many DNS zones are the NS records located? Is this zone in the requested sTLD or not? (I.e. how long will the chain of NS records be when chasing them?)

Answer:

The .mobi domain will implement the sTLD in a manner consistent with the best practices
currently in place at ICANN sTLD and gTLD registries. The .mobi zone will conform to
global Internet standards and our chosen Registry services provider, Afilias, is an
experienced and skilled organization with significant operational experience in the
management of the DNS.

The .mobi domain NS records are planned to be located in more than one DNS zone (i.e.,
not all in .MOBI zone), to ensure dispersion of risk. NS records in the .mobi zone will likely
have its glue record included in the TLD zone, resulting in a short hop. For NS records in
other TLD zones, there would be at least one additional hop required to the respective TLD
root zone name server.

All second level registrations will be located within the sTLD zone. However, because
of the distributed, delegated nature of the DNS, the registry itself does not control the
depth of the zone. For example, if the domain example .stld is registered, the registrant
could create many levels below this zone, such as a.b.c.d.e.f.g.h.example.stld. This behaviour
is supported within the DNS, and beyond the control of the registry.

10. What guarantee do users of mobile devices have to be able to access sites outside .mobi? And what actions can you take against providers that restrict access to Internet TLDs other than mobi?

Answer:

Providing accessibility for mobile users to any TLD in the internet falls into the responsibility of mobile Internet Service Providers, and they will be subject to the normal competitive requirements of meeting customer requirements and providing compelling services.

At present, that customer experience is not generally compelling to customers due to limitations of device and bandwidth. The aim of offering ".mobi" is to offer customers the option to direct their searches, if they choose, to ".mobi" services and site that have tailored the customer experience for their environment. In this respect, ".mobi" is intended to be additive to the options available to customers.

It is our belief that customer behaviour in this space will be similar to that in the internet in general – that the majority of customers will want full flexibility as well as some degree of "packaging". Therefore, it is our expectation that unrestricted access will be a competitive requirement driven by customers.

The registry may not have control of zones outside of the sTLD, and therefore cannot control what happens to a resource record either before it reaches the sTLD Name Servers (in the case of a blocked query), or after a response is delivered (in the case of a blocked response). The registry will certainly encourage the Internet community to take full benefit of this sTLD, and not filter it in any way.

The whole philosophy of the ".mobi" application is to increase the conscious choice for customers – by having the option of accessing everything that they have today, but adding to it a set of services tailored for their mobile environment. It would then be up to the market, customers and service providers, rather than the registry company, to define how best that choice is exercised.

re: Operations

11. Please provide a statement about how often disaster recovery plans are practiced, and for which contingencies. Also: (i) in the event of a need for recovery from primary data server failure, would there be an interruption of service? If so, for how long? (ii) what is the bandwidth allocation planned for the interconnection of data centers for synchronization purposes, and to the Name Servers serving the sTLD?

Answer:

Our chosen registry services provider, Afilias, has implemented comprehensive Disaster Recovery plans for the operation of the .mobi registry. Disaster Recovery Plan procedures are fully componentized between various registry services. Registry Staff enacts staging or dry run DR events on multiple services or components quarterly. Each service is included in at least two DR staging or dry run events each year. Further to these efforts, the registry intends to include cooperating registrars in an annual cooperative full failover exercise from geographically dispersed Primary to Secondary Datacentres.

- Full failure of a primary data server is an unlikely event, as the registry will be deploying IBM RS6000 enterprise class UNIX servers at the data layer. This equipment has redundant and multiple occurrences of key components, and has been specifically designed to decommission failing components on a live server without ceasing services.

- Afilias has architected the primary data servers in this registry with a redundant hot standby RS6000 server solution - based on IBM's HACMP technology and a shared fibre disk array configured as Raid 1+0 with multiple hot spares. This fail-over will be initiated automatically upon machine failure.

In the event of a full disaster at the Primary Data Centre, EPP service would be out for a maximum of 5 minutes for read only access and 30 minutes for full service. WHOIS service would be out for a maximum of 5 minutes, and DNS service would be unaffected.

Notifications of unscheduled service outages are provided upon detection and confirmation of service unavailability. Transactions logs are provided to registrars within the EPP client server session at all times, as well as in a downloadable report generated every four hours. In the event of a fail-over when the client has not received either a success or failure notice for an outstanding transaction, the registrar will be able to refer to the downloadable transaction report for final state of the transaction. Alternatively, the client can query the current state of the registry object upon service restoration.

Bandwidth allocation planned for the interconnection of data centres and primary injection point of the Name Servers for synchronization is 100 megabytes per second.

12. Do you - or your subcontractors - have plans to use recent standards developed by the IETF for:

IETF Standard			
CRISP	No		
EPP	Yes		
IDN	Yes		
	REGISTRY	DNS	WHOIS
IPv6			
- Transport	Yes	Yes	Yes
- Glue records	Yes	Yes	Yes
DNSSEC			
- DS records	Yes	Yes	Yes
- Signed TLD	Yes	Yes	

Here is further explanations to the answer to Q 12:

Standard	Yes/No	Comment
IETF Standard		
CRISP	No	CRISP is not currently an IETF standard. Our chosen registry services provider, Afilias, is a participant in the IETF CRISP Working Group. When the IRIS protocol standard has been finalized, the Mobi JN will evaluate it in the light of its adopted privacy policies, to ensure that the use of the standard does not in any way infringe or impact the privacy of its registrants.
EPP	Yes	The .mobi domain will support the RFC 3730-35 definitions for an EPP registry at launch. Our chosen registry services provider, Afilias, launched the first-ever EPP based gTLD registry, and intends to continue to produce EPP RFC compliant registry systems.
IDN	Yes	The Mobi JV will support ICANN-accepted IDN related standards. As IDNs are a newly developing technology with undefined technical approaches in some areas, our registry services provider Afilias will continue its tradition of contributing to further development of related IDN standards and rolling out IDN solutions in compliance with ICANN and IETF guidelines.
IPv6		
- Transport	Yes	The registry plans to support IPv6 connections at launch, but support for IPv6 "on the wire" is a work in progress. The registry is currently conducting IPv6 transport tests, and plans to move to IPv6 as the standard becomes readily available on the wire.
- Glue	Yes	The registry has plans to support IPv6 glue

Standard	Yes/No	Comment
records		records at launch, but we do not anticipate that all necessary IPv6 components outside the registry's control will be ready at launch. We will work in close coordination with various service providers to ensure that the support of IPv6 glue is useful.
DNSSEC		
- DS records	Yes	The .mobi domain intends to fully support DNSSEC and help in its advancement. The current document in standards track allows any user of the DNS to "walk the zone" (using considerable resources on the server). This ability, as currently proposed, poses serious privacy and availability issues, which would prohibit the registry from using DS records. Some work has been done to eliminate this problem, but to date, no standard has been adopted to resolve the issue. The registry will work with the Internet community to find a resolution to the problem of "walking the zone" and when it is resolved, incorporate DS (or its replacement) records into the registry system .
- Signed TLD	Yes	While DNSSEC is still not a standard at the time of this writing, the registry is evaluating signing the sTLD zones. There is, however, considerable work that still needs to be done in the area of key rollover and announcement. The sTLD zone cannot be signed until this work is complete.

BUSINESS/FINANCIAL

(Please Note: We are asking these questions to provide you an opportunity to demonstrate the existence of a well-developed business model, rather than to judge whether this information constitutes a "fail-safe" business plan.)

1. What is the basis for the projections of the number of domain names expected to be registered?

Answer:

We ask, that our answers to this question are treated as confidential.

Corporate and trademark Owners

- Based on the .info experiences, we expect --- registrations from the companies wanting to immediately brand their company name or trademark in this new mobile domain during the sunrise period.

- Another significant segment are small and medium size companies wanting to give clear brand image to their services being mobile. Mobi JV targets to promote Corporate & Trademark product for them instead of generic SLD names. The estimate is 250,000 registrations based on the .info experiences during the land-rush period. To avoid competition between this product and generic SLD name product, the pricing is set accordingly in both products.

- In addition to those we expect ---- new innovative small, medium and large companies to emerge and register their name in this category within the next 3 years.

Out of all of the previously mentioned registrant segments, we foresee some ---- belonging to the high paying category due to customer base size; most of these would be from large service providers, including mobile operators,

Generic SLD names

- Generic SLD name registrations are from the individuals making generic SLD name registrations (e.g. freelancers etc), small and medium size companies not wanting to make trademark validation, and from professional name resellers.

- Based on the .info experiences during the land-rush period, we are looking forwards having ----- in this category during the first years.

Reserved generic SLD names

- Current financial calculation assumes around a thousand reserved generic SLD names (+ the language variants).

- These names will be available through auctions, and we expect during the first years of operation these to attract several highly committed content and service providers. It will be difficult to estimate, what names will be the most desired ones and sold immediate, and if some names will remain un-sold.

- We assume, that the estimated average registry price of €---- is rather conservative. The main reasons for these reservations is to

1) minimize the impact of cyber-squatting, and

2) include a requirement, that real services are implemented under the SLD in a defined timeframe and that services are, what the name implies.

User SLD names

- In User SLD registrations we have started with conservative estimates noticing the many development steps needed to be made for wide introduction of name based services for the end-customers in mobile. We expect enthusiastic early adapters to make reservations first years of operation. The mass markets are expected to open once the overall end-user applications and services are available .
- Penetration is expected to follow typical mobile service adaptation (S-) curve lasting 4 to 5 years to reach wide markets acceptance (product launch is 1st half 2006). We are expecting significantly higher penetration towards the end of the decade .

See also question 5, regarding the user SLD registration volumes.

2. The key market segments identified are (a) corporations and trademarks; (b) operators and mobile service providers; (c) mobile content and service providers; and (d) individuals or groups of individuals. How much market share do you estimate will go to each of these key market segments you have identified? Also, will all four segments have access to all products offered?

Answer:

We ask, that our answers to this question are treated as confidential apart from the last title.

Access to products

Everybody will have access to all products as a basic guideline. Registry will also publish in due time detailed eligibility, for example for registering reserved generic SLD names. Registry will naturally promote certain products to the above mentioned customer segments as a primary choice.

We will reflect the evolution of the internet and the mobile sponsored community in a manner consistent with the best practices on the internet. The rationale for .mobi is to serve its sponsored community to ensure that all segments of the (sponsored) community have equal access.

3. What is the minimal number of total registrations that are required for the Sponsoring Organization to sustain operations? What is the minimal number of total registrations that are required for the Registry Operator to sustain operations (in this case, you may include other TLDs under operation)?

Answer:

The Mobi JV is backed by strong and motivated companies on the current business plan. With the cost structure and product matrix proposed the Mobi JV achieves cash break-even on an annual basis with approximately ----- registrations.

Should the demand and price projections for all the name products not be achieved, the .mobi has the ability to cut its costs and reduce breakeven registrations substantially (to approximately -----) to sustain operations, since the charges from the Registry Operator are made on a per-registration basis with no fixed fee, and by downsizing the own staff to the minimum. Please note also that operations of this TLD is expected to be absorbed within the existing operations of Afilias and no minimum registration volume is applicable.

Furthermore, the Mobi JV investors are motivated to take all necessary steps to adapt to the market place .

4. What will you do if revenues come in less than your "low" projections? How will any revenue shortfall be funded? What are the JV partners' commitments regarding funding if more than the initial $--- million is needed? If any gap is unfunded, how will you manage – both operationally and financially?

Answer:

This includes internal contractual information, which we like to keep confidential

5. Your application describes a large market, including 2.2 billion mobile subscribers by 2006. Yet the financial model projects only -- million Euros in sales in 2007, which represents ---% of the projected 2.2 billion subscribers. What is the reasoning? (E.g., Will registration be limited to network operators? Or is anyone with a mobile phone eligible to register?)

Answer:

a)   While we certainly do believe in a great growth potential, we also have strong reasons to believe that the takeup of individualized mobile domain names will follow the usual life cycle from innovators through early adopters to broad usage in a mass market, which is why our business model reflects a moderate growth for the initial periods.

Technology development cycles have frequently shown a first phase focussed on rather standardized offerings, creating a critical mass of customers, some network effect and the process of adoption and usage about new possibilities. Email service would be a perfect example as is the penetration of mobile voice services and short text messaging in mobile.

We reflect this pattern in the financial model presented in the ICANN application. It will take a bit of time before capable handsets are available. It will also take time for users to become aware of the benefits to have a domain name on an individualised basis rather than only from from their service provider(s).

Combined internal and industry analysts view (such as Strategy Analytics 2008, July 2003) indicates that approx. 25 million devices

installed in 2003 are capable to handle services within the scope of the mTLD rising to slightly below a third of the installed global device base in year 2006. We utilize this model to explain the deferred uptake effect above. We intend to actively invest in the creation of the .mobi TLD in order to accelerate this innovation cycle. Otherwise it would take much longer .

We expect good acceptance of .mobi as a mobile services name space quite early in the cycle, and quite moderate absolute numbers of individualized .mobi domain name registrations before acceleration due to increased experience kicks in within the community.

b) Registration for all available names from the registry will be handled through the well established channel of ICANN accredited registrars, hence registrations are not limited to network operators only. If a network operator decides to apply to ICANN to become an ICANN accredited registrar, this is their independent business decision and they will undergo the same standard ICANN process as anyone else. We anticipate that many mobile operators will choose to become resellers of accredited registrars instead of seeking a registrar position themselves.

Mobi JV will not limit registrations to mobile phones. Any mobile device, having suitable means to establish communication, and naming and addressing capabilities, like smart phones, personal digital assistants (PDA), handheld & wrist computers or laptops could be used instead.

6. The trademark verification fee is "expected to cover the cost of performing [such] verification." (i) What fee will you charge? (ii) What is the relationship between the fee and the overall cost of trademark verification?

Answer:

(i)The fee will be a non-refundable amount that covers search of the trademark in one country designated by the registrant. We aim at creating a relationship to preferred outsourcing partners in order to allow access for competitive flat fee to make the process of verification as administratively and economically easy as possible.

(ii) There will be a close relationship between the fee and the overall cost of trademark verification, as the fee will be priced to recover cost.

Validation service is part of the Mobi JV's contribution to protecting rights of other's, but it is also a business opportunity to other companies making trademark validations and offer it as a service to the registry

The current estimated validation fee would be ---€ as a one-time fee. This consists of validation service fee of ---€ and some ---€ internal expanses (IT systems/ databases, labour/staff, phone/fax and other related costs). Naturally, these prices are subject to change to cover the increased cost of performing such validation.

Also , as this trademark validation is a labour intense service while Mobi JV targets for lean organization, and while the consumption of this service is peaked to first years of the registry operation, it is rational to acquire this from the external service providers, and not as an in-house service.

Mobi JV will negotiate agreements with regional validation service providers, and will provide in due time a list of approved trademark validation service providers.

7. Can you explain why companies that have already invested in their own brand will support this domain, and provide documentation of such support?

Answer:

Brand owners and trademark holders that want visibility with their customers and partners, will gain a new level of targetability and tailoring of the customer experience with the .mobi/.mbl domain. The primary purpose of a brand is to create an identity in the mind of the brand owners' target market of what the company does and what it stands for. Therefore, being able to reinforce that branding with specific treatments to segments of their overall market is very important. Brand owners will be able to develop various treatments and messages that will resonate well and reinforce the desired positioning of those brands with people who are in a mobile context .

As an example, with many multinational companies, there are often cases where the .com domain is used for a generic site relating to the overall brand, ethical policies, values and mission statement. It is then a pointer to other geographical sites, which relate to the specific market sector the company wishes to sell to. The customers of these multinationals are in fact expecting that and

select sites accordingly.

The same will occur with .mobi. The .mobi site acts as another route to market for a specific user segment that a brand wishes to market to .

In addition, the .mobi investors and supporters themselves have strong global brands and service hundreds of millions of customers worldwide focusing on mobile services. This represents a significant amount of end user support by itself. This provides important indication that strong mobile brands see the need and value to have one top-level-domain optimised for mobile users and services within the Internet.

We are in process of building our Sponsoring organization, and discussions with potential support candidates are proceeding. Particular enthusiasm comes from new innovative service providers, who see the big opportunities of mobile multimedia and want their ventures to have a chance for an appropriate and attractive name too. With an empty new TLD name space there is a lot more opportunity for that. The existence of the mobile specific TLD builds also improved visibility for their services and therefore can give significant boost for their businesses. Therefore, the mobile TLD also fosters competition in service provisioning, which is identified to be one of the core targets of the new sTLDs

8. Can you provide evidence to support the assumption that corporate and trademark organizations (with more than 10 million subscribers) are willing to pay nearly $----- for a registration?

Answer:

The primary reason for the higher pricing for large service providers is, that their customers are generating the majority of the name lookup traffic and therefore they should carry slightly higher share of the costs.

We have a high confidence level that the fee was not only reasonable but also actually quite attractive for major trademark and brand holders. Using comparatives to fees paid by major brand holders to secure their trademark name for existing TLD's, registration fees for the trademarks paid in each country/region, and the normal value associated with being able to target a defined customer segment.

Considerable part of the investors in the mTLD also belong to the higher paying category and still have proposed this schema, which

in itself is a proof, that the proposed pricing structure is not seen as an excessive burden.

9. What is the rationale for your estimate that reserved names will yield an average of Euro---- (Section 7) through auctions/sales.

Answer:

We primarily considered the list of names that yielded auction sales prices over the ---- € point and then sorted those based on likely applicability (similar value) with the mobile community. We then added in names that had particular value and meaning in the mobile industry. We validated this list between the Marketing departments of the companies backing the .mobi application and finally past the Public Relations company for external validation. We are confident that we have a valid list of names that will result in auction based sales averaging at least ---- € per name.

For financial planning purposes we have been using an indicative average price of ---- € . We expect that in auctions some names will reach higher price while the other reserved names are found less attractive. We also expect regionally variations in the most desired names .

Detailed eligibility requirements and an auctioning process will be published. Mobi JV targets for receiving solid revenues from these high value reserved names, and Mobi JV desires to promote this opportunity for innovative new service provider companies committing to provider high quality services suitable for both the fixed and mobiles users

10. What, if anything, will you do to ensure that registered domains do indeed provide content appropriately configured for wireless devices?

Answer:

As stated in the answers to the Questions 3 and 5 in the technical section the intent of the Mobi JV is for registrars to implement registrant agreements through which registrants agree to follow the style guide and other policies of the TLD. These will be developed by the Registry and will also be available on the registry's website and will be updated from time to time, when technology so requires. The primary intention of the style guides is not to block innovative content and other service provisioning from the Mobile TLD, but to protect customers against inconveniences and costs

related to inappropriate or non-functional services from mobile point of view.

The mTLD requirement details are under formulation but at a minimum will include a commitment to support known and proven advanced networking and a best effort that mTLD domains will operate on all devices (including PC's although optimised for mobile) providing a quality user experience.

The validation of the registrant requirement will occur primarily through self-policing where industry and market forces will identify services that do not conform to mTLD requirements and/or recommendations and be avoided by user's and/or identified in various publications or websites as poor quality. In addition, we are considering a system of warnings and ultimately exclusion from the name space, if the warnings do not produce results. However, we are still open for discussions about the details in this matter.

11. Does the agreement with Afilias include any compensation other than the fee of USD $--- per registration (e.g., is there any fixed fee or floor volume)?

Answer:

> The costs included in the Mobi JV's agreement with Afilias are completely variable, with no fixed component. The basic agreement is a price per domain year registered (which is higher than the quoted $--- per registration). Afilias may also provide ancillary support services.

12. What evidence can you provide that indicates the Registry Operator you have chosen has sufficient financial resources to be in existence in five years?

Answer:

Afilias Limited ("Afilias") is a privately held Irish Limited company. As a private company, Afilias does not report financial results publicly. However, certain information regarding the firm is available and may be helpful in illustrating the firm's long-term viability. Specifically:

- Afilias is a profitable company – Since inception, Afilias has been prudent in managing its business, and as a result, the company is both cash-flow positive and profitable.

- Afilias is an ICANN-authorized Registry—Since 2001, Afilias has met or exceeded the requirements to be an ICANN authorized provider of registry services for a gTLD. ICANN requires Afilias to provide regular reports regarding these responsibilities.

- [CONFIDENTIAL INFORMATION REDACTED]

- [CONFIDENTIAL INFORMATION REDACTED]

- Afilias also provides services to ccTLDs—Afilias is also the official registry services provider for the nations of Antigua (.AG), Burundi (.BI), Gibraltar (.GI), Honduras (.HN), Laos (.LA), Seychelles (.SC), and St. Vincent & the Grenadines (.VC), the registry services contractor for Singapore (.SG), and provides IDN services for Belize (.BZ) and Singapore (.SG).

As a global organization, Afilias has offices in Dublin, London, Düsseldorf, Toronto, and Horsham, Pennsylvania (near Philadelphia). Afilias has established long-term service contracts with established multinationals such as IBM and DSI Technology Escrow Services, Inc. (Fort Knox / Iron Mountain). While no company can guarantee its long-term viability, we believe that Afilias has established a track record that supports our confidence that it can support this domain reliably.

13. How much money has been allocated in the budget to enable a smooth transfer of the TLD to another operator in the event of Registry Operator or Sponsoring Organization failure? (For example, has a reserve fund

been established to cover any financial obligations associated with multi-year registrations or other registry/registrar/registrant obligations?)

Answer:

We strongly believe, that the financial basis of our designated Registry Operator is very stable, which would be consistent with ICANN entrusting the Registry Operations for other TLDs recently to the same outsourcing partner. The necessary basic arrangements, e.g. data escrow, DNS back-up and disaster recovery are an important part of the agreement with the DNS service provider to guarantee the continuation of operations in all conditions.

Should the MobiJV fail, Afilias would continue its service to the domain until such time as ICANN can find a successor sponsoring organization. Afilias would expect to continue to be paid for these services, and would deduct service fees from incoming registration and renewal revenues.   Should it be necessary to transfer the domain to a new registry services provider, Afilias is prepared to assist as needed in migrating the data. If Afilias is unable to assist, the data escrow and disaster recovery provisions in the application would enable the transition to occur without risk of data loss.

These provisions deem the creation of a separate fund unnecessary at this time. However, if the business changes, the Mobi JV will consider the creation of a fund to secure the transition.

14. What other products or services, if any, do you intend to offer that could impact the new TLD? Please specify whether such products or services would rely upon the same, or different, staff and other resources.

Answer:

Mobi JV will contract with Afilias Limited (Afilias) to provide registry services for registrars. These services cover, but are not limited to, interfaces for registrars, WHOIS-database, 24x7 customer service and technical support. Further information is available in Part E – Technical Specification, e.g. in subsection Technical and Other Support. These services rely on the same staff too.

.mobi JV is also evaluating the launch of two other products relying on the same infrastructure as an offering to registrars :

- o Local names

- 3LD names for the end-users

For Local names Mobi JV plans to publish a unified name structure e.g. for roaming customers, that would be the same for all the different networks for locally customized services, e.g. pubs.local.mobi. In mobile operator networks browsing those address could be also further assisted with the user location to improve overall service experience, if consumer desires it. The potential solutions will be evaluated in co-operation with experienced and respected DNS and location services specialists to find the best possible solution for mobile users while taking care, that reliability and other key characteristics of the Internet name services are maintained.

In the long run, as more and more mobile users desire own domain names, there becomes a growing pressure to utilize also 3LD names to have sufficient name space available for the consumers independent from, what operators are offering.

mTLD Consortium response to ICANN evaluation report

Sponsorship Section

I. Introduction

The mTLD Consortium (the "Consortium"), which consists of 3, Telecom Italia Mobile, T-Mobile, Orange, the GSM Association, Ericsson, Samsung, Panasonic, HP, Sun, Nokia, Vodafone, and Microsoft, has reviewed the ICANN independent evaluator report of 10 August 2004. We concur with the premise that effective sponsorship is critical to the success of the proposed TLD, and we are therefore pleased to have this opportunity to respond to the questions raised by the evaluators and to clarify our previous submissions in response to the evaluation.

Some of the information contained in this response is proprietary and confidential, and we respectfully request that ICANN and its evaluators maintain in confidence appropriately marked portions of this text.

II. Response Scope

ICANN requested the evaluation team to apply 9 selection criteria, divided into two major sections ("Sponsorship Information" and "Community Value"), to the materials submitted by applicants for a sponsored top level domain ("sTLD"). The evaluators concluded that the materials submitted by the Consortium met 5 of the 9 criteria (1B, 2B, 2C, 2D & 2E) and in this response, therefore, we address these only briefly. This response focuses on the remaining four criteria, about which the evaluators raised questions:

- 1A. Definition of a Sponsored TLD Community;

- 1C. Appropriateness of the Sponsoring Organization and the policy formulation environment;

- 1D. Level of Support from the Community; and

- 2A. Addition of New Value to the Internet name space.

We also address two areas that we consider as important for our application and the evaluation of new TLDs.

- Rationale for our request for a Sponsored rather than a Generic TLD; and

- The availability of alternative technical solutions to meet the customer need.

III. Executive Summary

The attached document addresses the evaluators' specific comments and questions in detail. Our key issues are discussed below:

1. Sponsored Versus Generic TLD

The evaluators did not specifically discuss the relative merits of a generic TLD over a sponsored TLD for the mobile communications industry. We understand, however, that this issue may be of general interest to the ICANN Board, which is ultimately responsible for the selection of new

sTLDs. Whilst it might seem attractive to postpone consideration of TLDs proposed by commercially oriented communities to a generic round, we believe that this would be a mistake. The interests of our distinct and well defined community, and the consumers who use services and products provided by that community, will be far better addressed in an sTLD setting. This is because policy requirements, which cannot reasonably be met in existing TLDs at the second level or in new generic TLDs, can be enforced by way of a charter with ICANN for the benefit of consumers. The fact that the sponsored community is potentially a large one does not undermine the value of collective policy development. By "going generic," the TLD would lose the capacity and commitment needed to address pressing needs of this major community. Moreover, as active participants in the mobile communications market, Consortium members are especially qualified to understand the status and future of mobile technologies and services required to keep necessary definitions and policies up to date and functional without stifling competition.

2.   Alternative Technical Solutions to Meet Customer Needs and Addition of New Value to the Internet Name Space

The Sponsorship ET appears to believe that existing technical solutions could eventually provide equally valid options to serve customers and that ".mobi" is not needed. This point is used to argue that there is insufficient new community value through the ".mobi" name space.

Regarding the future and use of top level domains, there are many visions. ICANN and the Internet community as a whole have so far, to its credit, refused to permit the domain name system to become the captive of any one vision or actor. Instead, ICANN has championed the right of customers to choose solutions that meet their needs, and has encouraged innovation through robust competition. There is no need to make an either/or choice.

We believe that the mobile TLD offers consumers a legitimate and appropriate choice, consistent with recognized industry standards, by creating a clearly recognizable designation for enhanced services that can be implemented today and be easily understood by our customers. The sponsoring community envisions the ".mobi" designation as a widely recognized indicator of readily available enhanced services dedicated to the needs of mobility-enabled users, for a broad variation of user interface capabilities, and dynamically changing user situations. This benefits the mobile sponsored community and the Internet as a whole, while conforming to established technical and policy standards in the Domain Name System.

Altogether, the purpose and the promise of a ".mobi" domain is to bring the benefits of the Internet, within the easy reach of mobile customers, a very large proportion of whom are not well served by the current PC supporting Internet. A considerable percentage of mobile subscribers do not own and are not expected to own PCs in the near future. This situation is especially prevalent in developing countries, where Internet access may be especially important to industry and consumers. We believe that the new value of ".mobi", in addressing these needs, and the resulting benefit to both the sponsoring community and consumers of mobile communications are substantial and meaningful.

3.   Definition of the Sponsored Community.

The evaluations raised questions about how the definition of the sponsoring community would deal with new and emerging stakeholders in the mobile communications industry. Such stakeholders are virtually certain to emerge as a consequence of changing technology. It is important to repeat that day-to-day decisions are the responsibility of the Registry Company in accordance with the rules & procedures set by the Registry Company with ICANN. Should the board fail to accommodate the participation of emerging members of the mobile communications industry, it will be accountable to ICANN for charter violations and to competition authorities for anti-competitive behaviour.

Given these accountability obligations, the mechanism of the MAG permits total flexibility and the continuous ability to evolve. For example, membership in the MAG, which embodies the sponsoring community, is intended to be open to all self-identified participants in the mobile industry - operators, equipment providers, content and application providers, not-for-profit associations, entrepreneurs, academics, university consortia, researchers, and sole proprietors. While the entry barriers for MAG participation are reasonably low - requiring, for the most part, little more than a commitment of time and communications related costs - members of this community are all economic actors who must make rational choices about where they allocate resources. The fact that community members are self-identified does not, in our view, undermine the precision of the definition of the sponsored community. Rather, it recognizes and embraces the fact that as technology changes new industry stakeholders will emerge and that if it is in their interests to do so, they will participate in the MAG as members of the sponsoring community. It is also the best way to guarantee that new views will find their way into the Registry Company development process.

4.   Policy Formulation Environment

The evaluators questioned the allocation of decision-making authority among members of the sponsoring community. Implicit in this concern seems to be a fear of ceding - at least at a theoretical level - final decision-making to a private investor group. The evaluators ask how the board can be held accountable to its sponsoring community when policy development mechanisms like the Membership Advisory Group (MAG) and the Policy Advisory Board (PAB) ultimately have only advisory authority. According to the report, the evaluators wondered whether there could be a bias in favour of the financial backers of the joint venture, how the decision-making structure would promote innovation and benefit consumers, and whether the ultimate authority of the board would discourage community participation in the policy development process or cast doubt on the fairness of decisions made by the board.

These are fair - and indeed important - questions. They are, in fact, the very questions that ICANN wrestled with in the course of its evolution and reform process - how to balance the organization's commitment to bottom-up decision-making and consensus building with the realistic need to reach closure on issues and move forward. In addition, the ICANN RFP reasonably demanded that prospective sTLD operators agree to accept liability for their operations, and to protect ICANN from liability for these operations. It is incumbent on prudent operators to demand a certain level of control in order to minimize its liability. In striking the right balance here, the Consortium consciously adopted the model embraced by ICANN in the course of its evolution and reform activities. The ".mobi" charter grants authority to the MAG and PAB to initiate policy development and to comment on all board-initiated policy development. Under the charter, the board cannot adopt policy that is inconsistent with the advice of the PAB without first publicly and transparently explaining its decision to do so, and

engaging in further discussions with the advisory board before acting. In the ICANN process, an individual or entity adversely affected by a Board decision can request reconsideration and ultimately appeal to a national court to intervene. In the case of ".mobi", ICANN itself serves as a check on the board's decision-making authority in so far as ICANN typically grants rights to operate a sponsored TLD conditional upon the applicants' commitment to remain responsive to its sponsoring community.

In keeping with the ICANN model, the activities of the Registry Company would clearly be subject to the authority of national and multinational competition bodies. Countries in Europe, Asia, and the Americas have well-developed views on the permissible scope of industry standard-setting activities, and have shown plenty of enthusiasm for enforcing these rules.

On governance issues there are some very important aspects of the Consortium's proposal related to control and policy development. We have shared, in the past, certain confidential materials (with the reservation to request these remain confidential) about our shareholder agreement to demonstrate that the Board will be balanced and that no single investor will have the ability to control the joint venture board. Nor will the current Consortium as a group be able to control the joint venture board. Likewise, the governance documents ensure that no single investor sector (e.g. mobile operators or equipment providers) will be able to dominate the board. In our application we have provided detailed information of the extent to which the members of the Consortium include a wide diversity with respect to industry sector, functionally, and geographically.

IV.   Summary

In summary, we are grateful for the opportunity to address here all the issues raised by the evaluators, as well as any other questions or concerns the ICANN staff or board may have with respect to our application for the ".mobi" sTLD. In this executive summary, and in the detailed responses that follow, we hope that we have clearly articulated our strong beliefs that:

- The ".mobi" TLD will add substantial new value to the Internet, to the Internet name space, to consumers of mobile communications, and to the Internet as a whole. It will remedy the current failure of "Internet over mobile" to live up to consumer.

- The ".mobi" TLD is a key to unlocking that value. Whilst other ways of unlocking that value may emerge, they have yet to do so, and we are not persuaded that this situation will change in the near term. Moreover, the ".mobi" approach does not preclude any such solution, and we urge ICANN to remain committed to the principle it has long embraced to encourage open innovation and facilitate customer choice. The mobile communications marketplace has the clear potential to support a variety of competing approaches, and consumers will benefit from the existence of such alternatives.

- A Sponsored TLD is necessary to achieve the desired consumer benefits efficiently. Whilst participation in the sponsoring community may change over time, this does not distinguish the mobile community from any other industry or even from the industry groups to whom ICANN has already delegated sTLDs. The ".mobi" application should not, therefore, be rejected for that reason.

- The Registry Company will conduct its policy development activities in an open and transparent manner, similar to the manner in which ICANN itself operates. The board will be accountable to the MAG and PAB, to ICANN itself, and to competition authorities around the world with respect to its compliance with the JV charter and to competition law. The fact

that the charter identifies the board as the ultimate decision-making authority merely reflects the realization that ICANN previously reached that the need to move forward should not be held hostage to the sometimes elusive - but always sought-after - goal of reaching consensus.

- The trust issues are largely resolved by Board accountability (above). In addition, the structure of the MAG facilitates the participation of all members of the sponsoring community, including emerging stakeholders in this community, whether they are commercial or non-commercial.

- Furthermore, as previously indicated, the Consortium is committed to looking beyond the sponsoring community to engage the consumers of mobile services directly. In this respect, the Consortium will reach out to identified independent consumer organizations, and will also leverage and support the activities of ICANN's at-large advisory committee process in this cause. Specifically, the Consortium proposes to underwrite the cost of independently-appointed consumer and ALAC participants in the PAB process. We strongly believe that this will strengthen the JV decision-making process, while providing both an important function and needed funding for ICANN's ALAC activities.

The Consortium urges the ICANN Board, in the strongest possible terms, to evaluate the ".mobi" application against the criteria set forth in the RFP (which have been refined and improved through community "input" Activities). In this regard, Vint Cerf ("On the Evolution of Internet Technologies" Proceedings of the IEEE, Volume: 92, Issue: 9, Year: Aug. 2004) said: "Though the author is likely biased as a consequence of service as Chairman of the Board of ICANN, it seems important that ICANN not be forced to increase the scope of its responsibilities. It already has a significant mandate that is hard to fulfil. Rather, it will need to work with interested constituencies to find appropriate venues in which to cope with governance matters associated with the Internet." Sponsored TLDs are clearly an effective mechanism to devolve appropriate policy making authority from ICANN down to the communities impacted by specific TLD policies. The mobile TLD is an important example of the possibility.

In closing, the Consortium wishes to make the strongest possible case as to the need for ".mobi", for the value that it can bring and the merits of the Consortium and the specifics of our bid. We have always been and, of course, will remain open to feedback and constructive suggestions on how we can improve. Some of the feedback has already been reflected in our approach, and we are open to further dialogue at any time. The ".mobi" domain represents an enormous opportunity to extend the reach of the Internet, serve a whole segment of customers under-served today, and add substantial value to the Internet Name Space. We should not allow this opportunity to be missed.

	Specific Issues, Questions and Answers –
	VI. In response to ICANN evaluation report (Sponsorship Section)

In this document, we address in detail, the three general issues first followed by detailed feedback from the Sponsorship evaluation report, section by section:

- General Issues: Rationale for a Sponsored rather than a Generic TLD, alternative technical solutions to meet the customer need, and trust.

- 1A. Definition of a Sponsored TLD Community

- 1C. Appropriateness of the Sponsoring Organization and the policy formulation environment

- 1D. Level of Support from the Community

- 2A. Addition of New Value to the Internet name space.

0	**Detailed Responses to General Issues**
	Sponsored versus a Generic TLD
	The cover letter from ICANN staff conveying the evaluation report suggests that ICANN may be wondering if the ".mobi" application would be more appropriately considered in connection with the addition of new generic TLDs (rather than sponsored TLDs). Whilst the basis for this question is not clear, this concern may reflect the following questions/considerations expressed by the evaluators:
	1. That the potential size of the mobile community argues that policy control must be handled centrally by ICANN.
	Applicant's comment: The evaluators argued on the one hand that the sponsored community is too large for the proposed policy development process to work. At the same time, the evaluators claimed that there was no evidence of a significant market for the ".mobi" domain. The mTLD Consortium (the "Consortium"), which consists of 3, Telecom Italia Mobile, T-Mobile, Orange, the GSM Association, Ericsson, Samsung, Panasonic, HP, Sun, Nokia, Vodafone, and Microsoft, of course, thinks that there is a substantial market for ".mobi" registrations, as evidenced in the application. The Consortium does not, however, think that the size of the sponsoring community should be determinative. Rather, the criterion should be whether there are enough interests and concerns shared by members of the community so as to make joint decision-making workable and desirable.
	2. That the needs of the mobile community can be equally well served by existing technologies and without reliance on a TLD
	Applicant's comment: This argument is equally applicable to all new top level domains due to the nature of the DNS technology.
	3. That the JV's board of directors cannot be trusted to take the right decisions on behalf of the community
	Applicant's comment (Confidential): Deleted as confidential
	We address both 2 and 3 in greater detail below. With respect to the argument that the ".mobi" domain should be a generic rather than a sponsored TLD because of its potential size, diversity, and the pervasiveness of mobile communications, the Consortium believes:
	1. The fact that our target community is potentially quite large does not support the argument that it would be more valuable to the sponsoring community, the community of mobile communications users, or the Internet community as a whole as a gTLD. As further explained below, we believe that our sponsoring community meets the RFP requirements for being susceptible to reasonably precise definition. In fact, the evaluators apparently accepted the adequacy of the currently identified community participants, and questioned only how new and emerging community participants would be

accommodated. Our definition of the sponsored community, as well as the mechanisms in place to identify and accommodate the involvement of sponsored community members is specifically designed to reflect the fact that our proposed sTLD relates to a rapidly evolving technology, and that new players will emerge in response to changes in technology. First, the sponsoring community consists of industry participants that are providing service to mobile users, wirelessly and on the move, across a variety of devices. This is a distinct need that can be defined: it does not describe the whole of the Internet and is in no way generic. Second, self-identified members of the community are welcome to participate in the MAG. Participants in consumer facing industry sectors such as the mobile industry have legal and ethical obligations to their investors to allocate resources - human and financial - in a rational way. Should a broadcaster determine that its interests could be served by participating in the MAG, then they could do so.

2. Although the sponsored community's user group potentially encompasses several billion consumers of mobile services, the size of this potential market *does not guarantee* fast, widespread and ubiquitous take-up. In recognition of this business reality, we have been deliberately conservative in our business plan about projecting consumer up-take, as acknowledged and accepted by the business evaluation team. Equally, though, we do not believe the other extreme - a scenario in which the industry achieves massive, instantaneous consumer penetration to the degree that it overwhelms the Internet. (Although, we note that if such rapid up-take did occur, the existence of a separate domain could serve as a pressure valve and thereby preserve Internet stability.) It is an undeniable fact that bandwidth, power and form factor constraints inherent to mobile networking will constrain mobile access to Internet services for the foreseeable future. At the same time, in many regions of the world, wireline access is out of reach, and in these regions it is the mobile community that will grow Internet reach and bring in new users. In both cases, the existence of a ".mobi" domain adds value to the Internet.

3. For the foreseeable future, the characteristics of mobility devices and systems will require that mobile device users be distinguishable from fixed device users. In this regard, the sponsoring community sees that the creation of voluntary standards for usability and quality will enhance the online experience of mobile device users. The development of such standards, including style guidelines, is an important role that is best performed by an sTLD with an enforceable charter in order to deliver a consistent user experience. The need that this community has for an effective policy development and implementation mechanism is as strong, if not stronger, than sTLDs already approved by ICANN. Fulfilling these roles will enable the building of consumer trust in the use of Internet over mobile.

4. Finally, there has been considerable hype about the potential of mobile Internet access, but the reality has, to date, failed to live up to the expectations of the industry, industry analysts, or the consuming public. As a result, the majority of consumers have yet to gain similar positive experience and trust in Internet services over mobile as they have gained in current mobile voice and short messaging services. A strong Consortium with sufficient resources and policy input from all industry stakeholders can help create critical mass for to support technology innovation. This Consortium represents a level of capability and commitment to grow the market fastest possible and provide an open environment on which all players may compete. Moreover, a successful mTLD will benefit the naming business community considerably.

In summary, the Consortium believes that only this sponsored mTLD can deliver the market benefits and user experience in a rapid timeframe.

Alternative Technical Solutions to Meet the Customer Need

Some technologists, including Sir Tim Berners Lee of the World Wide Web Consortium (W3C), argue that there is simply no need for additional TLDs in general or for sTLDs like ".mobi" (and others) in particular. ICANN has, however, already made a policy determination that it is appropriate to expand the top level domain space in a measured and controlled way to the extent that a proposed new TLD "meets needs that cannot reasonably be met in existing TLDs at the second level." We respectfully submit that the evaluators did not apply this criterion in their review of the ".mobi" proposal. Rather, the theoretical availability, down the road, of alternative technical solutions at the second level and elsewhere, seems to have raised questions in the evaluators' minds regarding the need for the approach proposed by the Consortium. The fact that a solution may someday be available at the second level, or that alternative solutions in other parts of the DNS may also provide means to serve customers does not undermine the validity of the Consortium's approach,

and the evaluators reliance on these possibilities is inappropriate for several reasons.

1. Even if one accepts the argument that it is theoretically possible to meet the needs cited by the Consortium through existing technical solutions and existing TLDs at the second level, it is a fact that customer expectations (in relation to mobile Internet use) are not being met and have not been met for several years. Therefore, we do not accept the above argument, for the reasons discussed below. The best judges of whether customers are reasonably being served are not technicians or service providers or the Consortium – it is customers themselves. Consumers are perfectly able to decide what is in their best interests and at present they are telling us clearly - by opting not to participate in the mobile Internet - that their needs are not being met.

2. The evaluators seem to believe that there is a black or white choice between the ".mobi" approach and other approaches. This is not self-evident to members of the mobile industry supporting this application, nor is it consistent with generally accepted views about the positive effect of competing approaches on innovation. We fully expect that the market will develop solutions for customers that combine both visions in coming years.

<u>Trust and Accountability</u>

The evaluators suggest in a number of ways that the JV board of directors cannot be trusted to take the right decisions on behalf of the community, may be biased by their own self-interests, or could discourage innovation and/or participation in policy development.

The evaluators' questions about the appropriateness of the sponsoring organization and the policy formulation environment, in particular, seem to refer to this issue. Unfortunately, these concerns appear to be based in large part on the misapprehension that the <u>initial</u> applicants (Nokia, Vodafone, and Microsoft) are still the <u>only</u> applicants and/or will have the ability to dominate the joint venture activities and the JV board of directors. This is simply not the case, as information provided by the Consortium has made clear on numerous occasions including in the response given to the evaluators' questions. To the extent the evaluation report is made public, it creates an inaccurate and seriously misleading impression about the Consortium and JV. Assuming that the evaluators had access to all of the materials provided by the Consortium, it is hard to see how they came to be under this misapprehension.

The evaluation team offers no basis for its concern that the mix of planned investors is not representative of the community or that, guided by policy input from the MAG and the PAB, the board will make decisions that are not in the interests of the sponsored community. They offer no specific criticisms of the MAG/PAB structure other than, like the ICANN supporting organizations, these bodies do not have final power over policy. It is difficult to respond in a constructive way to concerns that are offered without specifics. We attempt to respond to this here, but would be happy to respond further to any specific concerns that the evaluators or the ICANN staff or board might be interested in. We reiterate our view, which is the view adopted by ICANN in the evolution and reform process, that an organization must have the ability to act on less than perfect consensus, but that any excesses that might stem from granting the board authority to act in this situation can be flagged, if not checked, by transparency and accountability. It is impossible for any operating business to take responsibilities for liabilities without the ability to manage them and, at the same time, meet its fiduciary responsibilities to investors, its obligations under contract to ICANN, as an employer, and as an institution subject to the laws and regulation of various sovereign authorities. In accordance with the proposal, the JV board must publicly issue a written justification of any decision taken that is inconsistent with the policy recommendations of the PAB.

Two issues related to this concern deserve elaboration:

1. It has always been understood by the Consortium that whilst the JV board will have final authority on all day-to-day issues, it will, nonetheless, be accountable to ICANN for the fulfilment of its charter. There will be mechanisms to reopen Board decisions if they are in conflict with its charter (e.g. inhibiting reasonable extensions of community). This accountability, coupled with the transparency requirements of public explanations for board action, substantially reduce the risk that board decision-making might be abused or used in a manner that undermines important issues of public good, community definition, or policy. We have outlined the basic transparency and accountability mechanisms in our submissions to ICANN, but are open to exploring further mechanisms with ICANN, the MAG, or the PAB.

2. DELETED AS CONFIDENTIAL

3. With the significant exception of the GSM Association, the planned investors represent commercial entities. We do not see this as a disqualification, inasmuch as the sponsored community consists of participants in the mobile communications industry who share a common interest in meeting customer needs and expectations to expand the market. All of these industry players benefit from the expansion of this market, which provides an incentive to embrace new technologies and encourage rather than stifle competition. In fact, improving the uptake of the data services over mobile can only improve the competitive situation of e.g. current PDA manufacturers.

4. The MAG/PAB policy development structures were described in the sTLD application, and have been elaborated upon, refined, and further detailed in subsequent submissions. We would like to clarify, in this connection, that participation in the MAG is not limited to commercial or for-profit industry participants. Trade groups, universities, research institutions, standards bodies, and individual entrepreneurs will be welcome participants in the MAG. Whilst there are the normal entry barriers, consisting mainly of the need to dedicate human resources and to cover costs associated with participation in conference calls, these costs are reasonable and should be within the reach of any of the interested stakeholders.

5. With respect to the participation of consumer advocates and ALAC representatives in the PAB, the JV reiterates its commitment to fund meaningful participation in policy development by these participants to guarantee that consumers' and general Internet viewpoints are fully considered.

We would hope that these three points significantly assist in resolving the trust issue. We remain open to dialogue on how this may be improved further to the satisfaction of ICANN.

Detailed Responses:	

1. Sponsorship Information	

1A	**Definition of the community**

The sTLD RFP requires the sponsored community to be "precisely defined, so it can readily be determined which persons or entities make up that community" and "comprised of persons that have needs and interests in common but which are differentiated from those of the general global Internet community." The ".mobi" application fully meets these requirements.

1. The fundamental basis of the application is, as described in the original application and the responses to questions posed by the evaluators, that mobility and the use of mobile devices to access Internet content creates needs that are different from those of the general Internet community. The evaluators did not question this point, so we assume here that they agree. For further information with respect to differentiated needs, please see our response in section 2A (Community Value) below.

2. The evaluators did raise a question about the clarity of the definition of the ".mobi" sponsoring community.

   a. As a starting point, the evaluators did not take issue with the clarity of the definition of the sponsoring community in relation to the mobile communications industry of <u>today</u>.

   b. The evaluators did, however, raise questions about how the definition of the sponsored community would map to relevant stakeholders as the mobile communications technology evolves and changes over time. The evaluators posed this question using the example of radio broadcasting spectrum and computing devices. In response to this question, we want to reiterate several points from our application and supplemental answers here:

      i. Change is inevitable for all communities seeking sTLDs; to take a trivial example, if all cars became flying cars, the definition of ".aero" would be affected, as would the concept of a pilot, and the roles of numerous other travel industry stakeholders. Indeed, it would be short-sighted to define a sponsoring community in a manner that "froze" the organization at a fixed point in time, particularly if the shared community interest was related to technology of any sort.

      ii. Given the inevitability of change, the key is to define the functions of members of the sponsored community in technology neutral terms that permit the organization to accommodate inevitable changes in technology. This was the approach used to define the ".mobi" community, which rests on three key pillars:

         • We understand "mobility" as the access to the internet over a device that is connected wirelessly with the connection being managed while "on the move", with management of changing locations delivered through service providers by same and different access technologies, and in such way, that it is not dependent upon specific access or transport technologies or IP versions. This is a functional definition that can incorporate technological change either with devices (from mobile computers and handsets today to wristwatches and other devices tomorrow) or access (from radio spectrums used today to new radio spectrums tomorrow). Our application explicitly includes WiFi for precisely this reason, and contemplates that new technologies as well as existing technologies serving new purposes will become part of the policy development process in the ordinary course.

         • To the extent that new or different technologies are used to deliver aspects of mobility, the need for policy changes should be minimal in as much as the goal of the sponsored community is to create technology neutral policies. To the extent that policy changes are required, or new policy is needed, these would be considered in the policy development

	process as well as normal change control processes.
	• Given the protections described above, any remaining concerns would rest on the unspoken fear that existing Consortium members would engage in activities to block the participation of stakeholders seeking to deploy new technologies. Any such efforts would be (1) likely illegal under any competition laws with which we are familiar, and (2) swiftly brought to light by the transparency and accountability mechanisms described above. This would also be against the interests of the Consortium members, who also seek additional business potential from new technologies. This is addressed above in the section on trust, but to briefly summarize, we have established balance within the Consortium, envisioned a strong and vibrant MAG/PAB structure, developed transparency and accountability mechanisms, and recognize that the JV will also remain accountable to ICANN for charter compliance and to national sovereigns for compliance with law. We believe that there the strong failsafe mechanisms protect against the negative outcome that apparently concerned the evaluators.
1B	**(The complete section 1B is confidential)** **Evidence of Support from the Sponsoring Organization**
	Deleted as confidential

1C	**(The complete section 1C is confidential)** **Appropriateness of the Sponsoring Organization and the Policy Formulation Environment**
	Deleted as confidential

1D	**Level of Support from the Community**
	Some evaluators complained about their inability to assess the level of support to be offered since the sponsoring organization has not yet been formed. It is not clear from the evaluators' feedback if this is a material issue or not. For the avoidance of doubt, the level of support from the "Sponsoring Organisation" (meaning the Consortium that is seeking to participate in the Registry Company) is clear. It comprises 13 members, including the three initial applicants, 11 of which have sent direct letters to ICANN in support of the bid (see Question 1B above). All these entities intend to be registrants in their own right. Moreover, the GSM Association's participation was approved unanimously by its Board, all of whom are in support of the bid. For reference, the GSM Association Board is comprised of 21 members, including AT&T Wireless, NTT DoCoMo (Japan), China Mobile, China Unicom, Sunday (Hong Kong), Taiwan Cellular, Maxis (Malaysia), Singtel (Singapore), KTF (Korea), Telenor Mobile (Norway), Telia Sonera (Sweden/Finland), Turkcell (Turkey), SFR (France), O2 (UK), Telefonica (Spain), Orascom (Egypt). Some of these companies have explicitly written letters of support directly to ICANN. In addition, there have been support letters from organizations like the CTIA that has strong participation from companies in the USA, as well as several independent letters from a broad range of organisations. It is the only the formal Supporter Organisation structured as MAG/PAB that has yet to be formed. It was always envisaged that it will only be formed if the bid is successful and, presumably, this is a viable and reasonable approach that is fully conformant with ICANN policy.

2. Community Value

2A	**Addition of New Value to the Internet Name Space.**
	The essence of the evaluation team's criticism is threefold: 1. That the benefits of the TLD must be "provided at least as effectively with existing technologies and without reliance on a new TLD….through existing content negotiation and device capability negotiation technologies." 2. That it might create confusion as to where to find a particular service and whether there is any difference between *.com/org/ccTLD and *.mobi 3. That, as a consequence, the "ET was not convinced that the ".mobi" application "would bring new user communities to the internet" These three statements have been made without any evidence to substantiate them and don't fit to the facts presented. The reality is that: 1. There is substantial latent demand for mobile Internet services, as evidenced by trial of WAP based services when they were first launched. 2. That latent demand notwithstanding, the fact is that the vast majority of mobile users today simply do not use the Internet in any way, despite many of them having access to the Internet over various forms of data connectivity. Feedback from customers has consistently been that customer experience is simply not strong enough to sustain usage. This is despite all the technical solutions available today. It is our strong belief that relying solely on technical solutions (which is what we have done so far) will not work quickly and that the weight of market experience supports this. We are proposing a commercial

solution that will work today.

3. If the right customer experience could be delivered, the Internet would be available to a whole generation of new users. They would comprise two sets of users:

   a. There are many users who have access to the Internet through PCs and fixed access. Extending their usage of the Internet over mobile devices would comprise substantial extension of the Internet.

   b. Equally important are the users who do not access the Internet today and will only be able to access the Internet over mobile. This applies especially to developing economies where mobile access will substantially exceed fixed access. Our July 30 posting to the evaluators showed the example of India. Today, India, with a population well of over 1bn, has less than 40m lines for fixed and mobile each, where mobile will pass fixed by the end of this year. The Telecoms Regulatory Authority of India (TRAI) has estimated that by 2007, mobile lines will grow to 100m, while fixed access will grow at a significantly lower pace. Their reality, as that of many other developing markets, is that the "universal" connection will not be fixed but rather mobile. These user communities can only be reached through a differentiated experience that ".mobi" is trying to create.

4. We disagree with the assertion of the evaluation team that "the existence of the TLD is likely to create confusion …". The ".mobi" TLD provides an instantly human recognizable distinction of services that will work on a mobile device and by providing a clear suffix aids in discoverability rather than diminishes. There is no confusion today about what one can find in .aero as opposed to .com sites of commercial participants or .org sites of regulatory authorities. Moreover search tools today are able to search for content independently of the TLD. All that the TLD will signify is that a particular site or service has been configured for a good customer experience so that a user can establish and effect preferences. This warrants further investigation.

5. We would like to make one point in addition. There have been statements made to the effect that ".mobi" users would somehow not be given access to non- ".mobi" sites and services. As we stated in our application and the June 28 response, ".mobi" is intended to be additive to the Internet without taking anything away. PC users and other existing Internet users will be able to use ".mobi" content in an un-restricted manner as ".mobi" users will be able to access services under other TLDs. There will be no policies in the Registry Company restricting access between ".mobi" and the wider Internet.

The ET Teams response has debated the competing claims of existing technical solutions versus a new ",mobi" TLD as if they are competing options only one of which can be chosen to serve customers. It is our strong belief that this is itself a flawed view that ignores one of the main properties of the Internet itself, which is to provide room for a variety of competing approaches. We fully expect that the market will develop solutions that combine both visions in coming years and that it will be the customers wish and capacity to decide which approach will best reflect his demands.

2B	**Protecting the Rights of Others**
	The evaluation team stated that the application met the selection criteria, but had questions about the ability of the SO to implement these policies. As the application has met the selection criteria, we will not make any further comment in this response. On the issue of implementation, we remain confident that the policies can be implemented, but are open to feedback and concerns and always happy to strengthen aspects if required.
2C	**Assurance of Charter Compliant Registrations and Avoidance of Abusive Registration Policies**
	As with 2B, the evaluation team stated that the application met the selection criteria, but stated that further work was required. As with 2B, are open to feedback and concerns and always happy to strengthen aspects and undertake further work as required.
2D	**Assurance of Adequate Dispute-Resolution Mechanisms**

	The evaluation team stated that the application met the selection criteria with no qualifications.
2E	**Provision of ICANN Policy Compliant WHOIS service.**
	The evaluation team stated that the application met the selection criteria with no qualifications.

Appendix:
An extract from Consortiums SO related answers to Evaluators Additional Questions Statements.

Answers were provided in full due agreement with ICANN on process between June, 24th and June 28^{th,} 2004. The mentioned letters of support were attached to the response and can be re-submitted if desired.

Qu2	**Please provide signed letters that are representative of all parts of the Community that you propose to represent, detailing the particular reasons for their support. You should include similar letters from all supporters mentioned in your application. (Note: We wish to assess the breadth as well as the depth of support.)**
Ans2	We will provide signed letters from investors and supporters on Monday 28th June as agreed. Below is a summary of already expressed support as posted on the ICANN web site or as represented by investors in the Consortium.

	Operator	Mobile Equipment Vendors & Terminals Manufacturers	Internet companies (Technology companies, ISPs, Content Companies)
I. Investors			
Vodafone	X		X
T-Mobile	X		X
Telecom Italia Mobile	X		X
Orange	X		X
3 (Hutchison)	X		X
GSM Association	X	X	X
Microsoft		X	X
Hewlett Packard		X	X
Sun		X	X
Nokia		X	X
Ericsson		X	X
Samsung		X	X
Panasonic		X	X
II. Supporters			
KidsWebTV Inc			X
Norbelle LLC			X
Forschungsverein EC3			X
SurfControl			X
Cash-U Mobile Technologies			X
Zone 4Play			X
Lunagames International BV			X
FindWhat.com			X
Infocomm			X
SFR - France	X		
Orascom Telecom	X		
TurkCell	X		
Telefonica Moviles	X		
Telenor Mobile	X		
Smart Communications	X		
CTIA	X	X	X
Valeria Marques			X
Beta Lee		Independent Consumer	
Tom Swan		Independent Consumer	

As you see from the table, the ".mobi" Consortium comprises a balance between operators, vendors and internet companies (which include technology companies, ISPs and content companies). The structure of Consortium is such that no single constituency/sector will have a majority and the intention is to have up to 17 shareholders so that no single company has dominance. Currently we have 13 signed up investors to our memorandum of understanding and we have kept open 4 further slots to accommodate additional players that would add to the balance and representativeness of the Consortium.

It is important to note that while most investors have primary focus on one sector, they typically have

	important stakes for other sectors also. Most operators are building offerings in content services, web portals and IP networks to complement their network services offerings and see those as critical to their future. Most are also part of larger groups comprising fixed operators (with participation in IP networks, ISP services and web services). Similarly, Microsoft, HP and Sun have broad portfolios, which include interests in the ISP space (MSN, Hotmail), core technologies (e.g. IPv6), IT hardware and terminals, software (e.g. Java) and content (e.g. MSNBC). All of the mobile equipment vendors have substantial interests not only in handsets but also core technologies (e.g. compression technologies, security, mobile internet). It is also important to note that the GSM Association represents over 640 individual operators globally and more than 1 billion mobile users in GSM technologies alone (substantially more if one counts the non-GSM interests of the mobile operators such as Vodafone, NTT DoCoMo and China Unicom, with its CDMA network). In aggregate the GSM Association's members represent more than 70% of all mobile users globally. The membership of the GSM Association also includes many equipment manufacturers, technology, application and services companies and also government departments/regulators. All these investor companies have substantial customer bases and are driven by the desire and requirement to serve end-users. In addition, the Registry Company will have a supporter organisation, which will embrace the broader community, including consumer groups, ICANN at large, and non-profit organisations. In summary, between the current investors, the users they serve, and the supporter organisation, there is strong representation of most of the important stakes in the evolution of the internet to mobile. There is structural protection against overall imbalance and against dominance by any individual player. The Consortium is representative of all parts of the community. The same balance can be seen from the supporter list with all the sectors and constituents represented. In addition the supporter list includes smaller companies that do not have the capacity to participate in such a consortium but have a strong desire to see the creation of a mobile TLD. They also include some independent consumers and therefore potential registrants providing some indication of the potential interest in the marketplace. Two further points are worth mentioning. Both the investor list and the supporter list include non-profit as well as for-profit organisations. The GSM Association, the CTIA and Forschungsverein EC3 are all non-profit organisations with a primary motive to grow the overall mobile and internet sectors while serving customers in the best possible way. For information Forschungsverein EC3 is non-profit research centre funded by private companies, 5 universities and the Austrian Federal Ministry for Labour and Economic Affairs and by the City of Vienna. Finally, these investors and supporters are truly globally representative and will substantially increase the outreach to markets outside the US and Europe, especially in developing markets. The answers to questions 3 and 4 further elaborate on these points.
Qu3	**Do you have any plans to involve industry participants outside of the United States and Europe?**
Ans3	Both the investor group and the supporter list are highly representative of the global community as shown in the table below. First of all, the Consortium includes 3 companies headquartered outside the US and Europe; the company "3" (Hutchison) headquartered in China, Panasonic, in Japan and Samsung in Korea. These three markets are critical and the participation of strong companies headquartered there will substantially help the Consortium. All the vendors, terminal manufacturers, technology companies (hardware and software) and service providers are clearly global and have both sales and local operations in all regions. The operator members of the Consortium are also global and have substantial local operations outside

the US and Europe. As stated above, the GSM Association also represents operators globally.

The supporter list complements and re-enforces this global representation.   Their geographic focus is specified below but we would highlight several key companies.

- Orascom Telecom is a mobile company with operations in Egypt, Algeria, Pakistan, Tunisia, Congo, Chad, Zimbabwe, and Iraq which all represent the kinds of geographies that we are very motivated to reach.

The same can be said for
- Smart Communications (an operator based in the Philippines),
- Telenor Mobile (which has direct operations in Russia, Ukraine, Hungary, Thailand, Malaysia, Bangladesh and Pakistan as well in European territories such as Norway, Denmark, Sweden and Austria),
- Telefonica Moviles (with operations in Brazil, Mexico, Puerto Rico, Peru, Argentina, Chile, Guatemala, El Salvador and Morocco as well as Spain), and
- Turkcell (Azerbaijan, Georgia, Kazakhstan, Moldova, Northern Cyprus as well as Turkey).

All these operators see an enormous scope for serving customers, and promoting the economic and social development of developing countries through provision of the internet over mobile.

The rationale is further elaborated below in Qu4.

	North America	Western Europe	E. Europe/ Russia/ Middle East	South America	Asia / Australia	Africa
Investors						
Vodafone	X	X	X		X	X
T-Mobile	X	X	X			
Telecom Italia Mobile		X		X		
Orange		X	X		X	X
3 (Hutchison)		X			X	
GSM Association	X	X	X	X	X	X
Microsoft	X	X	X	X	X	X
Hewlett Packard	X	X	X	X	X	X
Sun	X	X	X	X	X	X
Nokia	X	X	X	X	X	X
Ericsson	X	X	X	X	X	X
Samsung	X	X	X	X	X	X
Panasonic	X	X	X	X	X	X
Supporters						
I.						
KidsWebTV Inc	X					
Norbelle LLC	X					
Forschungsverein EC3		X				
SurfControl		X				
Cash-U Mobile Technologies		X	X			
Zone4Play	X	X	X			
Lunagames International BV		X				
FindWhat.com	X					
Infocomm	X					

SFR - France		X				
Orascom Telecom			X		X	X
TurkCell		X	X			
Telefonica Moviles		X	X	X		X
Telenor Mobile		X	X		X	
Smart Communications					X	
CTIA	X					

Qu4	**Do you have any plans for outreach to less developed countries to make the sTLD more global? How can the sTLD improve use of the Internet in developing countries?**
Ans4	There are four critical considerations: 1. In most developing markets, there is a substantial issue of tele-density and data network access. Most governments have a strong policy to increase access and many have come to the conclusion that the fastest way to increase tele-density and data access is through wireless. India is a good example. According to TRAI (Telecom Regulatory Authority of India) in its consultation paper, 31st May 2004, mobile tele-density has already exceeded fixed (22m versus 19m in 2003) and to quote "today, the country is witnessing tremendous growth in mobile wireless...About 2 million wireless subscribers are being added every month...it is expected that there would be about 100 million wireless subscribers by the end of 2005." If we wish to expand the footprint of the Internet to the developing countries, it is essential to ensure availability over mobile. 2. The second major consideration is availability of Internet enabled devices and total cost of ownership for consumers in countries where affordability is lower. Mobile offers the opportunity to create hybrid devices (e.g. combined phone/internet functionality on a mobile phone) at low incremental cost to customers if they are already subscribing to mobile services. It is our expectation that mobile devices represent the early mass market for personal (as opposed to shared) Internet devices in these markets. It is our belief that these mobile Internet devices will substantially increase the reach of the Internet. 3. The third issue is language capability (e.g. on devices), content and services. The Consortium members and supporters already have programmes in place for the development and extension of character table support for devices and services to create an adequate representation of a broad cultural diversification in the ".mobi" namespace. Content and services will come through critical mass of customers which we are motivated to support, but it will also be substantially accelerated through local services which the ".mobi" TLD will explicitly support and promote. 4. The final consideration is the motivation of the investors and supporters as an indication of the overall outreach and promotion of the ".mobi" TLD. All the companies listed have substantial operations in developing markets, and substantial existing outreach and promotion activities. The ".mobi" offering can be added to these existing programmes without substantial incremental cost. The outreach commitment and capability of investors and supporters will not only support this aim directly but also create a competitive dynamic that makes ".mobi" offerings widely available.

.tel (Pulver)

TECHNICAL

1. Is this TLD going to be "delegation only" (see, e.g.,
    http://www.isc.org/index.pl?/sw/bind/delegation-only.php)? If not, describe (i) other
    types you expect to support; (ii) how this will affect registrars'
    current processes; and (iii) what allowance you will make for technical difficulties in
    communicating with registrars.

    Delegation only.

2. What is your response to the issues raised in the 29 April 2004 letter from ITU
    Secretary-General Utsumi to ICANN President Twomey regarding ENUM and
    E164.arpa?

    *Secretary General Utsumi indicates in his letter that he has been instructed by the ITU Member
    States…"to take any necessary action to ensure the sovereignty of ITU Member States with regard to
    country code numbering plans and addresses will be fully maintained, as enshrined in
    Recommendation E.164 of the ITU Telecommunication Standardization Sector, in whatever
    application they are used."*

    *Applicants believe that the ".tel" Registry should operate under a set of policies that fully respect the
    sovereignty of ITU Member States with regard to country code numbering plans and addresses.
    Applicants have proposed to accept registrations exclusively from IPCSPs who are registering E.164
    numbers that have been assigned to the IPCSP or to a customer of the IPCSP under country-specific
    number plan administration policies. Applicants have proposed to require every IPCSP to enter into
    an agreement that requires the IPCSP to warrant that its registrations are consistent with country-
    specific E.164 assignment policies. Applicants have further proposed to impose financial penalties on
    Registrants who are shown to have violated this key registration requirement.*

3. How does your proposal relate to existing ENUM trials?

    *Existing ITU and country-specific E.164 number assignment procedures provide for the delegation of
    E.164 numbers to three different entities, each of which can assert a valid claim over the use of a
    given E.164 number. Consider the following common number-delegation situation:*

    Carrier-Delegation: *A licensed telecommunications service provider ("carrier") is assigned blocks
    of E.164 numbers from a country-specific number administration authority.*

    IPCSP-Delegation: *A Carrier assigns a subset of its numbers to an entity that is providing IP-
    based communications services to a group of individuals (i.e. enterprise, university, government
    agency, or other "non-carrier" communications service provider).*

    User-Delegation: *An IPCSP (i.e. enterprise, university, etc.) assigns one of its E.164 numbers to
    an end-user (i.e. student, employee, etc.).*

    *All three entities defined above (Carrier, IPCSP and User) have a different type of valid claim over the
    use of the same E.164 number under existing country-specific number assignment policies. As a
    result, at least three different implementations of the ENUM protocol with different registration and
    administration policies are required to meet the equally valid addressing needs of these three*

different user groups. Existing ENUM trials and industry activities are currently addressing just two of the groups identified above (Carriers and Users).

> ***Carrier-ENUM***: *Discussions are underway today within multiple industry organizations (ITU, ETSI, IETF, GSMA, etc.) to explore the issues surrounding the creation of a secure, private implementation of the ENUM protocol for use by licensed telecommunications providers.*

> ***IPCSP-ENUM***: *Applicants have proposed the ".tel" registry for use exclusively by IPCSP's under a set of policies that require IPCSPs to fully respect the country-specific number allocation policies that defined the distribution of the E.164 numbers being registered by any given IPCSP.*

> ***User-ENUM***: *ENUM services under "e164.arpa" are being deployed to provide a structure under which individual telephone number subscribers can "opt-in" to a public-ENUM service and administer NAPTR records under an individual subscriber account. Policies relating to individual E.164 subscriber registrations are being defined on a country-by-country basis under the "e164.arpa" implementation.*

The addressing needs of IPCSPs as defined under the ".tel" application are not being met by existing Carrier-ENUM and/or User-ENUM ("e164.arpa") activities. Both Pulver.com and NetNumber are currently involved in working with various industry groups and numbering authorities around the world focused on Carrier-ENUM and User-ENUM issues. Applicants propose to continue to work with these various ENUM related industry groups to advance the efficient deployment of ENUM services for the benefit of Carriers, IPCSPs and Users.

4. Please clarify who is eligible to register in .tel.

Applicants propose to restrict registrations under ".tel" to IP Communications Service Providers (IPCSPs). An IPCSP is defined as any entity that provides IP-based communications services to a group of individual subscribers. Entities that fit this definition of an IPCSP include: Enterprises, universities, government agencies, as well as communications service providers.

5. How will you handle the situation where a telephone company holding number assignments and the user of the telephone number both want to have that registration?

As defined in question #3 above, there are three entities that can claim valid rights over the use of a given E.164 number under existing E.164 number assignment policies today:

> ***Carrier***: *A licensed telecommunications service provider ("carrier") that has been assigned blocks of E.164 numbers from a country-specific number administration authority.*

> ***IPCSP***: *An entity that is providing IP-based communications services to a group of individuals (i.e. enterprise, university, government agency, or other "non-carrier" communications service provider) using E.164 numbers allocated from one or more Carriers.*

> ***User***: *An individual (i.e. student, employee, etc.) who has been allocated an individual E.164 number from an IPCSP as part of a communications service.*

Under the ".tel" registry, the individual User will not be allowed to register and the IPCSP will be given priority over the Carrier. In certain situations, a Carrier will be fulfilling the role of both Carrier and IPCSP in the delivery of services directly to a set of end-users. In this situation the Carrier will be welcome to participate in the ".tel" registry as an IPCSP. In the situation where a Carrier and a separate IPCSP both claim to be providing services to the same end-user, the ".tel" conflict resolution process will be invoked to resolve the conflict.

6. Will you allow delegation to a block of numbers, e.g., +1-202-418-0? If so, how will these be priced?

    Current Applicant thinking is that registrations will be limited to full E.164 numbers. This policy will be reviewed by the ".tel" Board of Directors as appropriate.

7. If users are registrants, how will you monitor whether the registrant is still the holder of that telephone number?

    Individual telephone number subscribers ("users") will not be allowed to register under ".tel". The ENUM addressing needs of individual registrants are being provided for on an "opt-in" basis under the "e164.arpa" implementation of the ENUM protocol.

8. Please explain how you will verify this issue, for example, in country codes +249, +82 or +886 for example, in the absence of a functioning government or where there are language barriers?

    N/A

9. What is the technical setup of the DNS, Whois and EPP servers? For all of these elements, please specify how the setups fulfill the requirements of up time from ICANN?

    The NetNumber ENUM/ DNS name servers are deployed at multiple, geographically separated network sites. Each network site is composed of a server farm of two or more load balanced name servers. For example, NetNumber currently operates NSA.NETNUMBER.NET (65.214.42.86) in Boston, MA and NSG.NETNUMBER.NET (65.216.77.206) in Chicago, IL. Both the A and G sites consist of two or more physical name server platforms. Since 11/2003, the aggregate availability of both the A and G sites has been 100%. A third server farm located in California is scheduled for deployment in Q4 2004.

    The WHOIS service will be deployed centrally at the registry master site in Boston, MA. The deployment architecture will consist of a server farm of two or more load balanced WHOIS protocol servers connecting to a highly available (clustered) database system. This architecture is designed to provide 99.9% service availability, exceeding the 99.79% ICANN requirement.

    The EPP service will be deployed centrally at the registry master site in Boston, MA. The deployment architecture will consist of a server farm of two or more load balanced EPP protocol servers connecting to a highly available (clustered) database system. This architecture is designed to provide 99.9% service availability, exceeding the 99.87% ICANN requirement.

re: DNS

10. Does TLD plan to use wildcard DNS records? If so, explain what will be the use and the types of records used.

    No wildcard delegation is anticipated.

11. In how many DNS zones are the NS records located? Is this zone in the requested sTLD or not? (I.e. how long will the chain of NS records be when chasing them?)

   The ".tel" registry will be deployed initially with a single DNS zone under ".tel". As the number of registrations grows in size NetNumber will evaluate the appropriate time to partition the namespace into multiple zones, most likely at the country-code level.

12. How do you expect to meet the ICANN requirements of DNS answers RTT if all your DNS servers are in the US?

   NetNumber will deploy additional ENUM/DNS query servers outside the US as appropriate to meet the RTT requirements of both ICANN and the IPCSPs using the ".tel" infrastructure.

13. Please provide evidence of public DNS operations and locations of publicly available instances of DNS servers running your software.

   nsa.netnumber.net   65.214.42.86
   nsg.netnumber.net   65.216.77.206

14. Is this sTLD a candidate for filtering based on the TLD? If so, what will be effects on the operation/survival of this TLD if it is locked-out (i.e., if a large ISPs return "NXDOMAIN" for all queries for it)?

   No. IPCSPs are the primary users of the ".tel" sTLD and we do not anticipate that these users will be filtered by their ISPs.

re: Operations

15. Please provide a statement about how often disaster recovery plans are practiced, and for which contingencies. Also: (i) in the event of a need for recovery from primary data server failure, would there be an interruption of service? If so, for how long? (ii) is notification provided for failed transactions during a fail over? and (iii) what is the bandwidth allocation planned for the interconnection of data centers for synchronization purposes, and to the Name Servers serving the sTLD?

   Intra-site data server failover and recovery procedures are practiced on a monthly basis. Registry site fail-over and recovery will be practiced on a quarterly basis. Failover from a primary data server to a standby data server will result in a short (5 minutes or less) interruption of provisioning service while the standby data server recovers and takes over for the primary data server. All failed transactions will result in an error response being returned to the initiating registration client application. Planned bandwidth allocation between all NetNumber data centers for replication and synchronization purposes is burstable to 100 mbps.

16. Can you clarify whether or not you will escrow registry data?

Applicants currently do not plan to escrow registry data because all Registry data will be automatically replicated to a geographically distributed back-up master database infrastructure as part of the normal course of business. If data escrow is a requirement from ICANN, Applicants will implement a data escrow process that fulfills the ICANN requirement.

17. Do you - or your subcontractors - have plans to use recent standards developed by the IETF:

NetNumber plans to implement the following recently developed IETF standards for use with the ".tel" registry:

- *EPP will be supported for provisioning if requested by ".tel" Registrars. Initial provisioning services will be provided under a W3C Webservices (SOAP/XML) interface.*

- *DNS IPv6 transport and glue records.*

- *DNSSEC Transactional Signatures (TSIG).*

BUSINESS/FINANCIAL

(Please Note: We are asking these questions to provide you an opportunity to demonstrate the existence of a well-developed business model, rather than to judge whether this information constitutes a "fail-safe" business plan.)

1. What is the minimal number of total registrations that are required for the Sponsoring Organization to sustain operations? What is the minimal number of total registrations that are required for the Registry Operator to sustain operations (in this case, you may include other TLDs under operation)?

    Applicants have proposed to address the downside risk associated with potential slow adoption of the ".tel" Registry by integrating the initial operating costs of the registry into the existing businesses operated by both Pulver.com and NetNumber, Inc. The operation of a ".tel" registry is complimentary to both the Pulver.com and NetNumber business models. Pulver.com will provide the infrastructure for communicating with the IPCSP community through existing industry conferences and newsletter activities. NetNumber will provide the underlying ".tel" Registry services through its existing ENUM/DNS infrastructure and existing operations staff. The work associated with promoting industry adoption of the ".tel" sTLD is perfectly complimentary to the community development activity that represents the core of the Pulver.com business. Similarly, the work associated with delivering Registry services to the communications industry is perfectly complimentary to NetNumber's business which is based on the development of the NetNumber ENUM Server technology. As such, no minimum number of registrations is required for the Sponsoring organization or Registry Operator to justify sustained operation of the ".tel" sTLD. From a business model perspective, Pulver.com and NetNumber will support the initial operations of the ".tel" sTLD though our existing business models and then as the ".tel" registry grows in size and in revenue, the registry infrastructure will be migrated over to dedicated assets and staff as appropriate.

2. What will you do if revenues come in less than your "low" projections? How will any revenue shortfall be funded? If any gap is unfunded, how will you manage – both operationally and financially?

    See question #1 above. Applicants business plan is based on integrating the initial registry services into the existing services provided by Pulver.com and NetNumber, Inc. As a result, initial operations of the ".tel" registry will not generate any unfunded revenue shortfall or gap for either NetNumber or Pulver.com.

3. You have stated that the purpose of the .tel TLD will be to "enable(s) the mapping of legacy telephone numbers to the Internet address information required by IP-enabled communications applications and services." How does this directory infrastructure that you propose differ from what is being done currently with ENUM trials using e164.arpa?

    Existing ITU and country-specific E.164 number assignment procedures provide for the delegation of E.164 numbers to three different types of entities, each of which can assert a valid claim over the use of a given E.164 number. Consider the following common number-delegation situation:

__Carrier-Delegation__: A licensed telecommunications service provider ("Carrier") is assigned blocks of E.164 numbers from a country-specific number administration authority though existing ITU guidelines regarding the use of the E.164 namespace.

__IPCSP-Delegation__: A Carrier assigns a subset of its numbers to another entity that is acting as an IP-based communications service provider (IPCSP) to a group of individuals. IPCSP examples include enterprises, universities, government agencies, and various other types of "non-carrier" communications service providers.

__User-Delegation__: The IPCSP (i.e. university, etc.) assigns one of its E.164 numbers to an end-user (i.e. student).

In the E.164 delegation example above, all three entities (Carrier, IPCSP and User) have a different type of valid claim over the use of the same E.164 number under existing country-specific number assignment policies. As a result, at least three different implementations of the ENUM protocol with different registration and administration policies are going to be required to meet the equally valid addressing needs of these three different user groups. Existing ENUM trials and industry activities are currently addressing just two of the groups identified above (Carriers and Users).

__Carrier-ENUM__: Discussions are underway today within multiple industry organizations (ITU, ETSI, IETF, GSMA, etc.) to explore the issues surrounding the creation of a secure, private implementation of the ENUM protocol for use by licensed mobile and fixed-line telecommunications providers.

__IPCSP-ENUM__: Applicants have proposed the ".tel" registry for use exclusively by IPCSP's under a set of policies that require IPCSPs to fully respect the country-specific number allocation policies that defined the distribution of the E.164 numbers being registered by any given IPCSP.

__User-ENUM__: ENUM services under "e164.arpa" are being designed to provide a structure under which individual telephone number subscribers can "opt-in" to a public-ENUM service and administer NAPTR records under an individual subscriber account. Policies relating to individual E.164 subscriber registrations are being defined on a country-by-country basis under the "e164.arpa" implementation.

The addressing needs of IPCSPs as defined under the ".tel" application are not being met by existing Carrier and/or User ("e164.arpa") ENUM activities.

4. To what degree have you determined the potential market for .tel outside of North America?

   Applicants have not sponsored any original market research on this subject. However, industry activity relating to the deployment of broadband IP infrastructure and the sale of IP-based applications like IP-PBXs indicates that IP-based communications applications are advancing just as quickly in Europe and Asia as they are in North America.

5. Please explain why you believe that the limits of a "closed user group" are not yet being addressed.

   See question 3 above. Industry activity is already underway to meet the needs of individual subscribers under "e164.arpa" ("User-ENUM). Industry activity is already underway to define a secure, private implementation of the ENUM protocol for use by licensed telecommunications service providers to facilitate the interconnection of IP-based services ("Carrier-ENUM"). No coordinated effort exists to reflect the perfectly valid addressing needs of the closed user group defined by Applicants as IPCSPs.

6. *[CONFIDENTIAL INFORMATION REDACTED]*

7. Please describe further the relationship between Pulver and NetNumber.

   Pulver.com and NetNumber, Inc. have agreed to a business relationship regarding the operation of the ".tel" Registry whereby Pulver.com will provide on-going community outreach and communications services and NetNumber will provide Registry operations services. The business relationship will provide for the equal distribution of any profit from the operation of the ".tel" registry between NetNumber and Pulver after baseline Registry operations costs have been covered.

8. In Section VII regarding Provision for Registry Failure, you state that NetNumber can provide the names of several financially viable and competent DNS infrastructure service providers who would be willing to provide contingency plan services. Please provide us with those names.

   Given the existing stock ownership relationship between NetNumber and Verisign, NetNumber will seek to negotiate a contingency plan agreement with Verisign before discussing this opportunity with any other DNS service provider. Applicants will initiate discussions with Verisign regarding the delivery of contingency plan services pending feedback from ICANN regarding the award of the ".tel" sTLD. Please let us know if a contingency plan needs to be negotiated in advance of any decision by ICANN.

9. How much money has been allocated in the budget to enable a smooth transfer of the TLD to another operator in the event of Registry Operator or Sponsoring Organization failure? (For example, has a reserve fund been established to cover any financial obligations associated with multi-year registrations or other registry/registrar/registrant obligations?)

   Applicants have been working under the assumption that all multi-year registration fees will be deposited into a "pre-paid services" account. Funds will be withdrawn from the account on a monthly basis as services are provided. In the event of a Registry Operator failure, funds from the pre-paid services account will be used to facilitate the migration of the Registry to a new operator.

10. With regard to Whois service, you have proposed that you will "avoid providing any information regarding the identity of the underlying individual communications service subscriber who has been assigned day-to-day control over the registered e.164 number". How will your Registry/Registrar agreement ensure that the Registrant (IPCSP) working on behalf of the individual subscriber maintains accurate and up-to-date information about the individual subscriber? Who will assume any responsibility for the accuracy of that information?

Applicants propose to hold each individual IPCSP responsible for the accuracy of all registered data. Registrars will be required to integrate specific contractual language into all IPCSP Registrant agreements defining this requirement in a consistent fashion across all Registrant agreements. Applicants propose to require every IPCSP to provide a deposit fee to cover potential costs associated with the resolution of conflict associated with the provisioning of inaccurate data. Applicants have proposed to provide an on-line conflict resolution tool to facilitate the quick resolution of questions regarding the accuracy of any given E.164 registration. The costs of providing such conflict resolution services shall be born by the entity found to have made a mistake.

11. Please explain how the existing staff and infrastructure can be used to operate the .tel Registry in addition to continuing NetNumber's current business operations (as noted in Section II and elsewhere) and how you can continue to count on anticipated revenue from your current operations if existing staff is re-deployed to operate the .tel TLD. *[CONFIDENTIAL INFORMATION REDACTED]*

12. Will you draw your staff of conflict resolution personnel (Section IV) from existing staff? Please indicate which section of your budget addressed the cost of training existing staff for this new role.

    NetNumber has proposed to charge a fee for all conflict resolution services. Conflict resolution fees will be set at an appropriate level to provide NetNumber with fully allocated cost recovery for all conflict resolution activity. A certain amount of experience will be required to define the conflict resolution fees appropriately and to refine the procedures associated with the process. NetNumber believes that it has sufficient management and staff in place to fulfill the early role associated with "figuring out the process". Additional staff will be hired and trained as ".tel" registration/activity grows and as ".tel" revenue grows.

13. Please indicate the section of your budget that provides for a possible increase in the cost of liability insurance associated with this new business activity for NetNumber.

    In order to be conservative, the Year-1 and Year-2 business models provided in the ".tel" application do not reflect any incremental revenue from ".tel" registrations. As a result, no increase in liability insurance costs is projected in the Year-1 and Year-2 models. As registrant activity (and revenue) builds within the ".tel" registry, NetNumber will revisit this issue. In the event that additional liability coverage is appropriate NetNumber believes it will have sufficient financial reserves on-hand to cover any such additional insurance premiums.

14. Even though you have not yet finalized the numbers, please provide us with an indication of your initial thinking on the dollar amount of the deposit fee you plan to charge registrants, and fees for the conflict resolution services that the .tel registry will provide.

   At volume, NetNumber anticipates a fully-loaded cost of $60/hour for manual conflict resolution services. Initial estimates are that the average conflict can be resolved with less than 1-hour of dedicated staff time. NetNumber currently plans to request a deposit of 3-hours of conflict resolution time ($180) from every IPCSP to cover the cost of the conflict resolution service. This policy, and all other pricing policies, will be reviewed by the ".tel" Board of Directors and modified as appropriate to provide for fully-loaded cost recovery on all conflict resolution services. .

15. Please explain how you can be confident that it will not be necessary to acquire any additional/new systems and facilities when the size, scope and earning potential of this new TLD are not known. (You have stated "Insufficient evidence exists to support specific revenue projection claims for the introduction of the .tel TLD.")
    [CONFIDENTIAL INFORMATION REDACTED]

16. Please provide additional information regarding projected travel associated specifically with the .tel TLD side of NetNumber's operations, as requested in Section 3, Financial Model.

   Applicants have proposed to hold public meetings for the ".tel" TLD in conjunction with regularly scheduled Pulver.com VON events. Pulver.com and NetNumber currently maintain travel budgets that already include the costs associated with sending appropriate staff to the VON events. No incremental ".tel" travel expenses have been proposed during the early operation of the ".tel" TLD.

17. Please explain the following variations between Year 1 and Year 2 in your budget spreadsheet, as they relate to the .tel TLD side of NetNumber's operations: (i) Very minimal increase (292,000 to 315,000) in Customer/Registrar Service expenses; (ii) Decrease in Legal/Contracting expenses; (iii) Flatline in utilities expenses; (iv) Significant decreased in Systems/Software expenses and (v) Significant increase in Supplies expenses.

(i) <u>Customer/Registrar Service Expense</u>: The Year-1 and Year-2 business model reflects the business plan for NetNumber's existing operations for 2005 and 2006. In order to be conservative, no revenue for the ".tel" sTLD is projected in the Year-1/Year-2 model. In the event that the ".tel" TLD generates significant customer activity during 2005 or 2006, additional service staff will be required. Applicants propose to provide initial ".tel" customer support services through the existing NetNumber staff and then align additional ".tel" specific staff expenses with the generation of ".tel" specific revenue.

(ii) <u>Legal/Contracting Expenses</u>: The small dollar difference between Year-1 and Year-2 is based on slightly higher projected patent activity in the Year-1 plan versus the Year-2 plan. In hindsight it seems clear that Year-1 legal/contracting fees will need to be increased to accommodate ICANN related work in the event that the ".tel" sTLD application is granted.

(iii) <u>Utilities expenses</u>: As stated above, NetNumber's existing infrastructure will be used to support initial ".tel" operations. Utilities expenses built into Year-1 and Year-2 reflect existing fixed-fee contractual costs for facilities, power, etc. incurred by NetNumber's existing operations.

(iv) <u>Systems/Software Expenses</u>: Year-1 includes an allocation for licensing of third-party software components that might help facilitate the start-up of the ".tel" registry. These start-up costs do not carry forward into Year-2.

(v) <u>Supplies Expense</u>: The Supplies expense category was used to aggregate several items in the NetNumber business model into the ICANN form. The increase of $40,000 from Year-1 to Year-2 was not intended to represent a significant increase in this category. Please let us know if additional data is required on the make-up of the $40,000 increase.

18. What other products or services, if any, do you intend to offer that could impact the new TLD? Please specify whether such products or services would rely upon the same, or different, staff and resources. *[CONFIDENTIAL INFORMATION REDACTED]*

SPONSORSHIP

1. Please elaborate, consistent with the RFP criteria (concerning enhanced diversity of the Internet name space), how the new sTLD would "create a new and clearly differentiated space, and satisfy needs that cannot be readily met through the existing TLDs."

   As per question #3 above: Existing ITU and country-specific E.164 number assignment procedures provide for the delegation of E.164 numbers to three different types of entities, each of which can assert a valid claim over the use of a given E.164 number. Consider the following common number-delegation situation:

   Carrier-Delegation: *A licensed telecommunications service provider ("carrier") is assigned blocks of E.164 numbers from a country-specific number administration authority according to the ITU E.164 numbering plan policies and procedures.*

   IPCSP-Delegation: *A Carrier assigns a subset of its numbers to another entity that is acting as an IP-based communications service provider (IPCSP) to a group of individuals. IPCSP examples include enterprises, universities, government agencies, and various other types of "non-carrier" communications service providers.*

   User-Delegation: *The IPCSP (i.e. university, etc.) assigns one of its E.164 numbers to an end-user (i.e. student).*

   All three entities defined above (Carrier, IPCSP and User) have a different type of valid claim over the use of the same E.164 number under existing country-specific number assignment policies. As a result, at least three different implementations of the ENUM protocol with different registration and administration policies are required to meet the equally valid addressing needs of these three different user groups. Existing ENUM trials and industry activities are currently addressing just two of the groups identified above (Carriers and Users).

   Carrier-ENUM: *Discussions are underway today within multiple industry organizations (ITU, ETSI, IETF, GSMA, etc.) to explore the issues surrounding the creation of a secure, private implementation of the ENUM protocol for use by licensed telecommunications providers separate from the User-ENUM implementation proposed under "e164.arpa"..*

   IPCSP-ENUM: *Applicants have proposed the ".tel" registry for use exclusively by IPCSP's under a set of policies that require IPCSPs to fully respect the country-specific number allocation policies that defined the distribution of the E.164 numbers being registered by any given IPCSP.*

   User-ENUM: *ENUM services under "e164.arpa" are being designed to provide a structure under which individual telephone number subscribers can "opt-in" to a public-ENUM service and administer NAPTR records under an individual subscriber account. Policies relating to individual E.164 subscriber registrations are being defined on a country-by-country basis under the "e164.arpa" implementation.*

   The addressing needs of IPCSPs as defined under the ".tel" application are not being met by existing Carrier and/or User ("e164.arpa") ENUM activities.

2. How would the Sponsor represent parts of telco community, including the wireless, wireline traditional, and voice over IP sectors? Please provide signed letters of support from these parts, which describe their specific contributions.

Please see the answer to question #1 above: Sponsor does not propose to represent the licensed telecommunications carrier community (wireless or wireline) through the ".tel" sTLD. Requirements for a secure, private implementation of the ENUM protocol for use by wireless and wireline communications service providers will be met through a separate Carrier-ENUM infrastructure.

3. In order to further substantiate your statement of broad-based support, please indicate which of your supporters represent the universities, regulatory bodies and/or research groups that form part of "community of interest focused on the advancement of the IP communications industry," which Pulver.com is dedicated to creating. How will these groups be represented on .tel's Board of Directors?

*Part-B of the Pulver.com ".tel" application (**Sponsoring Organization Structure**) provided a partial list of organizations (including universities, research groups and regulatory bodies) that participate in regularly scheduled "Voice on the Net" (VON) events organized by Pulver.com. The most recent Spring 2004 VON event attracted 3,500 participants from 30 countries representing over 950 organizations including universities, research groups and regulatory bodies. Examples of regular Pulver.com event participants from the university, regulatory body and research group categories include Cornell University, Columbia University, University of Zurich, CRTC Canadian Government, FCC, The Yankee Group, Gartner Dataquest, etc. Please let us know if the ICANN evaluators would like to see a complete list of Spring VON participants to gain a more complete understanding of the breadth and scope of the community of interest created by Pulver.com.*

*Applicants propose to fill 9 open positions on the ".tel" Board of Directors with individuals representing various elements of the IPCSP community including representatives from universities, enterprises, regulatory bodies, as well as emerging IP-based communications service providers. Part-B of the ".tel" application (**Appropriateness of Sponsored TLD Community**) provided a list of 35 industry executives who declared their public support for the ".tel" sTLD. The majority of these industry executives represent companies that can be defined as emerging or next-generation IP-based communications service providers. Applicants propose to select several Board members from this list of already identified supporters. In addition, Applicants propose to broaden the pool of potential Board candidates by soliciting interested parties through use of the Pulver.com website, the Pulver.com free newsletter and through public meetings at VON events. Given the number of regular VON participants from the enterprise, university and regulatory communities, Applicants feel confident that a representative group of qualified Board candidates can be assembled in a timely fashion with appropriate ICANN oversight.*

4. Do you have a plan for outreach to less developed countries to make the sTLD more global? And how can the sTLD improve the use of the Internet in that part of the world?

As described above, the Pulver.com community of interest already extends to 30 countries around the world. Pulver.com is constantly working to extend the reach of the VON community of interest to include representatives from additional countries by promoting free distribution of the Pulver.com newsletter and by organizing VON events outside of the US. For example, in 2005, Pulver.com events already scheduled outside of the US include: Sophia-Antipolis France, Montreal Canada, Stockholm Sweden and Sydney Australia.

Telnic's Responses to Evaluators' Technical Questions

21st June 2004

Please note that, due to the time constraints that have been imposed, these should be considered our initial responses. Whilst we understand the time demands of the ICANN process, the three working days response time required is quite short for a considered and detailed response.

Given the time constraints, these responses are not perfunctory, but we are happy to engage in a dialogue if you have further questions or require further clarifications. We would ask that you give us as much notice as possible of these questions or requests for clarification so that we might schedule the appropriate staff to answer them.

Also, we would urge that you consider our responses to questions from Telefonica (Annex 1) and Larry Boston (Annex 2) on the public ".tel-Telnic" ICANN forum, and the closing comments on that forum by our CEO (Annex 3). We believe that those statements address many of the questions raised here.

As an overall statement, the .tel sTLD is intended to hold contacts associated with a person (or company) and their services, rather than their machines. This is a subtle point, and we will return to it, as it is fundamental to the proposal.

There are several technical aspects that follow from this:

(i)   Contacts for machine nodes will NOT exist within the .tel name space. This includes nodes providing DNS; resource records such as "aaa.bbb.tel IN 10 20 A 194.101.125.240" (or the AAAA equivalent) are NOT permitted within a .tel delegated domain (or sub-domain).

(ii)   If a Registrant wishes to identify machines that run services (such as the address of a web server), then this must be done using a registration in another TLD; .tel is purely for their contacts, not those of their machines.

(iii) Note that SRV records and MX records would be acceptable. However, the target for these records will have to be in a zone in another TLD.

Question T1

1. Is this TLD going to be "delegation only"
   (see, e.g., http://www.isc.org/index.pl?/sw/bind/delegation-only.php)?
   If not, describe (i) other types you expect to support; (ii) how this will affect
   registrars' current processes; and (iii) what allowance you will make for technical
   difficulties in communicating with registrars.

A1:

The short answer is "Yes".

The PAG may request that the Sponsoring Organisation arranges a "Registrar of last resort", and that Registrar will be expected to provide authoritative DNS service. Note that in such a case this Registrar would not (we believe) be expected to compete with other Registrars, and we would expect a pricing premium approach to be used to discourage Registrations where there is an alternative. In this scenario, there might be delegations that refer to servers run by the Registry Operator. Those would be, however, standard delegations from the DNS technical perspective.

We expect to support domain reservations (as opposed to full delegated Registrations), particularly during the "sunrise period". The DNS Registry will treat these as standard NS delegations, but they will be made to servers that are required to have no zone content over and above the mandatory SOA record; these delegations will be to "empty" domains (see also answer to question 5).

Question T2

2. If there are plans to allow third level registrations, please explain the selection process for these names, and the policies for registering them.

A2:

We will discourage registration of a domain with the intent of providing a third level domain within this to third parties. Thus if a Registrant makes an application for the domain "Brown.tel", then this is intended for their personal (or corporate) contacts. It is not intended that they then provide a (for payment) service by sub-delegating the domain "John.Brown.tel" to a third party for their separate use.

Under certain circumstances, the PAG might ask the SO to process third-level registrations directly, where the second level label is classified by the PAG as a "category name" such as "taxi"; this is discussed further in our answer to question 4.

We expect that the policies for such registrations would be similar to those for standard domains, with the sole exception that, in this case, the domain requested would include the category name "under which" the registration was to be processed. Other than that, the selection process would be the standard "first come, first served", qualified as usual by protections on trademarks.

Question T3

3. Please clarify (i) the requirements for registration in the sTLD; (ii) how the requirements would be validated; and (iii) how you would address any situations where there are identical registrations in country code domains.

A3:

(i) The TLD is intended to hold contacts for people (or companies), not contacts for their machines. Thus it is defined by use. The registration process includes an agreement with the potential Registrant that they concur with this acceptable use policy for their zone. The Registrar acts for the Registry in this regard; they keep a proof that the Registrant has agreed to these conditions of use, and will be expected to pass on Registration requests only once this is done.

(ii) The Registry is able to check that a delegated domain has no embargoed Resource types by means of a set of basic DNS queries on the authoritative DNS server for that domain. It will carry out a low level of pseudo-randomized queries on the set of delegated domains as part of its normal procedures and also to monitor this policy; statistical results will be made available to the PAG.

It will, in addition, act on complaints from 3rd parties over misuse of a Registrant's domain to hold unacceptable resource record types. A complainant is required to make their comment via a web service that will check the domain in question. If the domain is found to be non-compliant, it will be marked for "re-checking" after a given interval. If it is still detected as non-compliant, the Registrar who is shown as the "tag-holder" for the domain will be informed that there is primae face evidence of misuse, and will be required to inform the Registrant formally that this breaks the terms of their agreement. The Registrant (or their agent) will be required to indicate to the Registry (again via a web service) that the non-compliant usage has ceased, without which the Registry reserves the right to de-activate the domain delegation.

The complaints procedure has the potential for abuse and might form a means of denial of service attack on a delegated domain. Thus the source of complaints and the pattern of target of the complaints will be monitored for unusual activity. Throttling will be used to control the rate of checking, and if the pattern of activity exceeds certain limits, the Registry Operator personnel will be informed and requested to influence the operation of the system, potentially blocking unwarranted complaints against "attacked" delegated domains.

Note that this process (from the Registry's perspective) is fully automated and logged (with manual post-facto auditing for statistical and legal purposes).

From the perspective of the Registrar, it should be straightforward to make this a similarly automated process. The Registrar, by passing on the initial request (or re-

Registration request, or Transfer request, in the case of Registrar change) will be expected to have proof that the Registrant has agreed to use their domain only to hold personal or corporate contacts. However, they have the service contract with their customer (the Registrant), and so they must be free to use whatever system they choose that protects their legal rights and executes their duties. The Registrars will be able to respond on behalf of the Registrant in any non-compliance case, but unless compliance is regained, they will be informed that the domain will be de-activated, and will be required to inform the Registrant of this action. If they fail to do this, we believe that the Registrant may have a case against the Registrar. However, this is a matter between the Registrar and their customer, not with the Sponsoring Organization or Registry Operator that carries out the sTLD policies.

(iii) We believe that no other gTLD or ccTLD is designed solely to hold contacts for people. Thus any other registration cannot really be said to be identical, as it does not have the same role and usage limitations. The nearest to this role is the ENUM domain space with apex ".e164.arpa.", but as that is also organised effectively on a national (or regional) basis it is not possible to specify a global set of usage rules for ENUM delegations.

Given that the aim of the .tel sTLD is to provide a name space for people or companies to publish their contacts, the domains registered are expected to reflect names to which they have a right (i.e. by which they are to be known). If there is a registration within another TLD (either global of country code based), we consider this completely orthogonal to a registration within .tel.

Thus we will take no action to address registrations for the same domain label in another Registry, other than the standard procedures for trademark protection. We do expect the PAG to address the issue of "Famous Names", but that is not directly related to other Registries.

Question T4

4. Will there be a policy on what eligible registrants may register in the sTLD? For example, on delegations? Will certain domain names be disallowed?

A4:

A domain registration in .tel is intended to hold personal or corporate contacts. Thus the domain names registered should be associated with the registrant personally (or a company, where the registrant acts as its officer or agent). Whilst we see little reason for an individual to have a complex hierarchy in their zone, we do not expect to try to bar such sub-domains. For companies, we believe that multiple sub-domains are very likely, and again, we will not try to block this usage.

The sole exception is shown in our answer to question 2; a .tel domain is for personal or corporate contacts, NOT for use by third parties. If a Registration is made on behalf of an association or partnership, then control over a sub-domain by a member of that association is acceptable. However, sub-delegations that have the effect of passing control for those sub-zones to third parties are **not** acceptable.

As mentioned in question 2, the PAG might consider blocking direct registration of certain "category-based" names. It is one of the tasks of the PAG to specify the policies to be carried out in this case, but our view is that these "categorical" names could be, in effect, "pre-registered" and sub-registrations within these categories would be accepted

Question T5

5. How will the reserved list that ICANN specifies be implemented? How, and when, is the reserved list used during the registration process? What happens if the reserved list is changed?

A5:

As mentioned in the answer to question 1, the Registry will support reservation of domains by the process of delegating these domains to servers with effectively empty zone files (other than the SOA record).

(i) The list of ICANN-reserved domain labels will be processed in this way, with a marker within the Registry automation to indicate that these are permanent and are reserved by ICANN.

(ii) We would expect any Registrar to perform a DNS query (for SOA records) on a domain before they attempt to place a Registration for it. Any reserved or registered domain will return a valid SOA record in response to such a query, whilst queries on unregistered (and unreserved) domains will return NXDOMAIN, with the .tel Registry servers shown in the additional information records part.

The Registry, on receipt of a Registration or Reservation request, will (of course) check its internal database. As any ICANN-requested reservations will be present already in the database, the attempted Registration/Reservation request will fail at this point.

It is a matter for the PAG whether or not penalties will be included in the Registry/Registrar agreement for those Registrars who persistently place unchecked Registration or reservation requests.

(iii) We would expect ICANN to inform the Sponsoring Organisation (with which it has the sTLD agreement) if the list changes, and any additions will be processed as new reservations in the same way, with any released reservations being deleted (and, in effect, returned to the pool of available domains).

Question T6

6. Please provide details on how the .tel TLD would avoid interference with established and/or future national and international telephone numbering plans.

A6:

(See also response to question 7)

In addition to the ICANN-requested domain label reservations, .tel domain labels are required to include at least one alphabetic character. In this way, it is not possible to register a domain that reflects a telephone number.

The domain labels in the .tel sTLD are intended to reflect personal or corporate names, not numbers. With very few exceptions, jurisdictions do not restrict names, and so choice of name is not seen as a national matter.

Names are quite different from telephone numbers that fall under the control of the National Regulatory Authorities as agreed within the E.164 numbering framework (i.e. as approved by ITU study group 2).

Part of the ongoing "clarification process" at the ITU (and at ETSI) in developing the ENUM procedures has been to explain that the ENUM registrant is free to place any valid URI into NAPTRs held in the zone associated with the E.164 assigned to them. These URIs may include telephone numbers encoded according to RFC2806 (within the rules specified in RFC3761 and in the Internet drafts currently being processed by the IESG).

Placing such URIs into a zone associated with an E.164 number does not interfere with national or international numbering plans; it is an integral feature of ENUM, which it is now agreed does not interfere with the rights of the NRAs in setting their numbering policies.

Where a .tel Registrant's zone includes contacts encoded in NAPTRs (according to RFC2915, with a null RS sub-field), these similarly do not interfere with numbering plans, and due to the restrictions on domain labels, .tel has been arranged to be isolated from ENUM domain structures and the E.164 number plan.

Unfortunately, this level of understanding has not propagated to all parts of the Telecommunications community, but the agreements have already been made at the ITU and IAB for ENUM, and insofar as .tel zones include NAPTRs, these same techniques are equally valid and non-interfering.

Question T7

7. What is your response to the issues raised in the 29 April 2004 letter from ITU
   Secretary-General Utsumi to ICANN President Twomey regarding ENUM and
   E164.arpa?

A7:

First, we re-iterate that the .tel-Telnic proposal is for a name-based space to hold
contacts. It is designed specifically to avoid confusion with a number-based system. Thus
the issues raised by the Secretary General do not impinge on our proposal. It is our
understanding that this specifically relates to the .tel-Pulver proposal in the current round.
We do not believe that any other proposal suggests an "overlay" of the E.164 number
space.

We agree with the points raised by Yoshio Utsumi. We believe that he represents the
collective expert opinion of the ITU well. Any attempt to reflect the international
telephone numbering plan in the domain name system must take into account the national
and regional rights and responsibilities of the governments over their own telephone
number resources. If such a domain space exists, it must do so with the complete
agreement of the countries concerned. This is exactly the agreement reached by the ITU
with the IAB, and has produced the ENUM domain space under the ".e164.arpa." apex.

We are concerned with any proposal that would attempt to overlay this number-based
system for use over the Internet, and so draw ICANN (and the U.S. Government) in a
rehearsal of the argument over a single "golden tree" as opposed to "multiple numbering
roots" - that argument was resolved several years ago in the ITU (and the IAB/IETF),
with the "golden tree" being agreed.

In addition, we believe that in all "communications-focussed" TLDs, restrictions should
be in place so that domains that appear to be related to telephone numbers cannot be
introduced (see our response to question 6).

Allowing such domains to be registered detracts from the primacy of the ITU/IAB agreed
"golden tree"; that would be no longer "the place to look" for number-based contacts.
They also introduce confusion in third party users who make queries for the domain they
believe is associated with a telephone number assigned to one person and receive
information that may be under the control of someone quite unrelated.

A single name space for telephone number-related contact data is there for a good reason,
and the delegation policies by which this is partitioned into national or regional
responsibilities are there for necessary legal and jurisdictional reasons. Attempting to put
all such registrations under the control of a single company is fraught with difficulties.
Not least of these is that, where the policy is to allow Communications Service Providers
to register domains associated with number ranges that have been allocated by their
National Regulatory Authority, there is a real question over whether or not these numbers
have actually been assigned to them, or to their customers. We believe that the lawmakers

(and lawyers acting for the number assignees) may well take a keen interest in such a system; ENUM was hard enough to agree.

Where such a system is intended to be used purely between providers of telephony service, and is used to assist in routing calls between these providers ("carrier" or "Operator" ENUM), we do not believe that this is the subject of an ICANN TLD. The Electronic Communications Service Providers will exchange this data over a private internetwork - not the Internet. To do otherwise would a major risk to their ability to place calls, as it would open their "signalling" to attack over the Internet. They are free to use whatever root they choose, as the private network used to carry this ENUM-like data is closed to the public and completely isolated from the Internet. However, it is not ICANN's role to be involved in what is carried over isolated networks, and so any such proposal to ICANN is misguided.

Question T8

8. Does TLD plan to use wildcard DNS records? If so, explain what will be the use and the types of records used.

A8:

Our initial response is "No". We believe that the introduction of wildcards as a means of providing a revenue-earning search engine service blocks competition. In the particular case of a name-based sTLD, search engines are almost certain to exist and will be helpful to end users, and we will not discourage their development by forcing queries to any one of them using wildcards.

In addition, there is no technical need for wildcards. Without wildcards, client applications can respond to receipt of an NXDOMAIN response by automatically initiating a search engine query. Introducing wildcards doesn't help, in that it blocks this process.

Question T9

9. In how many DNS zones are the NS records located? Is this zone in the requested sTLD or not? (I.e. how long will the chain of NS records be when chasing them?)

A9:

If we understand the question clearly, the .tel Registry will hold NS records for the master server(s) for a delegated domain, and the zone held by the Servers authoritative for that delegated domain will hold the complete list of Name Server records for that domain. Thus, the answer is 2. However, note that Address records are not allowed within a delegated .tel zone. These 'A' (or 'AAAA') records must be held in another TLD, so in practice the authoritative DNS servers would have node names within a different TLD.

In principle, the .tel Registry could be operated without "glue" records. However, to do so would be damaging to the performance and traffic requirements of the global DNS, and we will provide additional information in DNS responses, showing the authoritative name server IP addresses that were passed (along with the DNS server node names) to the .tel Registry during the Registration process.

Question T10

10. Is this sTLD a candidate for filtering based on the TLD? If so, what will be effects on the operation/survival of this TLD if it is locked-out (i.e., if a large ISPs return "NXDOMAIN" for all queries for it)?

A10:

We aren't clear on the question. All TLDs are candidates for such filtering. The simplest way is to use the returned root hints and a single query of the "targeted" TLD Registry to find the current list of name servers to isolate the IP addresses, and then redirect any DNS queries to another machine that claimed to be authoritative for the TLD. In terms of malicious intent on the part of an ISP, we would be forced to consider what legal redress was available. For a U.S.-based ISP, such redress could be considered on the grounds of free speech, whilst in Europe we would consider "constraint of trade" rules.

These are not, of course, technical solutions, as we believe that there **is** no solution that is proof against such malicious intent.

Question T11

11.Do you - or your subcontractors - have plans to use recent standards developed by the IETF for:

- CRISP
- EPP
- If Validator
- IDN

[For the] Registry, DNS, Whois, [is] IPv6 [supported]

[For the] Registry, DNS, Whois, [are] Glue Records [supported]

[For the] Registry, DNS, Whois, [is] DNSSEC [supported]

- DNS Records
- Signed TLD

A11:

CRISP:

We are considering the use of CRISP. We are as yet unsure whether this is an appropriate protocol and provides the functions needed in transferring information to consumers. For example, we believe that, when working with partners providing Directory or search engine services, an optimised "push" model may be more appropriate than the "pull" model envisaged within CRISP. However, this is a matter for the Registry Operator sub-contractor, with the possible exception of a mandatory requirement being placed by Government agencies.

EPP:

We will support EPP. It's the obvious solution to the Registration data exchange process.

If Validator:

We are unaware of a protocol called "If Validator" under active development in the IETF.

IDN:

We will support IDN. This has an impact on the list of reserved domain labels for .tel, in that registration of a domain label "xn--" will be reserved, and any registration request received that starts with this string will be assumed to be intended as Punycode.

IPv6, Transport and Glue Records:

We will support queries sent using IPv6 to the Registry, to the DNS servers holding the TLD zone, and to any Whois servers provided by the Registry.

We will also support registrations in which the Registrant has passed "AAAA" records as well as "A" records to indicate the node address of the authoritative name servers for their delegated domain; both sets of node addresses will be returned in the additional section of the DNS responses.

DNSSEC, DS and Signed TLD:

We are concerned at the many issues raised with the introduction of DNSSEC, notably the zone layout copyright issues being discussed at present. In short, we believe that DNSSEC is not "ready for prime time", but is an appropriate candidate for experimentation by the Registry and any interested Registrants.

In addition, we believe that the size of DNSSEC responses make UDP based queries over links with small MTU sizes difficult. Our experience is that DNSSEC is not supported well in most devices, and is very poorly supported on mobile phones and other hand held devices.

Our current view is that the DS Record approach is simpler for the Registry, but the impact on DNS response sizes is a concern.

However, we believe that, in the medium to long term, the benefits of assurance of validity and "spoof-protection" that DNSSEC promises will drive support in clients, and will encourage Registrants (or their agents) to introduce signed zones. In order to do this, the Registry itself will need to be signed. However, we do not believe that this is either a priority or practicable in the short term, and will migrate the Registry to this in cooperation and conjunction with other Registries.

Annex 1: Telefonica Response

The comments from Telefonica are very surprising for a leading Internet Access and Telephony Services Provider.

- They are based on a fundamental misunderstanding of the way in which DNS operates.
- They constitute a serious misreading of the .tel-Telnic proposal; the comments might be applicable to other proposals (notably .mobi and .tel-Pulver), and so the inclusion of quotes from the Telnic proposal seem out of place.
- The latter sections of the Telefonica comments seem to attack all ICANN issued gTLDs (and, potentially all ccTLDs) rather than being applicable only to the .tel-Telnic proposal. It is unclear why these comments were made to this proposal only.
- The comments also reflect a basic confusion between storage and publication of communications contact information and provision of communications service to those individuals.
- Finally, it would appear that there is a lack of understanding of the addressing mechanisms in Voice over IP systems as opposed to the operation of the PSTN.

Here below is a point by point response to the Telefonica comments. Please refer to the original Telefonica 0000.PDF document for the individual comments. In the following, references to .tel mean the sTLD proposed by Telnic, unless specifically mentioned otherwise.

1.

1.1.

This section contains the ICANN Definition of Community to which we have no comments.

1.2.

This section contains examples of communities served in 'last round' sTLDs.

It should be noted that registration in these sTLDs is not mandatory. For example, most museums don't have a registered .museum domain.

1.3/1.4.

For the .tel-Telnic proposal, the community served is those people and companies who wish to store communications contact details in one place. The community is defined by their use of this sTLD; the role of the sTLD is to act as the 'well known place' to store and publish contact information.

1.5.

In presentations to the GSMA and the UMTS Forum, Telnic has stated that a single sTLD to store all communications contact details is, by definition, suitable to store mobile-

specific contact details, and so fulfils one of the requirements of a mTLD originally proposed to the UMTS Forum and GSMA.

2.

2.1.

This section contains three quotes from the .tel-Telnic proposal - to summarize:

- .tel is a text based naming structure
- .tel is a catalyst and enabler for new communications services
- New communication service and application growth is in the Internet

By implication, these new services and applications use the Internet & DNS for naming, not just the PSTN and E.164 telephone numbers.

We have no disagreement with these points.

2.2.

This section contains an ICANN Charter extract to which we have no comments.

2.3.

Telefonica states: '.tel is a complete system, of which TLD is only a part'. This is only as true as stating that Internet connected nodes run applications and exchange protocols other than just DNS.

There are many potential applications that could use a single repository for storage and publication of communications contact details. The .tel proposal intends to provide the registry that supports communications contact storage and publication.

It is a strange misreading of the proposal to assume that only Telnic-supplied applications would operate using this sTLD.

As the goal is to provide a domain space under which can be stored standard DNS Resource Records (such as NAPTRs), any application can query and collect this data and can process it. The sTLD acts as a single name space to enable these applications; it isn't these applications.

Telefonica further states that the .tel-Telnic sTLD proposal is: "...a proposal that appears more like a search for a fraudulent alternative means of becoming a provider of telecommunications services..."

To expect that any TLD Registry is capable of providing Telecommunications Service when it provides only DNS support is incorrect.

If any proposal expects to get a Telecommunications License from ICANN, then it would indeed be woefully misguided?

None of the sTLD proposals have made this basic mistake; however, Telefonica confuses DNS with Telecommunications Service.

2.4.

Given the basic mistake of confusing a structure to allow users to publish their contact data with the process of providing a telecommunications service for users, the seriousness of ICANN exceeding its authority in approving a sTLD is equally mistaken.

3.

Telefonica states in its first two paragraphs of section 3:

'The nature of the proposal and the extent of its subject-matter and of the intended services affect, if not encroach upon, aspects which are the responsibility of established international organizations, primarily the ITU, and of both national telecommunications services regulators (States) and supranational regulators. Successfully implementing the proposal would also require the consensus of the international community (regulators, service providers, consumers ...) on key aspects of the proposal, which has categorically not been obtained.

We are speaking about matters such as: network security and integrity, universal service (directory of directories), operator selection, tariff rebalancing and pricing mechanisms, policies for routing and Internet use incentivization, commercial agreements between operators, server location and application legislation, call identification services, emergency services, and in particular about issues relating to numbering, interconnection and voice services over IP.'

One of the key aspects of the .tel-Telnic proposal is that any individual can register a domain and can publish whatever contact details they choose under this domain. Given that this contact data is chosen by the end user (rather than some third party, such as a Service Provider), Telefonica's comment is misplaced. One might as easily say that the ITU controls printing of business cards or the publication of telephone contact details shown on a web page.

It seems that again this reflects a basic misunderstanding of the difference between publication of contact data by individuals and provision of telecommunications services to those individuals.

3.1.

In this section, Telefonica discusses ENUM.

ENUM has involved ITU SG2 and IAB cooperation, and is designed to reflect allocation of E.164 numbers by the Nation States. The E.164 number space is the remit exclusively of the ITU and the Nation States that are members. We agree that is imperative that any domain space that reflects or is mapped to the E.164 number space should involve such co-operation.

However, as is explicitly stated in the proposal, the .tel domain does not reflect the E.164 number space. Registration of domains that are (or may be confused with) E.164 numbers is barred.

Domains within .tel can use NAPTRs, as can any other domain within the DNS. These NAPTRs hold communications contact information in the form of URLs, and these URLs may include telephone numbers.

Telnic disagrees that such specific use is either barred or controlled by individual Nation States, over and above the choice of some Countries to block access to the Internet to their citizens.

We are unaware of any action taken against individuals publishing 'their' telephone numbers on their Web pages, thus this assertion from Telefonica is unfounded.

3.2.

It appears that this section of Telefonica's comments is addressed for other proposals, not .tel-Telnic.

Barring registration of any domain that might be confused with an E.164 number is one of the clarifications in this proposal added since the initial round in 2000; .tel (in the Telnic proposal) is designed purely to complement the number based domain space agreed for .e164.arpa.

Given this explicit statement, we do not understand the assertion that there is any conflict with ENUM reflected in the .tel-Telnic proposal; Telefonica appears to have confused Telnic's proposal with another proposal.

3.3.

The relevance of the comments in this section is unclear.

Telnic has been careful to exclude the possibility of conflicting with E.164 number based domain registrations. The .tel proposal has been designed to allow Registrants to store contact data under a domain registration that reflects their name. It does not and cannot reflect the E.164 number by which they are provided Telecommunications Service.

To suggest that "the ability to dial via .tel conflicts with the provisions of the National Numbering Plans..." is to widely misunderstand existing Voice over IP systems.

It is perfectly possible for two individuals to communicate via SIP (or even H.323) without using E.164 numbers to address the caller or callee. Indeed, it is possible for them to communicate without the use of any third party application entity; all that is needed is a means of transferring data between their SIP UAS. Given that Telefonica is a provider of just such Internet access services, it is surprising that this misunderstanding has been made.

If a registrant decides to place a SIP URI within a NAPTR stored in their .tel domain, then this is not an E.164 number; it's a SIP URI.

Even if the registrant decides to place a NAPTR containing a tel: URI into their domain, this is discrete from a provision of a telecommunications service using the value of the URL as an address.

3.4.

These comments relate only to provision of telecommunications service. As Telnic has no intention of providing such services, and the proposal is unrelated to such provision, these comments are irrelevant.

3.5.

Insofar as Telnic would operate a sTLD Registry, they would, of course, ensure that their operations meet the appropriate legislation. See also next section.

3.6.

Telnic has no intention of dispensing with regulations and will comply with the rules laid down by competent authority; in this case, ICANN (and, where appropriate, Data Privacy legislation and WIPO rules on Trademarks, together with Financial accounting regulations).

However, nowhere does this proposal suggest that Telnic will be providing telecommunications service to their customers.

We believe that Communications Service Provision regulation does not cover operation of a sTLD (i.e. the provision of DNS delegations). This is a general rather than a specific comment on this sTLD; we do not believe that such regulation applies to any gTLD (or ccTLD).

4.

4.1.

Given that Telnic intends to operate a sTLD, and so will perforce support standard protocols, it is unclear exactly what this section means. We assume that communications contact data will be stored by registrants using NAPTRs (as specified in RFC3401-RFC3404, the successors to RFC2915).

It is not at all clear what proprietary, non-standard features Telefonica believes are being suggested in the proposal; as such we cannot respond. We can only restate that the .tel will be an open system to all.

4.2.

After considerable searching, Telnic is unaware of any enforceable patents on DNS operation or NAPTR Resource Records. We are aware of the use of the terms Universal Identifier, Communications Identifier, Personal Communications Space, and other variants from many EU and other projects that preceded the ETSI work. We are unaware of any trademark on these terms.

If the assertion on patents and trademarks is in earnest, we would appreciate a list of these allegedly applicable patents and trademarks; there is considerable 'prior art' in the public domain so we are surprised at this assertion.

4.3.

Telnic will, of course, comply with ICANN and other guidelines on protection of Trademarks.

A) Telefonica is aware that their statement is a gross simplification, and that clarification is required - see Telefonica comment 4.4, and the first sentence of the closing paragraph of this section.

B) ICANN has a policy on labels that must not be registered such as two character country codes. Telnic will enforce this ICANN policy fully and Telefonica's interpretation of the Telnic proposal is in correct in this regard.

C) Famous Names is a difficult topic; this has an impact on other TLDs, but is one to which Telnic is sensitive; hence, the comments in the .tel-Telnic proposal address this topic clearly.

The .tel sTLD is name-based, and we are aware that the right to register, for example, the domain 'Enrique.Iglesias.tel' is not straightforward. As highlighted, regimes are being developed in WIPO and within ICANN working groups, and the goal is for the PAG to reflect these policies as they are developed. The PAG will develop specific policies for the .tel sTLD, but these are intended to reflect global policies developed by competent authorities. Intentionally to do otherwise would be absurd.

4.4.

This is a general issue for all gTLDs.

The UDRP is, of course, not a panacea, but it does exist and has been agreed upon and used to resolve disputes. As policies are developed and agreed upon by the competent authorities, Telnic, (in common with all other gTLD operators,) will apply these.

The suggestion that the Telnic proposal is 'even less sufficient' is unclear. It is difficult to see how communications contacts chosen by a Registrant to populate Resource Records in their domain relate to Trademarks on the domain name; this is the only difference between this and any other gTLD.

4.5.

Scarcity is not an issue here; however, control of E.164 number spaces allocated to National or Regional Regulatory Authorities by a United Nations organization (ITU-T) is, undoubtedly, a national or regional issue. One could well argue that domain names that reflect E.164 numbers are thus related to these national or regional concerns.

The .tel-Telnic proposal specifically rejects such domain names, and so is unaffected by such concerns. It is instead a name-based sTLD.

It is difficult to imagine how names can be subject to national or international regulation, except in relation to trademarks. As the UDRP is specifically concerned with trademark dispute resolution, it seems eminently appropriate for this sTLD.

5.

We believe that the concerns stated in this section apply equally to all gTLD Registries, and that the concerns expressed as specific to Telnic's proposal arise from a misunderstanding of the way in which the DNS system operates.

5.1.

This section appears to reflect a misunderstanding of the roles of different providers in the DNS system.

To clarify, Telnic intends to oversee the sTLD Registry; they do not intend to operate the Authoritative DNS servers for the domains they delegate.

The Registrants are assumed to have control over the Resource Records populated in their domains, and so are assumed to have redress against their DNS Service Providers for incorrect publication.

Thus the data they hold will not be Resource Records holding the contact details chosen by registrants. Instead, the .tel Registry will hold the identities of the Registrants and the Registrars who act for them, along with the technical information needed on the domain names and IP addresses of the DNS servers authoritative for that domain. In short, the kind of information held will be identical to that held by other gTLDs.

Telnic is based in the EU, and so is sensitive to the data privacy concerns of its Registrants. As it will operate a sTLD, the kind of data it holds is the same as the data used by any other registry, and so is subject to ICANN guidelines.

However, we understand that provision of a WHOIS (or CRISP) service is, of course, subject to data privacy concerns. Furthermore, we are sensitive to concerns on a 'Thin Registry' model, where personal information may be made available by a Registrar operating in one legislative jurisdiction on behalf of a customer who lives in another (and may expect different levels of control over accessibility to their personal information). We expect to work within ICANN guidelines, and will protect Registrant's personal information where possible.

5.2.

   It is unclear how this differs from any other gTLD.

A) Regarding .tel Registry DNS Operation centers, it is expected that, as with all other gTLDs, the servers and databases will be placed in at least three different continents, for performance, robustness and security reasons.
B) Telnic Limited is a UK-based company, as mentioned in the proposal. We are fully aware of the differences in Data Privacy regulations between the EU and other jurisdictions.

   In terms of the specific case of court-ordered access or interception of telecommunications, this would be an issue if Telnic were intending to provide Telecommunications service; as it does not, this is irrelevant.

C) This comment seems to reflect Telefonica's misunderstanding of DNS.

Telnic oversee the sTLD Registry Operator, and so will not operate the Authoritative DNS servers that publish the Registrants' Resource Records. Thus personally chosen communications contact data would not be published by Telnic.

The only exception would be the publication of Registrant contact data inside any required Whois or CRISP service, as would any other gTLD operator.

6.

6.1.

The goal is to have a sTLD that can be used as a 'well known place' to register domains under which communications contact information can be published.

It will not hold and publish a database with the contact information for the Registrants (other than in the limited sense of Whois/CRISP publication, in common with all gTLDs).

Publication of the Registrants' choice of communication contact data is done by Authoritative DNS Service Providers selected individually by those Registrants. As such, there is no single database holding all such contacts.

6.2.

To hold and publish a complete databases of all customer's contact details would indeed be a major asset. However, as this is not how DNS operates, it is not relevant.

6.3.

As already stated, Telnic has no intention of providing telecommunications service for any of its customers. Thus it will not, directly or indirectly, manage telecommunications traffic. Telecommunications Service is completely discrete from provision of a gTLD Registry (i.e. providing DNS delegation service). Whilst any protocol might be misused to carry voice packet data, using DNS for this purpose seems unimaginably perverse.

To provide a telecommunications service as well as arrange domain Registrations 'under which' communications contact details were published might cause such confusion. However, for such confusion one should look to other proposals that do involve such Service Providers, not the .tel-Telnic one.

6.4.

Whilst Telnic has requested an sTLD with the intent that the delegated domains will be used to publish NAPTR Resource Records holding communications contacts, it does not have any control or influence over the supply of contacts populated in those Resource Records.

Even for the specific case of the ENUM system, this is akin to storing a SIP URI provided by a US-based VoIP provider inside an ENUM domain that is registered in the UK portion of the ENUM domain space (4.4.e164.arpa.). In the case of ENUM, the

domain name is dependent on the UK ENUM regulations. However, the content of the resource records published for that domain name are quite separate.

Thus, the suggestion that control of the supply of domain names somehow controls the contacts that are published in those domains misapprehends the operation of DNS and the .tel sTLD.

In conclusion, we would ask Telefonica to reconsider their comments in the light of these clarifications.

We sincerely believe that these comments arose due to a misunderstanding of certain aspects of the .tel-Telnic proposal, and trust that with these clarifications Telefonica now understands the benefits of this proposal for end users and will no longer oppose it.

Telnic Management

Annex 2: Boston Response

Thank you for your questions. These are subtle points, so are addressed in turn.

1) Restricted use for Telname sTLD?

Yes - Telnic believes that there is a business case for a Telname (name-based) mechanism to store contacts in DNS. We believe that in this case the behaviour of the Telname system will be different from that of a 'normal' gTLD.

The performance requirements for resolving personal contacts can be different from 'finding' a machine IP address, and an individual may not have a machine 'visible' on the Internet and still have personal contacts to store in their Telname.

In many ways, resolving personal contacts in Telnames is similar to the ENUM scheme. Both allow contacts to be stored and queried using 'standard' DNS messages, and both are restricted in some way.

However, there are several differences:

(i) We believe that there should be a separation between storage of personal contacts and machine addresses - one holds information on me, the other holds information on my machine(s).
(ii) Performance issues are different from a 'normal' gTLD and similar to ENUM; personal lookups are likely to follow Telephone network patterns, but machine address resolution is going to follow normal Internet patterns. Current ENUM schemes do not have this restriction - we believe that mixing the two is a mistake.
(iii) Phone numbers are useful NOW as an identifier, but we expect that there will be a move towards using personal names as identifiers - most times, people want to talk to a person, not whoever happens to be addressed by a particular phone number. For a company, this isn't a real issue, but for an individual, in most places you only are allowed to register a domain in ENUM while you have a telephone service from a service provider - that is a problem if you move and cannot take your phone number with you.

2) No address records allowed?

We would expect that 'standard' Address records used to map to IP addresses would be stored elsewhere from their contacts - these are fundamentally different uses. As stated, we believe that the traffic patterns used for DNS queries on .tel will be different in the short to medium term from those used to lookup the IP address for a machine.

In the short term, most people will be called by telephone numbers. We expect queries on a registrant's Telname for NAPTR, and for most, this would result in a phone call being placed (e.g. over the existing wireline or cellular service). A Telname lookup is a 'hybrid', with a short Internet query, followed by a normal voice call.

Queries for A records will be done, as needed, in other TLDs - we expect cacheing to behave differently for these lookups, particularly with 'vanity' domains for a personal web server or for a mail server address. Similarly, as they are introduced, SIP 'addresses of record' would be in a NAPTR stored in a Telname, but the 'contact address' for the SIP phone would not, nor would the IP address of that SIP phone. There are good reasons for suggesting that such 'dynamic' information should not be published in DNS at all; it is certainly excluded from the Telname model.

3) SRV/MX records allowed?

From the above, we expect that MX and SRV records may be placed in Telnames, as long as the target for these records is in another TLD.

4) Policing .tel domains?

We do not intend to scan all domains under .tel, but will react to a complaint from an individual that a .tel domain is used incorrectly. As just mentioned, we do this for performance concerns as well as general principle. In the case of Telnames, the check can be done by anyone automatically, and will be simple (and so will be quick and with low cost); it just involves a check on the kind of resource records returned in a normal DNS query. Note that we do not restrict the kind of content that can be provided by a server that is referenced in a Telname - any such restriction is related to the TLD in which the A records are stored.

We hope we have answered your questions.

Telnic Management

Annex 3: Why Telnic's .tel is an sTLD

A common pair of questions seems to have been raised regarding the .tel-Telnic proposal; "*what is the served community* and *what is the Sponsoring Organization*"? An implied question is "*what is the goal of .tel*"?

To answer this, it is useful first to consider what the goal of an STLD is, and how it fits with the gTLD system. This has to reflect the history – how did we get here?

After this, we consider the detailed roles expected of the Sponsoring Organizations at the heart of all proposals.

We consider how a community can be defined, in terms of the personal role or characteristics of the registrant, and in terms of the usage to which the domain registration is put.

We then describe the way in which we envisage how a personal name space can be used to store personal (or corporate) communications contacts.

Finally, we describe how the Sponsoring Organization for **.tel** will have to remain neutral, balancing the different interests of the community served, and not fall under the sway of any single sectional interest.

1.   History

Initially, the gTLDs were partitioned into name spaces that supported different groups. Thus .mil served the community that was connected to MILNET and so was associated with Department of Defense use. Similarly, .edu served the Academic community. With network expansion away from ARPANET, there was a demand for domain names from organizations that didn't fit within these communities; thus the .com (and .org and .net) gTLDs served the general pool of registrants that were not tied to Academic or Military institutions. The introduction of .int was intended to cover those potential registrants who had operations in more than one country, and initially was used to deal with global infrastructure developments. This proved a major role, so that .arpa was introduced to deal with "infrastructure" issues.

In parallel, a similar process was developing in other countries, with the creation of country-code specific TLDs. In the UK, for example, the original domain name registrations were dealt with via the Joint Academic Network (JANET); as commercial companies inter-connected with this network, a defined partitioning into the .ac and .co second-levels was made, allowing registrations for academic and commercial communities to be made separately. As networks were interconnected between the various countries, so the existing domain name system evolved.

Over time, the gTLD system and its role relative to the ccTLDs was refined; for example, no longer did potential registrants for .com,.net, or .org need to be U.S-based organizations. Their operational rules were limited to ensuring that the DNS continued to operate; what the delegations were used for was unimportant. They had become true general as well as global TLDs.

With the introduction of ICANN, one of the roles it took on was ensuring that the DNS provided support for all Internet users. It became apparent (from the many issues raised) that there were potential users who had a discrete identity that was not reflected in the global nature of the general gTLDs, and yet didn't fit into the strictly country-based communities either. Thus the sTLD process was developed to deal with this perceived "gap".

2.   *Role of Sponsoring Organizations*

The goal was to have identified groups served by proposed sTLDs with a strong Sponsoring Organization to control those aspects of the sTLD that are specialised and so don't fall under general ICANN guidelines.

Specifying the identity of the group served is a crucial task of the Sponsoring Organization at the heart of each of the sTLD proposals. The sTLD communities are not mutually exclusive (i.e. a person can register a domain in .cat, and potentially in .travel).

Similarly, there are a number of "interested parties" for each potential identified community, and balancing the interests of these different parties to ensure common agreement on the operation of the sTLD is also a key task. Looking after the interests of all of those affected by the proposed sTLD is a responsibility delegated by ICANN to the Sponsoring Organization and its specialists.

ICANN is also responsible for ensuring the integrity and continued stable operation of the DNS. Thus, another requirement in this process is to ensure that the Registries operating the proposed sTLDs continue to operate. In practice, this means there is a Sponsoring Organization that ensures the Registry serving a community does not cease operations. It is important that the sTLD operation is commercially viable, and if not then there is a group who can be called on to provide the needed financial support.

It also follows from this that, in most cases, an overly restrictive community means that there is little revenue for the Registry operation using "normal" registration charges, and so funding must come from somewhere; the Sponsoring Organization must ensure that the Registry "business proposition" is viable, in conjunction with the community. In this way, a balance is struck between the commercial drives of a Registry and that of the community served by this "franchise".

In the past, the sTLD operations have been restricted to non-profit organizations; this is not the case for this set of proposals, so that some are operated on a non-profit whilst other proposals have for-profit organizations.

Whilst the profit basis of the organization should not matter (in that the same requirements from stable and continued operation are applied) it may affect the Governance, structure and internal balance of the Sponsoring Organization that is, in effect, responsible for the sTLD.

In a for-profit proposal, it is important that the policy setting function of the Sponsoring Organization is autonomous from the Investors. In practice, there will be influences in both directions as no policy can be set regardless of financial consequences. However, care must be taken to ensure that these distinctions are not blurred.

For example, for a Sponsoring Organization to manage the sTLD policies effectively, it should be careful to consider both the requirement for a commercially viable Registry and the neutrality of the organization. Its policy setting functions should not be dominated by the interests of any sectional group, regardless of the financial power of that group relative to the other community members. This is a challenge for any proposal, but with one involving a for-profit organization, it must be seen that, beyond doubt, the Sponsoring Organization is strictly neutral and represents all users in the community equally.

One should not be confused between the constituency of the Sponsoring Organization (i.e. entities that have board member representation) and the community served by the sTLD. The constituency of the Sponsoring Organization has to reflect the whole community, rather than only a portion of that community. Where there is board representation reflecting equally the wide spread of interests in the community, then the constituency of the Sponsoring Organization can be said to be democratic. Where that constituency does not reflect the plurality of the served community, then it is hard to convince people that that community is well served.

3.   How Should a Community be Defined?

As already mentioned, the existing general gTLDs have no restrictions on the people they serve (or the use to which domains are put), and so any identified group chosen by an sTLD proposal reflects an aspect of life of the potential registrants.

For all of these proposals, the identity is defined by a role taken by a registrant in a served aspect of their life. Thus, for example, a Catalan-speaking person could register a domain under .cat; they could simultaneously register a domain under .edu (if they fulfilled the "Educational Establishment" criteria). These registrations reflect different aspects of their life and are not in any way contradictory.

Thus what appears to be a simple question – "how is this person in the served community different from that person who isn't" – is not quite so straightforward. The real distinction may be between two aspects of the same person's life.

Identification of a community based purely in terms of the personal characteristics of registrants is only one distinguishing factor and does not always have any meaning when applied to DNS. For example, it is hard to see how a community of registrants who are "left-handed people" has any relation to the content of their "published" zones.

With several of the proposals, the community identity is defined by the use to which domain registrations are put, as well as the personal characteristics or organization membership of the registrants.

For example, the purpose served by a registration under .cat is considered important – it should be to further the social and cultural aims of the Catalan community.

In this case, the community membership is not only defined by inclusion (i.e. what aspect is part of this community) but also exclusion (i.e. what aspect is explicitly not allowed in this community).

Definition of community in terms of the usage aspect is important, not only for culture-based proposals like .cat but also for all of the communications-based proposals (.mobi, .tel-Pulver, and .tel-Telnic). The set of people who could ask for or use registrations in the communications-based proposed sTLDs is almost everyone. Their community is defined by the communications aspects of the registrants' lives.

This emphasises another related point; the size of the community alone does not determine whether or not the proposal needs to be an sTLD or is more suited to a general gTLD. This is solely determined by whether or not the community requires a Sponsoring Organization to define, control and protect its specific activities.

In the case of .tel-Pulver, registrations are open only to service providers, but these are expected to use their domains to publish information on the communications contacts of their service customers.

In the case of .mobi, registrations are open both to Service Providers (and Content or Application providers) and to individuals.

In the case of .tel-Telnic, registrations are open to individuals and companies that wish to store personal or corporate communications contacts. It excludes use to identify machine node addresses.

These communications-based sTLDs all require a strong Sponsoring Organization to ensure the correct operation of the domain space and to balance the conflicting interests of the parties involved in their chosen communities.

4.   Telnic's .tel: An sTLD for Personal and Corporate Contacts

4.1.   People are not Machines

Curiously, the generality of Internet users (either individuals or corporations) are not represented by current DNS name spaces. The machines they use are, the servers that support their applications are, but we feel that the people aren't.

At present, the information held in a registrant's domain indicates node names and IP addresses, as well as the application services that run on those nodes. Thus the identity of a potential registrant does not reflect the use to which they put their domain registration.

4.2.   People as Numbers: ENUM is half the solution

The introduction of ENUM changes that – for the first time, personal communications contact data is to be "published" in DNS in a coherent and structured way. The E.164 telephone number acts as a top level identifier for that person, and with ENUM, this is tied to a defined domain name space. Using this, we now have a DNS space that represents a user rather than their machines. Within ENUM, the registrants can store and "publish" the communication contacts that relate to them, rather than just the machines they use.

However, there are several limitations and restrictions in the use of telephone numbers as universal identifiers, and they interfere with the goal of ENUM.

The assignment process by which E.164 numbers are provided is closely controlled to ensure that a given number is truly unique. The existing (and quite reasonable) process by which this is done involves national control over those number spaces, and thus, in ENUM, implies national control over the associated domain name space.

There is another risk to the use of E.164 numbers as personal or corporate identifiers; these numbers are traditionally associated with Telephony Service, and in many jurisdictions current plans assume that an ENUM domain registration will be valid only while the registrant has Telephony Service provided via their E.164 number. If that service ceases, then their entitlement to the E.164 assignment (and thus to the ENUM domain) also ceases. Thus, unless the registrant is guaranteed exclusive and continued assignment of an E.164 number, then the ENUM domain is not always a reliable place either to store or to look up personal contacts.

Finally, the basic advantage of telephone numbers as identifiers is also one of their most marked weaknesses. They are easy to dial into even the most basic communications terminals, but they are hard to associate with a person – as most customers do not have a free choice of the E.164 numbers they are assigned, they are not readily predictable, and they are not very memorable.

4.3.   People as Names: Telnic's .tel is the solution

With the introduction of more capable terminals (for example, with mobile phones or PC-based VoIP clients), many people have been enthusiastic in their use of in-built address books and other aids that allow them to operate on the level of names rather than numbers. This is neither surprising nor unexpected – nor is it a passing fashion. For this reason, we believe that whilst ENUM is a major step forward in allowing a personal name space for communications contacts, it is to some degree an interim technology that is limited by the use of E.164 numbers as the "top level" personal identifier.

The .tel-Telnic proposal envisages a true Personal name space to store and publish communications contacts for individual and corporate registrants.

This domain space uses the names that people find easier to use than E.164 numbers, but employs similar DNS technology to the ENUM system. The zones for **.tel** domains will hold NAPTRs that indicate the registrant's communications contacts, and by querying these clients (or their agents) can decide on the most appropriate form of communication, without requiring dedicated support in any single Service Provider's infrastructure.

This means that the domain fulfils the goal of a personal domain space, without the limitations of number-based identities. It does not conflict with other TLDs as they will continue to be used to identify machines.

In common with the other communications-based sTLD proposals, we believe that a gTLD is inappropriate. This task requires a neutral Sponsoring Organization that can build consensus amongst the different groups affected by **.tel** mediated communications; it is too important to leave to any one sectional interest.

5. Telnic's .tel Sponsoring Organization and Community

5.1. Telnic's .tel needs a unique policy perspective

There are several key aspects to the .tel-Telnic proposal that, in combination, have a unique influence on the policies and operations that justify an sTLD. Whilst it is the role of the policy setting function (defined in our proposal as the Policy Advisory Group, or PAG) to establish the issues and the policy choices to be made, we raise a few here.

- **.tel** is a Name based system. Our goal is to provide domains that are exclusively tied to a person or company's name, and are used to hold contact information associated with the registrant rather than their machines. This is a specialised use of the domain name system, and introduces new possibilities. For example, it is now practical for a registrant to store "non-Internet" contacts in their zone (e.g. telephone numbers) alongside links to their web sites. In this, it enables potential services that have not been a part of previous TLDs. It shares underlying technology with ENUM – the difference lies in name rather than number based identification, and to avoid confusion, registrations of domain names of the form used in ENUM are barred.

- **.tel** has different privacy concerns. In the case of this sTLD, we believe that our focus on personal and corporate contacts will lead to a different balance in terms of data protection and privacy. Whilst this may seem paradoxical, given that registrants will use their domains to publicize their contacts, we expect that they will wish to maintain control over any contacts available, including those from the Registry and Registrars. Against that must be balanced the concerns of existing Intellectual Property protection groups, as expressed by CCDN.

- **.tel** is an enabler for communications. We believe that, as it is used to hold contact details, most queries will be done as the prelude to a communications session. Thus there may be a reasonable expectation of DNS server performance on the part of clients who query this data. This expectation will be different from that in "traditional" TLDs, and is a direct consequence of a communication-focused sTLD.

- **.tel** is the holder for personal contact information for individuals and corporations, and therefore must guarantee fair access, use, and publication to the industry, regardless of network access technology.

5.2. Groups who need representation in the .tel served community

The groups that make up the **.tel** served community and their interactions are different from other TLDs.

In addition to the usual group of interested parties (Registrants, Registrars, third parties with an interest in protecting Intellectual Property), it adds new ones.

The use of **.tel** as a prelude to communications means that third party communications service providers have legitimate interests in the performance provided by the DNS servers, not only of the Registry itself but also those Authoritative servers that host a registrant's zone. Providers of such Authoritative DNS hosting service will need to be represented so that reasonable recommendations can be agreed.

As a holder for contact information the Sponsoring Organization has a a responsibility to guarantee fair access, use, and publication. Thus, the communications service providers who use the data will need to be represented in the policy setting process. Equally, developers of new applications that process the contacts for other services (for example in a directory service web portal) will also be involved.

To initiate this process, Telnic has appointed an eminent "Interim PAG" Chairperson with the mandate to select six influential and representative individuals with the exclusive goal of establishing the PAG charter and the development of the PAG.

5.3.   Model for Telnic's .tel Sponsoring Organization

As the .tel-Telnic Sponsoring Organization is a commercial venture, special concern has been taken to ensure a separation between the commercial needs of the Sponsoring Organization and the policy setting role that defines the operation of the sTLD. To that end, overall control of policy setting for the **.tel** sTLD has been delegated to an autonomous Policy Advisory Group with strong Sponsoring Organisation board representation, and a mandate to ensure diversified community inclusion.

The PAG will exert effective control over policy, and is not merely a source of proposals without power. This will guide the sTLD and specify all policies to be carried out. Only in the case where policies proposed by the PAG will directly damage the stable operation of the sTLD, or are in direct conflict with ICANN agreements, can the Sponsoring Organization refuse to implement the proposals. In effect, the PAG will control all policy issues in the **.tel** sTLD.

As a closing point, there is another reason that drives us to conclude that a communications-based TLD requires a broad based and independent policy-setting constituency. The reason for using a Top Level Domain to hold name-based personal and corporate contacts is that it forms the "one place to look". There is a responsibility that comes with this right, however.

Apart from the obvious need for the operations of the sTLD to remain commercially viable, policy setting should reflect the people served by the sTLD, not the Investors in the Sponsoring Organization. Blurring the roles and responsibilities of the two in a commercial venture can only lead to conflicts of interest.

We think that this is the only reasonable approach to a "for profit" Sponsoring Organization, and in particular for any sTLD that has its focus on communications. Only through a wide constituency with real control can we avoid the risk that the sTLD will be used by a sectional group to further their aims to the determent of others, and particularly the registrants. No single group should be able to "take control" of this important role. The Sponsoring Organization must not only be neutral, but be seen to be neutral.

We believe that there is a business case for a Registry to support a Name-based communications contact name space, that it adds value to the Internet name space, and supports a defined use and so community. This meets the definition of a Sponsored Top Level Domain; it has an autonomous policy setting group with executive power, it has a defined community, and a well-defined use.

SPONSORSHIP

1. Please elaborate, consistent with the RFP criteria (concerning enhanced diversity of the Internet name space), how the new sTLD would "create a new and clearly differentiated space, and satisfy needs that cannot be readily met through the existing TLDs."

As outlined below ICM and IFFOR set forth a detailed analysis of how the proposed .XXX sTLD creates a new and clearly differentiated space that satisfies needs that cannot be readily met through existing TLDs.

• Is clearly differentiated from existing TLDs;

As previous discussed in ICM and IFFOR's original application, one of the principal reasons the .XXX string was selected was because it transcended multiple geographic regions and languages while having high recognition and lasting value for both registrants and Internet users.

In order to understand how .XXX will clearly distinguish itself existing among other TLDs it is useful to look at the dynamics of the current domain name space. There are currently 245+ ccTLDs. Although there are a number of ccTLDs that market themselves more along the lines of a gTLD (.WS, .CC, .TV, etc), for the most part ccTLDs are readily identifiable by their two-character length and their association with the specific country that they designate. Most gTLDs, whether sponsored or unsponsored, are clearly distinguished in the marketplace from ccTLDs. Because ICM and IFFOR is not proposing a TLD associated with a geographic region or that has cultural significance, the primary focus of the remaining analysis will deal with how the proposed .XXX is clearly differentiated from existing gTLDs.

The gTLD space is effectively composed of the following TLDs:

TLD	Registrations	Type/Purpose
.COM	28.9 million	(unsponsored/unrestrictive) / primarily commercial in nature
.NET	3.7 million	(unsponsored/unrestrictive) / originally intended for network providers
.ORG	2.9 million	(unsponsored/unrestrictive) / originally intended for non-commercial entities
.INFO	1.1 million	(unsponsored/unrestrictive) / primarily commercial in nature
.BIZ	1.0 million	(unsponsored/restrictive) / contractually restricted to "bona fide" businesses
.NAME	Less than 100,000	(unsponsored/restrictive) / intended for individual domain name registrants
.PRO	Less than 10,000	(unsponsored/restrictive) / contractually

		limited to select professional groups
.COOP	Less than 10,000	(sponsored/restrictive) / contractually restricted to cooperatives
.AERO	Less than 5,000	(sponsored/restrictive) / contractually restricted to the aviation community
.MUSEUM	Less than 5,000	(sponsored/restrictive) / contractually restricted to the museum community

Other gTLD such as .EDU, .GOV, .MIL, .INT and .ARPA are not available for general registration and like the ccTLD will not be considered in this analysis.

Although the Domain Name System was not intended, nor does it serve, as a directory service, there is no denying that there is clearly a source identifying function with certain TLD character strings. For example, all three sTLD selected in 2000 have an intuitive relationship between the TLD strings and the community intended to be served by that TLD.

When analyzing ICM and IFFOR's selection of the .XXX string to serve the interests of the responsible online adult entertainment community, it is clear that this string was selected because its transcended multiple geographic regions and languages, had high recognition and last value for both registrants and Internet users.

Moreover, the community's desire for a clearly identifiable name space to serve this large and growing sector was evidenced by an MSNBC survey conducted in conjunction with ICANN's 2000 proof of concept round. When respondents were asked what they thought of the proposed TLDs .XXX was the top-rated selection with .SEX being ranked third, see http://www.msnbc.com/modules/surveys/domainname.asp

ICM and IFFOR therefore respectfully submit that the proposed .XXX TLD is unique and clearly identifiable from any of the existing TLD currently available in the marketplace today.

- Meets needs that cannot reasonably be met in existing TLDs at the second level;

Following the initial industry outreach that ICM undertook in 2000, it quickly became apparent that the creation of an adult-oriented TLD could serve to establish a framework for bringing together members of communities that had traditionally existed independently and in isolation from one another (such as child advocacy, privacy, free expression). ICM also realized it was partly this failure in communication that prevented the members of the online adult-entertainment community from working together with other interested stakeholders to establish responsible business practices.

Because the establishment of responsible business practices is one of the key objectives of IFFOR, this objective can only be achieved by incorporating these provisions directly into the registration agreement of all .XXX domain names, similar to the contractual incorporation of the UDRP into all domain name registration agreements back in 1999 to combat cybersquatting. There is simply no other way to contractually incorporate these best practice standards into other existing TLDs. Additionally, many of the other proposed benefits to the community are directly tied to the .XXX TLD itself, and could not be effectively provided via second level domain names in other TLDs. These proposed benefits include potential defenses in domain-related litigation, enhanced acceptance by search-engines and therefore increased functionality, better opportunities to negotiate with credit card and transaction providers, and new marketing opportunities.

- Attracts new supplier and user communities to the Internet and delivers choice to end users; and

Independent of any action by ICM and IFFOR, the marketing statistics in Part C clearly establish that the supply and demand for online adult entertainment goods and services will continue to grow. However, the existence of the proposed TLD, in conjunction with the IFFOR sponsoring organization, provide the opportunity for the online adult entertainment community to build a more trusted virtual marketplace for consenting adults.

Another important consideration weighing in favor of ICM and IFFOR's proposal is the potential quicker adoption of the proposed .XXX among the relevant community. This factor is important as one of the biggest barriers in new TLDs gaining recognition in the marketplace, is the high cost in transition from one TLD to another. However, as discussed in an Associated Press article ("Porn Mag Sales Go Limp," – November 10, 2003), Professor Samir Husni, head of the magazine program at the University of Mississippi's journalism school, noted that several hundred new adult websites launch each month, as compared to about 30 new adult magazines for all of last year.

With regard to end users having greater choice, a number of users made their desire known in a 2000 MSNBC poll that listed .XXX as the preferred choice among new TLD extensions. Providing a more trusted environment for these consumers (users) of online adult entertainment goods and services is critical as the profile of the typical consumer changes.

Although many people may have a stereotypical image of the typical consumer of adult entertainment products and services, several recent studies, statistics and developments have shattered this image. In fact, this information reveals that

those individuals interested in adult entertainment are much more mainstream than most people would likely believe.

An example of the increasing mainstream acceptance of adult entertainment in society is the recent approval by Harvard University to approve a student magazine about sex that will feature art, sex advice and fiction. The proposed H-Bomb magazine will join other sex-themed magazines published by Vassar and Swarthmore colleges. Additionally, in a recent New York Times article entitled, Women Tailor Sex Industry to Their Eyes, Mireya Navarro reported that according to Nielsen/NetRating, women accounted for more than one quarter of all visitors to sites with adult content with more than 10 million women logging on to such sites in December alone.

Dr. Alan McKee, a media studies lecturer at the University of Queensland (UQ), provided some even more interesting demographics. Dr. McKee is the project leader of a three-year Australian government study jointly conducted by Sydney University and UQ to study Australian's pornography habits and their initial research has revealed that 20% of mainstream porn consumers were younger women, while 33% were currently married. 63% thought themselves religious, while a full 93% claimed to believe in gender equality.

One of the benefits that ICM and IFFOR believe the proposed TLD provides is that it potentially offers an environment in which responsible consenting adults can purchase adult entertainment goods and services online with increased confidence. This is important as unfortunately there is a certain component of the online adult entertainment community operating in existing TLDs that engage in illegal or questionable business practices, such as child pornography, auto-redialers, credit-card fraud, etc. ICM and IFFOR hope to achieve this increased consumer confidence through the incorporation of a Best Business Practices provision to be incorporated into the domain name registration agreement, as well as the online compliance mechanisms described below.

- Enhances competition in domain-name registration services, including competition with existing TLD registries.

As discussed above, .COM is the dominant TLD in the entire marketplace representing 45% of all global TLD registrations, including both gTLDs and ccTLDs. Additionally, despite rather bold predictions from the seven new TLD registries back in 2000, all have fallen well short of their projected goals. Notwithstanding this sombre backdrop, ICM and IFFOR believe that the proposed .XXX will enhance competition in domain-name registration services, including competition with existing TLD registries.

First, because of the strong interest among Internet users to search for and view online adult entertainment as documented in our various marketing research, there is a high probability that the online adult entertainment community would

more readily adopt this TLD if it facilities the ability to distinguish themselves and reach potential consumers in a competitive environment. Second, given the large influx of new online entertainment ventures launched each month, there is a greater potential that these new entrants would choose to create a presence in the new TLD as there is a greater association with the branding of the .XXX TLD as well as the fact that they would not be burdened with the transition costs from existing TLDs.

Although ICM and IFFOR intend to offer new registry services to benefit the community, its initial primary focus will be on gaining community adoption through a comprehensive industry marketing campaign as well as consumer recognition. As part of its adoption/recognition campaign, ICM and IFFOR intend to seek out initiatives to increased priority placement among Internet search engines based upon modified algorithms recognizing the new intuitive function of the TLD. ICM and IFFOR will also work in conjunction with the credit card industry to seek more favorable terms for registrants that are required to adopt and implement the proposed best business practice standards. It is these initiatives that ICM and IFFOR believe will provide the most immediate return on investment to the .XXX registrants.

Just as the adult industry has been a pioneer in making several technologies mainstream, ICM and IFFOR believe that .XXX will have a similar effect by increasing consumer awareness that there are other TLDs and that we do not need to continue existing in a .COM dominated environment.

2. How do you plan to reconcile the various culturally-based definitions, and what content is included and is not included, as part of the defined community?

ICM and IFFOR respectfully submit that it is not necessary for them to reconcile the various culturally based definitions and what content is included and is not included as part of the defined community. A common misunderstanding among people upon their first evaluation of the proposal is that ICM and IFFOR are seeking to "regulate" sexually oriented content. This is simply not the case. ICM and IFFOR are merely seeking to provide an easily identifiable virtual marketplace for the global responsible online adult-entertainment community to offer their goods and services while providing a forum for the industry to interact with the various stakeholders impacted directly or indirectly by their industry. One of the reasons that IFFOR as the sponsoring organization modeled its bylaws after ICANN, is that IFFOR like ICANN simply serves a coordinating role and not a regulatory one.

As ICM and IFFOR disclosed in its original application, the community intended to be "primarily" served was the global responsible online adult-entertainment community ('Community'). This community was then further defined as:

> [T]hose individuals, businesses, and entities that provide sexually-oriented information, services, or products intended for consenting adults or for the community itself. The terms "adult-entertainment" and "sexually-oriented" **are intended to be understood broadly for a global medium**, and are **not** to be construed as **legal or regulatory categories**. (emphasis added)

Therefore, the proposed TLD is primarily intended to serve the needs of the Internet community that is involved in sexually-oriented entertainment, as that concept is broadly understood internationally. We are not seeking to impose a single national model or culturally-based definition of what constitutes adult entertainment. Nor are we proposing a regulatory model in which different cultures' standards for obscenity would come into play. Although we would not permit child pornography as that term has been defined by international law enforcement authorities, we would not otherwise employ regulatory-type definitions to determine what content falls within the domain.

The approach ICM and IFFOR took in crafting its charter was modeled in large part upon ICANN's existing sponsored TLDs. By way of example, when one looks at the charter of the .AERO TLD, the community is broadly defined to include a wide range of stakeholders, see Attachment 1 to the AERO registry agreement http://www.icann.org/tlds/agreements/aero/sponsorship-agmt-att1-20nov01.htm

- aerospace industry
- airlines
- airport authorities and airport / aerodrome operators

- air freight industry
- air logistics companies
- air traffic service providers
- air crews
- air crew and air transport unions
- aviation clubs (aero clubs) and their members
- aviation consultants
- aviation education and information providers
- aviation industry associations and other representative bodies
- aviation insurance associations
- aviation law associations
- aviation media
- aviation suppliers and service providers
- charter and private aircraft operators
- civil aviation authorities
- computer reservations systems
- general aviation
- global distribution systems
- government agencies responsible for providing aviation, facilitation and meteorological services
- ground handling operators
- licensed aircraft maintenance and engineering professionals
- pilots

The definition of the community provided by the Sponsoring Organization of the .AERO TLD is not intended to serve a regulatory definition of who is or is not part of the aviation community, but merely a broad brush stoke of stakeholders within the aviation community that would be served by the proposed TLD and might therefore be interested in registering a domain name. This is no different than the proposed broad brush stoke definition of the responsible online adult entertainment industry as defined by ICM and IFFOR.

To further illustrate the coordinating (i.e. non-regulatory) role of a sponsored TLD, look again at the definition of "pilot" in the .AERO charter. In the United States one can pilot a single seat ultralight with no pilot's license, no medical exam and no airplane certification. However, in other countries such as England, Canada and Australia before one can pilot an ultralight one must undergo extensive training and licensing requirements. See http://www.ultraflight.com/JonsWebPhotos/IyinganUltralightOverACongestedArea.pdf Just like .AERO is not in the regulatory position to make cultural or national definition as to who is or is not a pilot, ICM and IFFOR are similarly not in a regulatory role to cultural define sexually explicit material. ICM and IFFOR mere seek to serve a coordinating role.

ICM and IFFOR understand the original intent of the question , if indeed ICM and IFFOR had intended to act in a regulatory role. However, given the subsequent

clarification as to ICM and IFFOR's intended role they respectfully submit that creating bright line definitions as referenced in the your question is not necessary. However, if further clarification on this issue is required ICM and IFFOR would welcome any supplemental questions to help clarify this issue.

3. Does the proposed structure include input from all parties that may be interested, including governments and international organizations?

ICM and IFFOR have modeled the Sponsoring Organization after ICANN so that all interested parties and stakeholders can participate in an open, transparent and bottoms-up consensus driven organization. Although ICANN in its bylaws specifically recognize the existence of a Government Advisory Committee (GAC), IFFOR did not include this specific Advisory Committee in its organizational structure. However, this does not preclude governments and other international organizations from participating in IFFOR's various Supporting Organizations and constituencies.

In fact, ICM and IFFOR believe that an open and healthy dialog with various governments and international organizations is a fundamental requirement to promote and preserve the interests of the Community. In fact, this proactive approach is necessary since many governments and international organizations do not initially understand the benefits and limitations of this application. That is why education and information are such importance assets in this initiative.

Finally, ICM and IFFOR have already received positive input from a series of face-to-face meetings with governments, senior political figures, law enforcement and international organizations in North America, Europe, and the Asia Pacific region whilst finalizing this application.

4. Have you identified supporters of the TLD from outside of North America and Europe? If so, who are they and can you document such support with letters signed at the appropriate level.

As previously stated ICM and IFFOR are committed to diverse global participation and representation with the sponsoring organization. Although our market analysis has shown that over 86% of the entire online adult entertainment market in 2001 was located primarily in North America and Europe (where we have extensive and documented support), ICM and IFFOR recognized the need for global representative as these other regional markets developed. As detailed in Question 7, there is already documented proof of the growing demand in these regions, particularly the Asian Pacific region.

Notwithstanding the fact that many of these North American and European infrastructure, content and service providers supply turn-key solutions to the majority of the small and niche adult webmaster located throughout the world. ICM and IFFOR nevertheless sought out and received support from some of the leading adult entertainment companies in these other regions to leave no doubt as to the breath and depth of our outreach and support.

Outside of the defined Community, we have also received support via the Public Comment forum from India, http://forum.icann.org/lists/stld-rfp-xxx/msg00049.html and, as part of our general outreach campaign, positive feedback from entities in Singapore, Australia and other Asia/Pacific countries.

5. Please provide signed letters of support from each of the communities to be represented in the Supporting Organizations, which discuss how the supporters plan to use the sTLD services and participate in the relevant SO. Please also provide signed letters that are representative of other parts of the Community that you propose to represent, detailing the particular reasons for their support. You should also include such a letter from any supporters mentioned in your application. (Note: We wish to assess the breadth, as well as the depth, of support.)

Please find on the following pages copies of a representative sampling of some of the letters of support that we have received in connection with our efforts to date. To facilitate the evaluation teams review as to the breadth and depth of ICM and IFFOR's support, these letters have been structured in the following manner:

      I.   Adult Online Entertainment Community

          a. Webmaster resource providers

          b. Affiliate program providers

          c. Third party billing providers

          d. Content providers/producers

          e. Adult verification providers

          f. Leading distributors and portal sites

          g. Traffic Generators

          h. Audiotext/mobile services

          i. Legal and Consulting services

     II.   Free Speech

     III.   Child Advocacy/Privacy/Security

A representative range of community supporters, covering all facets of the industry, together with geographic diversity were listed and profiled in Part C- Business Plan- Section VII of the original ████████████████████████ ███ ███

The representative list of supporters from the Community detailed in Part C was drawn specifically to allow ICANN and the evaluation team to gauge the very broad range of industry support together with the depth thereof. Although ICM and IFFOR has and continues to receive addition letters of support in connection

with its ongoing outreach and education efforts, we believe that those letters currently made available should answer any doubt regarding the breadth, depth and geographic diversity of our Community support.

We also enclose letters of support, explanations of reasons for support and expectations of the Supporting Organization structure from other eminent individuals and respected groups that cover the spectrum of Child Advocacy, Privacy and Security and Free Expression. Many similar constructive comments were made during the Public comment period and are available on the ICANN website for review. In addition, we already received several, confidential, requests for candidacy for Directorships of the Sponsoring Organization, IFFOR by well-respected individuals seeking election by the appropriate Supporting Organizations, once formed.

One recurring message in all of these letters is willingness of historically disparate viewpoints to come together and participate in the framework proposed in the IFFOR bylaws to mutually achieve some common ground. Given the continued momentum of ICM and IFFOR efforts, there is little doubt that upon approval the Supporting Organizations will populate very quickly as many entities are eager to make progress on this issue.

Davis Wright Tremaine LLP

June 24, 2004

Mr. Stuart Lawley
The International Foundation for Online Responsibility
130 Adelaide Street West, Suite 2500
Toronto, Ontario M5H 2M2
Canada

Dear Mr. Lawley,

I am writing as a reaction to questions presented by Summit Strategies International in connection with the application of ICM Registry and the International Foundation for Online Responsibility ("IFFOR") for a .xxx sTLD. Specifically, I am addressing the question of the extent to which members of relevant communities would participate in the supporting organizations. In particular, this letter discusses expected participation in the Free Expression Supporting Organization. Of course, until the proposal is accepted and the supporting organizations actually exist, it is not possible to have firm commitments regarding participation.

As a First Amendment specialist, my practice brings me into regular contact with most of the major organizations devoted to free expression issues in the United States. As counsel to ICM Registry, I have met with a number of such organizations that are actively involved with online policy and First Amendment issues since the ICM Registry and IFFOR application was filed with ICANN. Based on my experience in this field, I am convinced that organizations involved in free expression issues would

provide input to the Free Expression Supporting Organization when First Amendment issues arise if ICANN were to approve the proposal for a .xxx domain.

Please contact me if you have any questions.

Sincerely,

Robert Corn-Revere

ICRA

February 17, 2004

Mr. Jason Hendeles
President
ICM Registry, Inc.
3 Hawthorne Gardens
Toronto, Ontario M4W 1P4
Canada

Dear Mr. Hendeles:

The Internet Content Rating Association (ICRA) is an international, non-profit
organization of Internet leaders committed to making the Internet safer for children, while
respecting the rights of content providers. ICRA has long believed the best approach to
protecting children online is through "user empowerment" — giving families the tools to
control their online experience. When used voluntarily, tools like ICRA's empower
families to assure their online experience supports their values, without compromising
free expression or undermining other users' access to information.
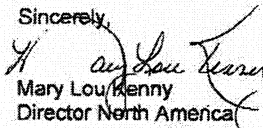
ICRA has created a voluntary, internationally accepted self-labeling system that allows
content providers to identify and label their website using pre-defined, cross-cultural
categories. ICRA does not rate content. Content providers do that, using the ICRA
system. ICRA makes no value judgments about which sites are suitable for a child.
Parents and other concerned adults do that.

ICRA believes the best way to accommodate the global diversity of individual and family
values and at the same time preserve the vibrancy of Internet content is to give families
the tools they need to tailor their own Internet experience. ICRA is therefore supportive
of additional tools, like the proposed .xxx TLD that enhances a parent's ability to protect
their children online.

In addition to the philosophies of ICM Registry and ICRA being complementary, the
technological solutions under consideration are of significant interest. Systems that allow
content providers to describe their content at the point of domain registration and for
those descriptions to be made available as labels to filtering tools would be to the
advantage of parents and industry alike.

Should your efforts be successful, ICRA looks forward to working with you and the
proposed non-profit sponsoring entity on ways to enhance choice on the Internet.

Sincerely,

Mary Lou Kenny
Director North America

6. Does the applicant include the community of those who want to use adult entertainment content as part of the community they represent? Is the community of those who seek to avoid adult entertainment content included in any way?

As discussed earlier in Question 3, ICM and IFFOR have modeled the Sponsoring Organization after ICANN so that all interested parties and stakeholders can participate in an open, transparent and bottoms-up consensus driven organization. Therefore, although the global responsible adult entertainment community is clearly defined as "the Community" to be served by the .XXX TLD, the structure of IFFOR has been modeled so that direct stakeholders such as the consumers of online adult entertainment goods and services as well as collateral (indirect) stakeholders that may wish to avoid online adult all have a voice in the IFFOR policy development process.

This broad brush stoke approach to ensure that all parties, direct and indirect, had a voice at the IFFOR table was again modeled after ICANN itself. During ICM's and IFFOR's outreach and consultation, it became clear that a sponsoring organization composed exclusively of the online adult entertainment Industry only would not be able to accomplish the task. Only an organization that provided a frame work for all interested parties to communicate and exchange ideas in a structured forum would suffice.

The need for representation within IFFOR on behalf of the consumers of online adult entertainment goods and services has been outlined above in Question 1. Specifically, as the dynamics of the marketplace continued to evolve and as the previous stereotypes of the consumers of online adult entertainment goods and services erode, proactive steps must be taken to ensure a more secure marketplace and provide protection against some of the more unscrupulous enterprises.

With regard to the community which seeks to avoid online adult entertainment for either themselves or their children, ICM and IFFOR believe that the responsible online adult entertainment community is willing to engage in an open discussion with these stakeholders to find some mutually acceptable common ground.

ICM and IFFOR respectfully submit that this balanced and inclusive approach is the best approach to maximize the success of the TLD.

7. Do you have a plan for outreach to less developed countries to make the sTLD more global? And how can the sTLD improve the use of the Internet in that part of the world?

ICM and IFFOR strongly believe that the proposed structure of the IFFOR Sponsoring Organization provides appropriate outreach mechanisms to developing countries and can also improve the use of the Internet in that part of the world as well. The commitment to geographically diverse participation within IFFOR is reflected in its bylaws that mandate geographic diversity in the various held positions within the organization. This commitment to geographic diversity is modeled directly after ICANN's own bylaws.

This forward thinking commitment to geographic diversity and participation was in part based upon ICM and IFFOR's market research that showed, as reported by Datamonitor, in 2001, 86% of the online adult entertainment marketplace to be located in the United States, England and Germany. This statistic was consistent with ICM's and IFFOR's own projections that online adult entertainment is primarily concentrated in those markets with ready access to Internet connectivity. Given the current user demand for adult entertainment services, as reflected in the various marketing material provided by ICM and IFFOR to date, it is reasonable to predict that there will be a similar uptake in other countries, both developing and developed, as Internet access becomes more accessible to users.

To support this likely trend, consider the following report from CNN/Reuters in 2002 that reported a 30-40% increase in the number of visitors to adult website in Taiwan, Hong Kong and Singapore. See http://emoglen.law.columbia.edu/CPC/archive/decency/more-asians-surf-for-porn.html Therefore, notwithstanding ICM and IFFOR's original market analysis that showed a current concentration of the online adult entertainment market in North America and Europe, ICM and IFFOR is committed to ensuring broad geographically diverse participation within the Sponsoring Organization.

One of the potential biggest benefits that proposed TLD can provide to developing countries is the ability of the responsible online adult entertainment community to participate in this voluntary initiative to market their goods and services in a clearly identifiable virtual marketplace. This type of industry lead initiative has been successfully undertaken in other industries such as the Motion Picture Association, with their voluntary film rating guidelines, as well as by the video game and music industries.

Failure of the online adult industry to adopt a pro-active initiative could result in overly broad and intrusive regulations by the governments of developing countries that might impede the development of the Internet as a global communication medium. This scenario was succinctly articulated by Vickram

Crishna , from India ,during the ICANN public forum, see
http://forum.icann.org/lists/stld-rfp-xxx/msg00051.html.

As Vickram Crishna states in his public comment ICM and IFFOR's proposal
represents "an interesting way to approach the freedom of the Net while
controlling access and abuse of the innocent and also for controlling abuse of
online payment practices." Vickram Crishna also talked about the potential
viability of this approach if "one or two major adult industry players" participate.
Given the broad level of support that ICM and IFFOR have been able to
assemble from all aspects of the online adult industry (content providers,
payment providers, age verification providers, hosting companies, news
channels, etc.) the potential to make a positive impact is heightened.

In addition to these benefits, ICM and IFFOR also anticipate making a positive
contribution to developing countries through the use of various grants that
IFFOR will be making, specifically those in the area of advancing online child
protection initiatives. As the CNN/Reuter's article highlighted, as developing
countries connect online it is generally students and the younger generation that
are the pioneers.

Until such time that IFFOR's various Supporting Organizations and
constituencies can be fully formed and populated, it would premature to list other
more specific initiatives as this would be interfering with the rights of these
stakeholders and constituents to engage in bottoms up consensus driven
initiatives as outlined in IFFOR's bylaws.

NEW sTLD APPLICATIONS

EVALUATION REPORT

Prepared for the
Internet Corporation for Assigned Names and Numbers
(ICANN)

Section I:
Report of the Technical Team

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INTRODUCTION

1.   The Technical Evaluation Team began its work on May 28, 2004. The Team met six times by teleconference between then and June 30, 2004. During and between these meetings, the proposals for new sTLDs were discussed and assessed against the selection criteria established by the Request for Proposal (RFP) issued by ICANN on December 15, 2003.

2. The Team exchanged a large number of email messages concerning proposed findings, analyses and questions that remained to be answered. The questions were tailored to each application and sent, along with questions from the other Evaluation Teams, to each applicant for response.

3. The Team's overall approach was to gather first information on all the proposals, then identify any issues or concerns with each one, and finally to judge whether they satisfied the RFP criteria for Technical Specifications. If the application was not clear, but the answers to our questions provided clarifying information, we relied on the latter information.

METHODOLOGY

The Team judged all proposals on the basis of the RFP criteria, including:

  R1   Evidence of ability to ensure stable registry operation, including necessary validation services needed;

  R2   Evidence of ability to ensure that the registry conforms with best practice technical standards for registry operations;

  R3   Evidence of a full range of registry services, including exit strategy, escrow systems and diversity in DNS operation;

  R4   Assurance of continuity of registry operation in the event of business failure of the proposed registry.

Discussion of which applications met these criteria included consideration of several factors, all of which relate to the RFP and best general practices. These factors include:

E1   Ability to register names and operate Registry, DNS and other services associated with a TLD. Applicants that used current operators of a (relatively) large TLD were judged on their processes and track records; other applicants were judged on the description of their plans to operate the registry and DNS system. All applicants were judged on various performance criteria, as well as their disaster recovery preparations.

E2   Ability to screen all registrants as to their suitability for registration in the TLD. This included a description of how the screening entity will communicate with the registry. The Team was in particular interested in how well this aspect of the proposals

would operate globally, so as not to discriminate against any potential registrar or registrant.

E3	The impact of the proposed TLD on the Internet, and whether its introduction was likely to have side effects on the operation of the Internet.

E4	In addition, the Team was pleased to see some innovation and experimentation, although this was not a basis for selection. A few proposals aimed at doing new or different things.

E5	The Team also asked for clarification from the applicants about their plans for compliance with new and future IETF standards. This information, however, was used only for informational purposes, and to check on the consistency of various sections of the proposals. No applicant was disqualified because of this information, or its lack of plans to deploy one or more of these technologies. All the applicants stated that they will use EPP for their registry (as well, in some cases, other registration protocols).

Other Considerations:

1. The Team also considered the public comments submitted to the ICANN websites established for that purpose.

2. The Team also took the following documents into consideration to evaluate some aspects of the proposals:

-- RFC2826 *"IAB Technical Comment on the Unique DNS Root"*;

-- RFC3675 *".sex Considered Dangerous"*;

-- Internet-Draft *"DNS choices"* (http://www.ietf.org/internet-drafts/draft-ymbk-dns-choices-00.txt).

3. Namespace effects; some of the proposals would create new namespaces that have no relationship with either existing registrations in DNS, or other existing namespace. Others are tied to either registrations in other domains, or namespaces not related to the DNS. It was important for The Team to identify whether bindings exist, and if so, (a) what process is in use to reflect changes in the inherited namespace; and (b) how that process is implemented.

4. The Team took into account that the state of the art in operating registries and registering domain names has advanced significantly since the last time TLDs were created, resulting in a lower barrier of entry for new registries.

ANALYSIS

A number of the proposals use established Registry, DNS and Whois providers. In these cases, the Team examined evidence of compliance with ICANN standards and operating history. In all such cases, the operators passed. In addition, the Team asked these

operators to provide more details on their disaster recovery preparations and practices. In most cases the Team was fully satisfied with the answers, unless noted below.

When a proposal discussed services not provided by current TLD operators, we did further investigation and asked for clarifications. In some cases our questions were answered on a technical level, but in others the applicants provided policy-oriented responses that did not satisfy the Team.

One question we asked all applicants was whether the registry was going to be "delegation-only." This implies that registrants can only get delegations from the TLD (NS and possibly, in the future, DS records stored in the TLD). Some of the proposals had indicated this was not the case, and we wanted clarification of the exact plans. The Team was mainly concerned with the difficulties registrars could have in registering DNS records other than NS, A and AAAA.

On the subject of disaster recovery, the Team would like to make some general comments, even though most applicants satisfied the RFP criteria for preparedness. These comments should be considered in the nature of possible guidelines for ICANN registries.

     1. Geographical separation: In light of the large electrical outages in some power grids that occurred in 2003 (e.g., in the Northeastern United States, in Italy, in Scandinavia and elsewhere) more attention should be paid to wide location of data centers.

     2. Practice: Registries should practice fail over from one data center to another one once every two years. This is a disruptive test that may lead to outages for up to 6 hours, so it needs to be planned in advance and advertised widely to registrars.

The Team would also like to comment on inheritance between namespaces. If an applicant wants to make it easy for existing holders of an identifier to get a domain name in their domain, we call that inheritance. In other words, "If you have A, then you can get A.sTLD." This is regardless of whether A is a domain name outside of the sTLD or a registered item in a non-DNS namespace. The issues the Team has watched carefully include:

     What is the policy for the situation when registration of origin of A changes. How is this detected in the first place? How is this policy implemented technically? What is the risk for changes of A (for example, if owner changes) so the registration of A.sTLD is no longer possible according to the policy of the sTLD? Is there a risk for an attack on the namespace itself in this window? If so, how is this attack prevented?

     Is it clear owners of A and B can get A.sTLD and B.sTLD, or is there a risk of collision where A and B both lead to registration of C.sTLD? If such a risk exists, what is the dispute resolution policy? If the mapping is not 1:1, is the overall theory of the sTLD true?

     If someone holds the registration of A but in general is not interested in registering A.sTLD, is there a risk A will be forced to register A.sTLD for defensive reasons, to prevent someone else from registering it?

The Team examined these questions very carefully from a technical perspective, including with respect to implementation.

.asia

This is a proposal that is aimed at providing a general open namespace that covers a geographical region. This is different than most country TLDs that only cover one country. The aim is to provide geographically focused naming from a single root (.asia etc….). There is no need for any external validation eligibility as there are no admission criteria (just like .com). The proposal mentioned a residency requirement, but there is no mechanism to enforce it except by a third party registration challenge. As such, from a technical perspective we consider .asia to be an open TLD for all practical purposes.

A. Evidence of ability to ensure stable registry operation

For operations, the applicant proposes to use an established Registry and DNS operator – Afilias – with a good track record. The operations therefore meet or exceed all ICANN standards.

The Evaluation Team did not see any instability in naming introduced by this proposal other than the normal ones of introducing a new open TLD. The proposal advocates the extensive use of IDN in this TLD.

B. Evidence of ability to ensure that the registry conforms with best practice technical standards for registry operations

The Evaluation Team did not see any issues of concern with respect to these criteria.

C. Evidence of a full range of registry services

The Evaluation Team did not see any issues of concern with respect to these criteria.

D. Assurance of continuity of registry operation in the event of business failure of the proposed registry

The application does not fully satisfy this requirement, but it does to a reasonable level. Escrow is set up before the TLD goes live.

Recommendation:

In light of these factors, we believe that .asia meets the technical selection criteria set forth in the RFP. Accordingly, we recommend that it be approved on technical grounds.

.cat

This was a rather innovative proposal. It ties a domain name to a language and culture, which has not been done before. The proposal is clear that this is an experiment. As such, it lays out a clear exit plan if the experiment fails, including provisions for the return of the TLD to ICANN. The proposal sets preconditions before registrations can go live, and monitors registrants for compliance with TLD policies.

The proposal and subsequent answers from the applicant explained in great detail the technical process of interaction between the Registry and Sponsoring Organization, including the visible effects of each step in the process. There are no Internet stability issues related to the introduction of this domain.

A. Evidence of ability to ensure stable registry operation

.cat proposes to use an established registry and DNS operator – CORE.   This operator does not have a track record of operating a large-scale DNS operation, but .cat does not expect its size to be large. The Evaluation Team is thus satisfied with the operational aspects of the proposal and expect the operations to meet or exceed all ICANN standards.

The Sponsoring Organization and the validation organization have to be set up. In any new process, some glitches are to be expected. But this proposal has explained in great detail its design, thereby minimizing any concerns of the Team.

The Evaluation Team did not see any instability in naming introduced by this proposal, other than the normal ones of introducing a new TLD. The proposal advocates the extensive use of IDN in this TLD.

B. Evidence of ability to ensure that the registry conforms with best practice technical standards for registry operations

The bandwidth to the sponsor is small but should be sufficient, unless there is a sustained spike in registrations.

Geographical distance between the sites is lower than the Team would like to see. As noted above, this is a subject ICANN should issue guidelines on.

C. Evidence of a full range of registry services

The Evaluation Team did not see any issues of concern with respect to these criteria.

D. Assurance of continuity of registry operation in the event of business failure of the proposed registry

This proposal has a clear exit strategy. If registrations are below a certain level the SO would close registrations and, when the last one expires, return the TLD to ICANN.

The Evaluation Team did not see any issues of concern with respect to these criteria.

<u>**Recommendation:**</u>

In light of these factors, we believe that .cat meets the technical selection criteria set forth in the RFP. Accordingly, we recommend that it be approved on technical grounds.

Note: We realize that this is an experiment to examine if a TLD can be used to connect distributed members of a culture that spans multiple countries. If this experiment is a success there may be others to follow, and ICANN might want to start to think now about appropriate rules for naming conventions (covering, for example, the string).

<u>**.jobs**</u>

This proposal for a sponsored TLD intertwines content with the right most label of the domain name (i.e. making it clear the domain name is related to things which have to do with "jobs" for an already existing domain name <existing-domain>.jobs). The team has some concern that the proposed change in how the job market operates may be confusing or disruptive for job seekers. The activity of searching for a job is frequently aimed at the websites of the target companies. In this case, creating a new namespace may actually make it harder for those in search of a job to find one. While this is not primarily a technical concern, it would constitute a use of the DNS that could complicate, rather than simplify, use of the Internet.

A. Evidence of ability to ensure stable registry operation

For operations, the applicant proposes to use an established Registry and DNS operator – VeriSign – with a good track record. The operations therefore meet or exceed all ICANN standards.

Jobs has a validation system in place that works for the United States and Canada, but the rest of the world is not covered. The documentation of the validation process was not technically detailed enough to convince the Team that there is a high probability of success.

The proposal mentioned compliance with policies and value added services, without going into great detail. Most of these points did not raise any concerns with the Team.

B. Evidence of ability to ensure that the registry conforms with best practice technical standards for registry operations

The Evaluation Team did not see any issues of concern with respect to these criteria.

C. Evidence of a full range of registry services

The proposal describes the admission criteria laid out for assessing the eligibility of registrations. The proposal and the supplementary answers describe at length how

compliance and registrations in the United States and Canada would be handled, but there was no mention of how the TLD would check applicants from the rest of the world. The lack of global validation will make the TLD either US-centric or open to predatory registrations from outside the US. At present, the technical description of how the registry and external validator for registrations will communicate does not satisfy the Team.

The Team would also like to offer an observation about the proposed purpose of the TLD, while acknowledging that assessment of "Community Value" is within the purview of the Sponsorship/Other Team. The aim of this TLD is to make searching for jobs easier, but it seems much simpler to educate job seekers to use jobs.<company>.<tld> (jobs.<existing-domain-name>) than to figure out what the name of the company in .jobs is. For example, how to find jobs at example.ca? Would one search for: example-ca.jobs, or example.jobs, or random-name.jobs? The Team is therefore concerned that there will be little use of this TLD, and that it will consist mostly of registrations for purely defensive reasons.

D. Assurance of continuity of registry operation in the event of business failure of the proposed registry

The application does not fully satisfy this requirement, but it does to a reasonable level. Escrow is set up before the TLD goes live.

Recommendation:

From a technical perspective, we are not yet persuaded that the TLD .jobs will make the DNS a more useful navigational tool. We are also concerned about the validation criteria for registrants from outside North America, and whether the applicant understands the complexities of creating a reserved list for job categories that span many languages. We note that some of these concerns might be addressed in a way that would satisfy them.

In light of these factors, we do not believe that .jobs currently meets the technical selection criteria set forth in the RFP. Accordingly, we do not recommend that it be approved on technical grounds at this time.

.mail

The proposal is innovative by trying to create a more trusted TLD that would reserve a namespace for non-spamming email application. Registered domains are tied to registrations in other TLDs, which have – at minimum - been in existence for at least 6 months. The domain names are re-validated annually.

The amount of work the Sponsoring Organization would put into monitoring compliance and providing facilities to a large extent justifies the high price of registrations. The Team considers that the high cost might act as deterrent for abusive registrations, but at the

same time this price places most domains out of the reach of many in the less developed world, as well as any small and medium enterprise (SME).

The Sponsor proposes setting up a service (XO) that operates all registrations in the TLD and has authority over all DNS records for delegations. The XO operates all the DNS servers for registrants, populated with data supplied by the registrant. The XO also operates the website for each registration, where Whois and mail policies are stored. The XO maintains a mail complaint center for each delegation to monitor compliance with the policies of the TLD.

The DNS records stored in zones delegated from .mail are more extensive than registrars handle today, which may cause some problems and issues. The XO has control of registrant DNS records, and can change content when a registrant is in violation, which requires expensive infrastructure. The formulation comes close to overloading domain names with services, but the implementation is accomplished largely outside the DNS.

The Sponsor will be required to possibly operate a high number of DNS zones. The difficult issue is the registration of the zone contents as registrars that act as a conduit for this information have no experience in dealing with (many of) these records. This may require significant upgrades to their systems to be able to participate. The team observes that some of these records can be passed to the XO via DNS Records stored in registrants' original zone, making this less of an issue.

The proposal bases much of the validation on information stored in the Whois for the original domain. Whois information for many ccTLDs is either not available or insufficient for this purpose. The team observes that some of the validation can be accomplished by issuing challenges to the registrant that must be published in the original domain.

The Team recognizes that the value of the .mail domain is going to be diminished if spammers can successfully register in the domain either via dormant domain names or by hijacking domains. The team observes the XO can mitigate this by quickly removing the domain from .mail DNS.

A natural question is why use a TLD for this service? The team observes that this type of service can be rooted at any given place in the DNS tree. The proposal justifies the selection of TLD by observing that it is the root domain that is the most stable domain, and the least likely to be interfered with by entities that may try to disrupt what .mail is trying to do.

A. Evidence of ability to ensure stable registry operation

For operations, the applicant proposes to use an established Registry and DNS operator – VeriSign – with a good track record. The operations therefore meet or exceed all ICANN standards.

Mail proposes a very complex external organization, and details of how it is going to work were not enough to convince the Team there is high probability of success. The Team would like to comment that this proposal is a "war effort" and thus requires constant tuning to react to adversaries' changes in tactics. The success of this registry will

depend to a great degree how the external organization performs and adapts to such changes.

Further, the Team believes that if .mail is to be able to do the verification it wants, it cannot rely on existing Whois information, as many domains in the world (especially ccTLD's) do not include all the information that is needed for the level of verification required by .mail.

B. Evidence of ability to ensure that the registry conforms with best practice technical standards for registry operations

The Evaluation Team did not see any issues of concern with respect to these criteria.

C. Evidence of a full range of registry services

The Team has some concerns about the cost of registrations in .mail. If it is successful and after it has have built out infrastructure, the cost should decline over time.

D. Assurance of continuity of registry operation in the event of business failure of the proposed registry

The application does not fully satisfy this requirement, but it does to a reasonable level. Escrow is set up before the TLD goes live.

Recommendation:

Given the complexity and unsettled nature of the behavior in the area this proposal is attempting to address, it is hard to evaluate it. We believe that the proposal meets the technical criteria set forth in the RFP for Registry, DNS and Whois. The areas of concern are in validation of registrations in all TLDs. None of the issues are unsolvable, but .mail might be forced to defer registrations for 6 months just to ensure there is a track record for each registrant. The quality of the infrastructure for the XO needs to meet the highest standards for .mail to have a chance to succeed. Approving this TLD offers high risk and possible high benefit.

Accordingly, the Team does not take a position on .mail, but recommends a review by the ICANN Security & Stability Advisory Committee.

.mobi

The Team is concerned about the disruptive behavior of servers and clients that just assume the use of .mobi TLD for small device content, rather than use content delivery protocol negotiation mechanisms. With existing protocol negotiation for content, a client can tell the server all about its limitations (as in HTTP), the client can select between available data (as in email/IMAP and extensions worked on in the Lemonade wg in the

IETF) or simply use the *mobi* prefix to reach mobile devices with optimized content (as in *mobi*.<existing-domain-name>).

Further, the Team is concerned about registrations in this TLD being open to abuse, as there is no explicit verification mechanism whether, for example, websites actually follow some specific requirement for either small devices or devices connected over slow bandwidth. This abuse could take the form of large content of small pages, or of excessive refresh, all aimed at driving up transfer charges of the mobile device[1] user.

As there are no rules for namespace in this TLD, the Team worries about namespace fragmentation if mobile devices use search strings that try <domain-name>.mobi before <domain-name>. Such a practice would force content providers to register in .mobi to defend their interests in other TLDs.

In a similar vein, there are some concerns that users of mobile devices may get locked-into services that become available only in .mobi by connection providers. If this happens, the user experience may differ greatly when the user roams between networks or if the user tries to use the same URL on his mobile device and on his computer at home.

There are proposals for providing location specific services via some second level extensions. But given the lack of description of the technical means for doing this, the Team cannot evaluate this part of the proposal.

A. Evidence of ability to ensure stable registry operation

For operations, the applicant proposes to use an established Registry and DNS operator – Afilias – with a good track record. The operations therefore meet or exceed all ICANN standards.

There is no validation of applications before registration happens which, in the case of .mobi, seems to be something that should be needed given the idea of the domain.

B. Evidence of ability to ensure that the registry conforms with best practice technical standards for registry operations

The Evaluation Team did not see any issues of concern with respect to these criteria.

C. Evidence of a full range of registry services

The Evaluation Team did not see any issues of concern with respect to these criteria.

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[1] With *mobile device* the Team means a cellphone or other device that normally is easy to carry, has a small screen, limited battery capacity and uses radio for connectivity to the Internet. This is not 100% accurate because, according to other Internet specifications, *mobile* implies a device that is not always connected at the same location network, topology wise.

D. Assurance of continuity of registry operation in the event of business failure of the proposed registry

The application does not fully satisfy this requirement, but it does to a reasonable level. Escrow is set up before the TLD goes live.

Recommendation:

From a technical perspective, we are concerned with its introduction for several reasons: (1) It is not advisable from an engineering viewpoint to force into the naming system content negotiation that is better handled by higher level protocols or by using a new prefix instead of "www" for small screen devices; and (2) We see problems creeping in due to existing registrants being forced to take out defensive registrations to avoid namespace conflicts.

In light of these factors, we do not believe that .mobi meets the technical selection criteria set forth in the RFP. Accordingly, we do not recommend that it be approved on technical grounds.

.post

The proposal is an attempt to modernize and increase the relevancy of traditional Post Offices in delivery on the Internet. The setup of the domain reflects the structure of the Universal Postal Union (UPU). Registration fees vary by country (e.g., higher for Germany than Guyana), consistent with UPU dues.

This proposal addresses any conflicts with namespace issues by setting explicit rules on what registrations are allowed, which entities are allowed and where they can be registered. There are minimal trademark issues with this domain, freeing it from defensive registrations. The applicant proposes to use the 3 letter country codes from ISO 3166 for registrations for each country, rather than the 2 letter ones used normally in the root zone of the DNS. The Team has no problem with this approach, and it may actually be a good way to avoid conflicts with ccTLDs when search strings are used. This is especially the case as not all ccTLDs use the codes from ISO 3166 (uk/gb is one example). Registrations in this TLD are validated by the applicant via member countries, and they have infrastructure in place to do this. The information provided about how the registry communicates with the validating systems was not detailed enough to judge the likelihood of success, but it was detailed enough to demonstrate sufficiency. The lack of timers is not an issue because registrations are only for a well-defined namespace, and most delays will involve third-level registrations (for countries).

Registry operator currently operates two ccTLDs and has a good track record. The size of .post should not be an issue for the operator to handle. Due to the international flavor of the .post TLD, they will use more DNS servers around the world. It should be noted

that the operator has more new technology deployed (IPv6, EPP, IDN) than any other applicant.

A. Evidence of ability to ensure stable registry operation

For operations, the applicant proposes to use an established Registry and DNS operator – Switch – with a good track record. The operations therefore meet or exceed all ICANN standards.

Since the UPU would use its own members to validate registrants, this process will depend on each country. Due to the fact the country codes are in many cases embedded inside the .post name. there is limited chance of collision between registrants.

Geographical distance between sites is lower than the Team would like to see.

B. Evidence of ability to ensure that the registry conforms with best practice technical standards for registry operations

The Evaluation Team did not see any issues of concern with respect to these criteria.

C. Evidence of a full range of registry services

The Evaluation Team did not see any issues of concern with respect to these criteria.

D. Assurance of continuity of registry operation in the event of business failure of the proposed registry

The application does not fully satisfy this requirement, but it does to a reasonable level. Escrow is set up before the TLD goes live.

Recommendation:

The clear structured namespace makes it different from other TLDs and there is clear criteria for what entities can register, and that all registrations must satisfy eligibility. The validating organization is established to our satisfaction.

In light of these factors, we believe that .post meets the technical selection criteria set forth in the RFP. Accordingly, we recommend that it be approved on technical grounds.

.tel (Pulver)

The applicant proposes to create a public ENUM-like service that is only open for registration by "VoIP providers". The purpose of the proposal may be to circumvent regulatory problems in certain countries in order to deploy (User-) ENUM services faster. The Team did not see any other usage of lookups from this domain that would be any different than usage of lookups in existing ENUM (in e164.arpa).

The registry is also the registrar, and intends to be so for a while.

The proposal appears to be "first-world centric," with limited outreach and no DNS servers outside the United States.

The TLD has no issue with the structure of the namespace itself as it is structured and well defined (no names are used, only phone numbers). Further, there is no need for preregistration, as VoIP providers use telephone numbers assigned to them.

That said, in many countries phone numbers belong to users and not to providers. This domain may therefore have problems with corrections of registrations unless phone numbers are frequently checked against authoritative source. The Team worries about carriers not surrendering the numbers when a customer transfers service as well as the impact on local legislation in countries regarding use of E.164 numbers. Issues like the impact of legislation on number portability are not discussed in the application and could therefore not be evaluated by the Team. The Team believes the application to some degree may underestimate the need for adoption to local policies and legislation in countries when using E.164 numbers in any kind of application.

To summarize, ENUM in e164.arpa is what is called "User-ENUM" where the end user controls the data in the DNS. In spring 2004, the IETF and ITU-T started to discuss a similar mechanism (technically) called "Operator ENUM," where the result of lookups are used in a different way than "User ENUM". The .tel application indicates its domain is a third usage, called "VoIP-Provider ENUM." The Technical Team, however, has several concerns:

(a) the usage of results from lookups is different from User ENUM;

(b) if it is similar to either User- or Operator-ENUM, then harmonization with those solutions are needed;

(c) harmonization can only be made to work in either ITU-T SG2 or IETF by synchronizing with each other or by finding something explicitly not covered by the two groups;

(d) because E.164 numbers are in use, deeper technical and legal analysis of the impact on legislation in various countries is needed before deployment; and

(e) one of the basic principles of ENUM is a single authoritative tree for the world. This TLD therefore (based on analysis above) appears to be in direct competition with e164.arpa. Clients may have to look someone up in both to be sure that a phone number does not already have an ENUM entry, which in turn implies there is a risk that two different applicants have ownership of the two records (in .tel and in e164.arpa) for the same E.164 number.

We are also concerned because the proposed string is a general term used internationally, and yet this proposal is focused entirely on North America.

A. Evidence of ability to ensure stable registry operation

The infrastructure is based on current development by the applicant, with extensions to allow more "VoIP providers" to register names/numbers. The DNS software has been

used on the Internet but not in a TLD. Thus some problems are to be expected during the early phases of this TLD.

The description of systems, and how systems behave both in normal operation and during failures, was excellent.

There is no experience with Whois or EPP services.

There is nothing in the proposal that explicitly talks about verification of telephone number assignments outside the North American Numbering plan. Until that is addressed, this is not a global TLD.

There is nothing in the proposal that talks about the implication of local policy and legislation surrounding E.164 numbers, which might impact the ability to register numbers in .tel. See discussion above.

B. Evidence of ability to ensure that the registry conforms with best practice technical standards for registry operations

Escrow arrangements have to be set up and evaluated.

The Team points out that this is a new operator of an EPP registry that has not demonstrated an ability to operate it, even though the description in the application suggests that it has the chance of being a success.

Nonetheless, there is a high risk of technical problems when the registry starts up, even though the registry is also (the only) registrar.

C. Evidence of a full range of registry services

The Evaluation Team did not see any issues of concern with respect to these criteria.

D. Assurance of continuity of registry operation in the event of business failure of the proposed registry

The application does not fully satisfy this requirement, but they do to a reasonable level. Escrow mechanism is not described in the application.

Recommendation[2]:

We are concerned that this domain will cause major problems for global ENUM deployment. We are also concerned that this proposal is focused entirely on North America.

In light of these factors, we believe that .tel (Pulver) does not meet the technical selection criteria set forth in the RFP. Accordingly, we do not recommend that it be approved on technical grounds.

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[2] Patrik Fältström participated in discussion of this application, but recused himself from the decision whether it satisfies the RFP criteria because of his deep involvement with ENUM issues. The decision not to recommend this proposal was made solely by the other two Evaluators.

.travel

The .travel proposal is for a restricted TLD with strict admission criteria, but the potential number of registrants is high, possibly resulting in a large TLD.

The use of this TLD is envisioned to be global, and the applicant has a global system in place to verify registrants. The registry would communicate with the validators via a special purpose XML API.

Some problems early on in communication between the many validating sites and the registry are to be expected, but ample testing before launch should minimize any problems. One area of concern is the lack of timers in the validation process, as this may lead to some abusive registrations that lock up names. If the registrant has no right to such a name, difficulties in validation may still enable it to hold lock down for a long time and even attempt to sell the name during the period the domain is on hold.

The proposal is for a standard delegation-only TLD, and we see no problems on the Internet caused by the introduction of this TLD.

In the public comments, there was reference to a rogue root operating a TLD with the same name. It is possible that this TLD may experience visibility problems among users of the rogue root (see RFC2826).

A. Evidence of ability to ensure stable registry operation

For operations, the applicant proposes to use an established Registry and DNS operator – NeuLevel – with a good track record. The operations therefore meet or exceed all ICANN standards.

The application uses two validation entities, one for North America and the other one for the rest of world. Both are established players and should be able to perform the validation. There are some concerns about the lack of timers in the validation process, which may cause operational problems for the TLD but can be addressed.

B. Evidence of ability to ensure that the registry conforms with best practice technical standards for registry operations

The bandwidth to sites needs to be significantly increased. Registry and DNS servers should have pipes of at least 100Mb/s. Smaller pipes will make this TLD an easy target for dDoS attack.

C. Evidence of a full range of registry services

The Evaluation Team did not see any issues of concern with respect to these criteria.

D. Assurance of continuity of registry operation in the event of business failure of the proposed registry

The application does not fully satisfy this requirement, but it does to a reasonable level. Escrow is set up before the TLD goes live.

Recommendation:

In light of these factors, we believe that .travel does meet the technical selection criteria set forth in the RFP. Accordingly, we do recommend that it be approved on technical grounds with the following conditions:

- ICANN and .travel specify some time limits within which (for example) a registration must be validated, or it is rejected.

- .travel should be required to document - after 6 months – any problems it experiences with validation of requests, in order to assist future TLDs with similar outreach using diverse verification agencies, including the experience of registrants "fishing" for a validation agency to approve their application (if more than one validation agency is possible, for example, due to overlapping responsibilities between the agencies).

.xxx

The aim of this TLD is to sponsor the migration of responsible adult entertainment sites out of various TLDs to xxx, where the sites would be monitored for compliance with certain standards.

The Team is comfortable with the process of compliance enforcement from a technical perspective.

The proposal does not have any major impact on stability of the Internet.

In the public comments, there was reference to a rogue root operating a TLD with the same name. It is possible that this TLD may experience visibility problems among users of the rogue root (see RFC2826).

The TLD proposes privacy mechanisms for registrants in Whois. The Team sees no reason why such privacy enhancement would lead to instability problems, but it may have some impact on the timeliness of responses from registrants.

For operations, the applicant proposes to use a Registry and DNS operator with a good track record.

A. Evidence of ability to ensure stable registry operation

For operations, the applicant proposes to use an established Registry and DNS operator – Afilias – with a good track record. The operations therefore meet or exceed all ICANN standards.

.xxx has proposed extensive monitoring and, if necessary, arbitration work to be done by their validator. There are no admissions criteria, only a mandate that sites be operated within certain guidelines. The descriptions provided to the Team, including the high level of detail the applicant has used to describe any possible scenario, lead us to believe that this organization has a high probability of technical success.

B. Evidence of ability to ensure that the registry conforms with best practice technical standards for registry operations

The Evaluation Team did not see any issues of concern with respect to these criteria.

C. Evidence of a full range of registry services

The Evaluation Team did not see any issues of concern with respect to these criteria.

D. Assurance of continuity of registry operation in the event of business failure of the proposed registry

The application does not fully satisfy this requirement, but it does to a reasonable level. Escrow is set up before the TLD goes live.

Recommendation:

In light of these factors, we believe that .xxx does meet the technical selection criteria set forth in the RFP. Accordingly, we do recommend that it be approved on technical grounds.

CONCLUSION

The Technical Team has carefully evaluated the proposals against the RFP, based on the applications, the responses to the clarifying questions, and its expertise. We recommend .asia, .cat, .post, .travel (with conditions) and .xxx. We do not take a position on .mail, but recommend a review by the ICANN Security & Stability Advisory Committee. We do not, from a technical perspective, recommend .jobs, .mobi, .tel (Pulver) or .tel (Telnic). We note, however, that some of our concerns with .jobs might be addressed and resolved.

Our view is that, in accordance with the RFP, the applications have had to satisfy high technical standards. Our review has suggested a few areas where ICANN may wish to

consider formulating guidelines to assist future applicants. These areas include disaster recovery, namespace architecture, cooperation with external organizations (such as owners of identifiers like 3166 (ISO) and e.164 (ITU)) and procedures for communication among registry, registrars and validation agencies.

APPENDIX

Biographies

Patrik Fältström, MSc, has been working with DNS and naming mechanisms on the Internet since he helped introduce the DNS in Sweden in 1987. He is currently Consulting Engineer at Cisco Systems, a member of the Internet Architecture Board, and co-chair of the ENUM working group in the IETF. He is a member of the IT Policy and Strategy group, an advisory group to the Swedish Government. He is also a member of a number of technical advisory boards and a board member of HotSIP AB in Sweden. Prior positions include engineering positions at the Royal Swedish Navy, The Royal Institute of Technology, Tele2 and Bunyip Information Systems. He was previously a member of the Internet Engineering Steering Group and the Policy Oversight Team. Patrik is the author of 10 RFCs.

Ólafur Guðmundsson has years of experience working on the Internet, DNS and Internet naming. He is currently Chief Scientist at Binnacle Systems, and co-chair of the IETF's DNSEXT working group. He has held prior positions at NeuStar, ISI, Network Associates Labs, Trusted Information Systems, the University of Maryland and the University of Iceland. Ólafur is the author of 6 RFCs.

Nii Quaynor is a leading African scientist and has long experience in the system characterization of distributed systems and the Internet. He is the Chairman of Network Computer Systems, Ghana, Director of Enterprise Africa and co-convenor of the African Network Operators Group (AfNOG). Prior positions include Chairman of AfriNIC, member of the ICANN Board, and Senior Engineering Manager at Digital Equipment Corporation.

NEW sTLD APPLICATIONS

EVALUATION REPORT

Prepared for the
Internet Corporation for Assigned Names and Numbers (ICANN)

Section II:

Report of the Business/Financial Team

Maureen Cubberley, Chair
Fernando Silveira Galban
Jeffrey Lissack

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1. ROLE

At the request of the Internet Corporation for Assigned Names and Numbers (ICANN), Maureen Cubberley, Fernando Silveira Galban and Jeffrey Lissack have served as the Business/Financial Evaluation Team, the purpose of which has been to review applications for new sponsored Top Level Domains (sTLDs). Ten applications were received in response to ICANN's Request for Proposal (RFP) and the Team has carefully assessed all of them.

Each application has been reviewed and evaluated on the basis of the Selection Criteria established in the RFP and has been judged on its own merits. The work has been conducted in a fair and objective manner.

2. METHODOLOGY

Each application includes six sections that respond to the posted Selection Criteria. They are; Explanatory Notes and Selection Criteria (Part A); Application Form (Part B); Business Plan (Part C); Financial Model (Part D); Technical Specification (Part E) and Application Checklist (Part F).

In the process of judging each application, the Evaluation Team considered the following questions raised by the RFP;
1. Does the Business Plan clearly demonstrate the applicant's methodology for introducing a new sTLD?
2. Does the Business Plan demonstrate the ability of the organization to implement a robust and appropriately resourced organization (i.e., capable of executing the plan)?
3. Does the Business Plan include, at a minimum, the following elements in sufficient detail:
    i)   Staffing, including key personnel and operational capacity
    ii) Marketing plan
    iii) Registrar arrangements
    iv) Fee structure
    v)   Technical resources
    vi) Uniqueness of application
    vii) Engagement with and commitment to the SO (SO)
4.   Does the Financial Model adequately outline the financial, technical and operational capabilities of the organization?

The Team used a two-part, parallel methodology to conduct its review, consisting of independent reviews of each application by each Team member and collaborative assessment. Each Team member reviewed the applications independently and posted comments to the evaluation website. The team then met via teleconference to discuss the applications and each evaluator's independent review.

The Business/Financial Evaluation Team has conducted its work collaboratively by means of a series of meetings between May 28th and July 6th, 2004, which Miriam Sapiro, President of Summit Strategies International, has coordinated. All meetings were conducted by teleconference. During these meetings, the Team reviewed all sections of the applications, as there is information throughout them that is relevant to this Team's work. The Team also reviewed the websites for "Public Comment for Proposed Sponsored Top-Level Domains" and has taken

these comments into consideration as part of the evaluation process.

Subsequent to the Team's initial and secondary reviews of all of the applications, sets of specific questions were sent to each applicant. The purpose of these questions was to obtain additional information and/or clarification regarding certain aspects of the applicants' methodologies, business plans or other relevant sections of the applications. The responses to these questions were carefully considered by the Team prior to making our final recommendations.

3. ANALYSIS and EVALUATION

The ten (10) applications received by ICANN in response to the RFP are discussed in this section. They are;
3.1 .asia
3.2 .cat
3.3 .jobs
3.4 .mail
3.5 .mobi
3.6 .post
3.7 .tel (pulver)
3.8 .tel (telnic
3.9 .travel
3.10 .xxx

3.1	.asia

A. BUSINESS PLAN

Methodology
An impressive regional community effort, an experienced RO (Afilias), and state of the art facilities for a dot-asia operation in Hong Kong support the methodology proposed in the dot-asia application.

There is a clear logic to the methodology, and a good link is demonstrated between ensuring the fiscal stability of dot-asia and securing buy-in from the membership by means of re-investment in socio-technological projects/initiatives. This is an important consideration and a good strategy in this region where there is a discernible gap between the 'have' and 'have-not' countries/registries.

Medium–demand projections of 335,600 registrations for year 1 from the most populated region in the world seem realistic and achievable. Export driven economies such as China, Korea, Japan, Singapore, Taiwan and India should be logical registrant markets for dot-asia. Emerging economies may also see a regional domain identity as strategically important, and thus the potential for

increased market share is likely.

The concept is clear, as is the way the applicant intends to organize the Supporting Organization (SO), and to manage the registry.

Ability to Implement

There is clear demonstration of the applicant's ability to implement a robust and appropriately resourced organization. There is a focus and evidence of community support from certain areas. The Board and initial Management Team have strong relevant experience. There is also evidence of strong technical resources in the RO. The project is well scaled, in that the financial resources the applicant has identified are reasonably well matched to the size and complexity of the initiative, so it appears to be appropriately sourced.

The Evaluation Team recognizes the value of ccTLD participation as fundamental to this sTLD's success. There are some very strong players in the Asia-Pacific ccTLD community with significant experience and good business savvy. Not all are or will be supporters; however, the applicant has identified some important supporters/participants. This level of buy-in contributes to the credibility of the organization, and indicates a good chance of successful implementation.

The Evaluation Team asked the applicant for supplementary information regarding the sufficiency of capital resources in the event that revenues are lower than projected. The applicant's response was satisfactory in that it demonstrated reasonable plans for achieving revenue projections and reasonable contingency plans.

SPECIFIC ELEMENTS

i) Demonstration in the Business Plan of staffing, including key personnel and operational capability
This area of the proposal is particularly strong. The Board members and interim staff appear to have highly relevant experience and demonstrated capabilities. Projected staff salaries are moderate and dot-asia should have no problems hiring excellent permanent staff when the registry begins operations, since members of the SO can assist in selecting experienced professionals.

Dot-asia's operational capacity is well demonstrated. The staffing proposal demonstrates a good mix of portfolios for an organization with a strong community focus (e.g. a position of community liaison has been included.)

The plan to keep the staff complement small and rely on contractors at first to manage growth is a smart one for a start-up organization.

In a supplementary question to the applicant the Team asked for evidence that there would be sufficient staffing to manage disputes, the concern being that in addition to the cost-recovery plan that was proposed, additional resources would be required. The applicant's response was satisfactory.

ii) Marketing Plan

The business plan includes marketing initiatives, although a comprehensive marketing plan is not evident. In addition to using ICANN accredited Registrars, dot-asia will also contract with the ccTLDs who are members of dot-asia, thus gaining additional sales points located within the region, and enabling registrants to deal with a vendor in their native language. Internationalized Domain Names will be supported, which is a value-added feature that lends strength to the marketing plan.

Many of this TLD's proposed initiatives, if successful, will be self-marketing. For example, their approach to IDN and potential contribution to IDN standards with their 'multilingual TLD registry' may add to market appeal. Dot-asia's plan for board meetings and communications, such as conducting open meetings and holding the AGM at the APRICOT conference will increase visibility and therefore also help achieve some marketing goals.

There is, nonetheless, heavy reliance on efforts of the members to sell this domain; the amount of effort regional ccTLDs will put into marketing this versus other products may depend on the relative profitability of the dot-asia product vs. ccTLD products. (Sponsors will earn $8 per domain from dot-asia; it will be important for dot-asia to compare this with what they earn for sales from each ccTLD domain in order to remain competitive.)

The applicant makes the case that sales will track or exceed growth in sales of ccTLD's but no data is given on those growth rates. Nonetheless, the reasoning dot-asia presents, specifically that there should be demand for this domain both from small enterprises selling internationally who want to brand broader than their home country, or from larger entities (e.g.multinationals) wanting to create a uniform regional presence, seems logical.

The Team questioned the line item in the budget for marketing and PR ($330,000 in the first year and $276,000 in the second year) and asked for an explanation of how this funding will be used. The purpose of this question was to assist the Team in its assessment of how realistic it is to -project sales of 200,000 to 500,000 in year 1, 300,000 to 700,000 in year 2, and 400,000 to 1,300,000 in year 3. The applicant's response clarified the focus of the marketing efforts and the basis for the projections in a satisfactory manner.

iii) Registrar arrangements

Dot-asia's registrar arrangements are well articulated. They will run a thick registry, the inherent design of which ensures accountability between registry / Afilias and Registrars (and on behalf of registrants). There appears to be a good arrangement for including dot-asia's WHOIS into cross-registry WHOIS systems.

Registrars will be accredited. Dot-asia will enable ICANN-authorized registrars to sell its domains, however they (registrars) will be required to complete an authorization process that includes legal agreements and proof of technical and financial capability. On the financial side, dot-asia will require the registrars to fund their debit accounts and obtain the necessary credit and verification documents. Information on billing and collections is contained in the application.

Participating ccTLD operators (Sponsor Members) will be required to complete the same accreditation process as ICANN-accredited registrars (except that they would not require ICANN-accreditation) in order to be eligible to sell dot-asia domains.

The Team asked the applicant for a clarification of Afilias's commitment to run the registry in the event of SO failure, and was satisfied with the response.

iv) Fee Structure
[CONFIDENTIAL INFORMATION REDACTED]

v) Technical Resources
The RO will be Afilias with existing registries in operation, currently handling more than 4 million registrations managed by qualified staff.

The SO's proposed office location at Hong Kong's cyberport, which is a government subsidized initiative that provides its technology facilities with centralized support, is a good choice, and indicates that any potential concern over the funding of systems and bandwidth resources for dot-asia can be minimized. Resources appear to be allocated for all of the important technical functions, including day-to-day (e.g. backup and escrow).

vi) Uniqueness of Application
The RFP calls for an assessment of the "uniqueness of application" as an element of the Business Plan. This assessment depends to a large extent on whether the Applicant has persuasively demonstrated that it appropriately represents a "clearly defined [sponsored] community," that its proposal "is clearly differentiated from existing TLDs;" and "that it "meets needs that cannot reasonably be met in existing TLDs at the second level." A decision on these questions is properly within the purview of the Sponsorship/Other Evaluation Team. On this particular question, therefore, we defer to that Team's assessment of whether these criteria

are met. If they are, then we are comfortable concluding that the "uniqueness of application" element of the Business Plan is also satisfied.

vii) Engagement With And Commitment To The Sponsoring Organization Sponsoring Organization (SO)
Engagement with and commitment to the SO is evident. The SO has non-profit status and plans to dedicate a percentage of revenues ($1 per domain name) to fund related activities. This seems likely to engender support from the relevant community. The initial board members, organizational structure, and description of bylaws all seem conducive to open representation of the relevant community (although it appears that the Board will always be controlled by the organizations running ccTLDs). There appears to be strong support from these organizations and from related non-profits.

B. FINANCIAL MODEL

[CONFIDENTIAL INFORMATION REDACTED]

While the financial model meets most criteria, marketing expenses are not explained in the application. However the response to the Team's supplemental question in this regard was satisfactory.

This project has support from a number of ccTLDs in the region, which are part of the SO. This means significant support from at least part of the Asian domain name community. Combined with Afilias they have proven experience in management of millions of domain names.

RECOMMENDATION

Our review and analysis of this application, together with our review of the public comments regarding business and financial issues, and the applicant's satisfactory responses to our supplementary questions indicate that the selection criteria set forth in the RFP have been met. It is our recommendation that, from a business/financial perspective, this application for .asia sTLD be approved.

3.2 .cat

A. BUSINESS PLAN

Methodology
The business plan is clearly defined and demonstrates an in-depth knowledge of the registrant market to be addressed. The methodology is solid and well structured. The applicant has turned an insightful and advanced understanding of the concept of domain name as identity into a solid business idea. The methodology is detailed and coherent. The plan is well defined, straightforward, and easy to understand --the clarity of the plan increases the likelihood of successful implementation.

Ability to implement
The large number of entities and institutions, and the importance of some of the most recognized among them, enables us to assume that the project can be sustained adequately. There is strong representation from a variety of diverse groups, which is an important contributing factor to the organization's stability and potential for success. The list of memberships/supporters is extensive and impressively representative of this community. The fact that some of the founding members have donated (not loaned) the money to the applicant organization to prepare the application and to pay the application fees to ICANN speaks well of their commitment to this project.

Board members are experienced and highly credible. The applicant is very clear about what the purpose of this TLD is, and core goals and use of earned funds are well documented. Plans for use of 'surplus' revenue on projects such as development of open source, cross platform dictionaries will ensure support from the community and the continued relevance of this organization.

The specific and clear focus bodes well for success. The budget is appropriate for tasks at hand. Strong support is evidenced from member communities. Revenue projections seem achievable and good contingency plans are in place.

The Team requested additional information to verify a) the capital commitments represented, and b) the strength of CORE as a partner with sufficient financial viability, and c) evidence that the disaggregated organizational structure presented by the applicant is capable of delivering services. The response provided by the applicant verified the loan guarantees and line of credit, and also provided adequate additional information about CORE and the proposed organizational structure.

SPECIFIC ELEMENTS

i) Staffing, Including Key Personnel And Operational Capability
The association directors have strong breadth and depth of relevant experience. The background of the members of the applicant's steering committee appears to be appropriate to fulfill the objectives. The applicant's commitment to keeping overhead low until dot-cat is sure of revenues is a responsible approach.

While the applicant seems to have access to good resources through the member organizations, the Team requested supplementary information regarding the secondement of additional staff. The response was adequate in its indication of commitments from the member organizations to supplement the staff complement during start-up phase. Additional, satisfactory information was also provided about the qualifications of CORE staff.

The staffing plan is modest but appears to be appropriately scaled to the size of the operation, and is focused. There is indication that operational capability exists.

ii) Marketing plan
The marketing plan is strong. Its main elements include a multimedia advertising campaign, a strategy for working with Registrars, and web outreach through the membership. The budget of US $112,000 for the first year, and US $187,500 for the second year seems reasonable for targeted local media buys. Full time marketing staff will be added in year 2. The plan seems appropriate and likely to reach projections given the well defined community.

There is indication that the applicant knows the community it plans to serve, specifically those identifying themselves or their activities with promotion of Catalan language or culture via the Internet. The unique focus on activities directed to affirm the cultural, linguistic and regional identity, assures us that the applicant has a clear understanding of what will be required to market the TLD to this community.

In summary, the amount budgeted seems reasonable and appropriately scaled to the anticipated size of the operation. The financial effort seems congruent with the target market.

iii) Registrar Arrangements
The registrar arrangements for dot-cat meet the RFP requirements. ICANN accredited registrars are to be used. CORE's relevant experience is evident through its management of dot-aero and dot-museum and the fact that it has registered over 1 million domains. In a supplementary question to the applicant, the Team expressed concern about the stability of the arrangement whereby puntCat, as a largely volunteer driven, decentralized applicant would be dealing

with a decentralized RO. (CORE being a consortium of independent Registrars). The response clarified the issues of stability, dedicated staff and resources and CORE's capabilities to the Team's satisfaction.

iv) Fee Structure

The fee structure is well-defined in the application. Wholesale registration fee will be US $94., with a projected retail price of $109 to $129. Renewal wholesale fee will be $31., which may be high for some of the smallest not-for-profits, however dot-cat plans to target entities with heavily used web sites and build on demonstrated commitment to the dot-cat concept, so it seems reasonable that price will not be a significant barrier to purchase for these targets. The defensive registration fee of $469 may be high, but the TLD is not counting on this for a significant portion of revenues.

The fee to be paid to CORE in year 1 is the higher of either a) US 180,000., b) 50% of registry fees plus 15% of ENS, or c) $1.20/domain. This seems to be an appropriate arrangement.

v) Technical Resources

Technical resources meet criteria. CORE appears to have good relevant experience through managing .aero and .museum, although these domains have very small numbers relative to projections for this particular TLD.

The applicant's response to the Team's supplementary questions regarding CORE's capabilities was satisfactory.

vi) Uniqueness of Application

The RFP calls for an assessment of the "uniqueness of application" as an element of the Business Plan. This assessment depends to a large extent on whether the Applicant has persuasively demonstrated that it appropriately represents a "clearly defined [sponsored] community," that its proposal "is clearly differentiated from existing TLDs;" and "that it "meets needs that cannot reasonably be met in existing TLDs at the second level." A decision on these questions is properly within the purview of the Sponsorship/Other Evaluation Team. On this particular question, therefore, we defer to that Team's assessment of whether these criteria are met. If they are, then we are comfortable concluding that the "uniqueness of application" element of the Business Plan is also satisfied.

vii) Engagement with and commitment to the Sponsoring Organization (SO)

This application demonstrates strong engagement with and commitment to the SO. The association puntCat appears to have widespread support from the relevant community, as evidenced by the breadth of membership. Puntcat also appears to have an organizational structure and bylaws conducive to open

representation of the community. The association will be dissolved and replaced by the SO if ICANN accepts the proposed sTLD.

B. FINANCIAL MODEL

The financial plan is credible and solid. Contingency plans are appropriate to keep the domain operational in case of failure. The budget seems realistic and appropriately scaled to the tasks outlined in the business plan. The model shows good judgment in building low initial overhead until the revenue base is secured.

The Team asked the applicant for additional information regarding the loan guarantee and letter of credit and the information provided has addressed the concern in a satisfactory manner.

The plan seems to have access to sufficient financing to accomplish its tasks --the application has solid contingency plans for turning the domain over to another operator should that become necessary.

RECOMMENDATION

Our review and analysis of this application, together with our review of the public comments regarding business and financial issues, and the applicant's satisfactory responses to our supplementary questions indicate that the selection criteria set forth in the RFP have been met. It is our recommendation that, from a business/financial perspective, this application for a .cat sTLD be approved.

3.3	.jobs

A. BUSINESS PLAN

Methodology
The concept is clear and the plan seems to be well thought through and detailed. The partners are credible. The business plan efficiently demonstrates the chances of success in the introduction of dot-jobs .

The partners and the strong insertion of SHRM (Society For Human Resources Management) in the United States market is relevant, if very U.S. specific. While the business plan and responses to supplemental questions suggest that marketing will focus on Personnel Management Associations worldwide, SHRM's membership and organizational structure seems to be predominately U.S. oriented.

Ability to Implement
Ability to implement is demonstrated. The proposal includes a description of
Employ Media's philosophy of upfront investment in this project as an equity
investment rather than a cost/expense to be factored into domain name wholesale
cost.

Appropriate levels of resources are evident for all 3 projections, low, medium and
high.

There is indication of the possibility of other sources of revenues (e.g. licensing
fees for search companies to access WHOIS is interesting, which might or might
not be realistic depending on decisions under consideration regarding public
access to WHOIS databases). This does, nonetheless, indicate an entrepreneurial
spirit, and since it is not included in revenue model, presents little risk. Business
risks and opportunities are realistically assessed, and plans for addressing risks are
well thought through. The Registry failure contingency plan seems solid.

The role of each key participant is clearly detailed. The applicant (Employ Media)
has adequate financial support and professional staffing. The SO (SHRM) is an
existing entity with an established background in the United States. The RO
(VeriSign) is established and qualified.

The applicant presents a clear concept and a strong funding base
[CONFIDENTIAL INFORMATION REDACTED]. This is a plan that inspires
confidence that the applicant will be able to execute successfully and will have
the appropriate resources to respond to evolving conditions.

In its supplementary questions, the Team asked the applicant to verify ability to
fund capital commitment and to provide evidence of international support. The
responses addressed the issue of capital, however planned efforts to market to
developing countries, while mentioned, was not detailed.

SPECIFIC ELEMENTS

I) Staffing, Including Key Personnel and Operational Capability
The initial directors and management team are named, and all appear to be highly
qualified. Because SHRM is established, and all individuals are already in place,
capability has been demonstrated. All key personnel are employed in or engaged
in the human resources field with good, established track records.

The bios for the staff and initial directors for Employ Media, SHRM and Verisign
are sufficiently detailed. Operational capability is indicated by current activities.
Second generation's experience with a range of other start-up companies should
be helpful.

ii) Marketing Plan
[CONFIDENTIAL INFORMATION REDACTED]

iii) Registrar Arrangements
[CONFIDENTIAL INFORMATION REDACTED]

iv) Fee Structure
[CONFIDENTIAL INFORMATION REDACTED]

v) Technical Resources
[CONFIDENTIAL INFORMATION REDACTED]

vi) Uniqueness of Application
[CONFIDENTIAL INFORMATION REDACTED]

vii) Engagement with and commitment to the Sponsoring Organization
[CONFIDENTIAL INFORMATION REDACTED]

B. FINANCIAL MODEL

[CONFIDENTIAL INFORMATION REDACTED]

RECOMMENDATION

Our review and analysis of this application, together with our review of the public comments regarding business and financial issues, and the applicant's satisfactory responses to our supplementary questions indicate that the selection criteria set forth in the RFP have been met. It is our recommendation that, from a business/financial perspective, this application for a .jobs sTLD be approved.

3.4	**.mail**

A. BUSINESS PLAN

Methodology
The business plan describes how the TLD would function, particularly as it relates

to the technical operation, but the financial side relies heavily on presumptions of continued interest and participation, yet-to-be-negotiated fees and charges, and a considerable amount of good will.

The plan does not demonstrate how the TLD would be marketed, gain community support, or be sustained in the face of lower than projected demand.

This proposal appears to be adding another feature to the Spamhaus war on spam, and as such is interesting, and even laudable, yet the methodology as presented in the business plan appears inadequate to give the Team confidence that it will achieve this objective.

The dot-mail TLD is presented as a service applied to existing gTLD (not sponsored) domains such as dot-com. Registrants who can find value in the dot-mail TLD are mailserver operators (ISPs). Evaluation of the technical merit of the proposed service is best left to the Technical Evaluation Team.

Ability to Implement
[CONFIDENTIAL INFORMATION REDACTED]

According to the business plan, income is almost entirely dependent on domain sales, which are focused on a small community, one that the applicant defines as the "same large segment of e-mail providers (senders and receivers) who now trust Spamhaus." The evidence of demand at projected prices is not compelling, either in the original application or in the responses to the Team's supplementary questions. The plan does not suggest an ability to execute successfully or to have staying power in the face of lower than projected revenues or longer implementation timelines.

In the section "representation", reference is made to five leading community entities as the logical initial board of the SO. The applicant later states that not all have committed to participate at the board level. Our conclusion, therefore, is that there is insufficient evidence of community support or ability to garner such support. We are also concerned that there is little evidence of qualifications or ability of the SO to execute the plan.

One further element of concern is in case of failure, given the very specific and atypical nature of this sTLD. If this SO fails, would any other organization be willing/able to assume responsibility for the continued operation of dot-mail? The applicant's responses to the Team's supplementary question did not provide sufficient information to ease these doubts. The Evaluation Team has serious concerns, therefore about the capability of the applicant to implement a robust and appropriately resourced organization.

SPECIFIC ELEMENTS

I) Staffing, including key personnel and operational capability
Emphasis has been placed on operations, not on management and executive leadership. The RO and the Extra Services Operator (XO) will do most of the work, but there is little indication of the leadership role to be provided by the Supporting Organization.

Verisign, as RO, undoubtedly has all the operational capacity this TLD will require, and this is described in detail. It also has strong customer support capacity. eNom, as XO will provide DNS services, WHOIS validation, domain name website administration and hosting.

The plan seems to be to operate this TLD with the volunteer staff from Spamhaus, who will be working from their individual locations in 22 places worldwide. From this pool of current volunteer workers, some will be taken on as paid staff as the registry begins to function, led by Mr. Linford, the Spamhaus founder. The information provided in the application is vague as to the qualifications, commitment and staying power of these undoubtedly well intentioned volunteers. Nonetheless, the Team recognizes the potential power of a "movement" and there is a strong, established anti-spam movement. However, the question remains: does Mr. Linford, in the absence of an established SO have the ability as an individual to harness that power sufficiently to ensure personnel and staffing capability, and in so doing to ensure the sustained operation of dot-mail? That question has not been answered adequately in either the original application or the responses to the supplementary questions.

ii) Marketing plan
There is little mention of marketing plans in this application. The first year budget is $100,000. The application, and the responses to the supplementary questions lack compelling evidence of an ability to reach projected sales at the projected price. The applicant's evidence of willingness to pay appears to be premised on the supposition that the thousands of businesses and individuals that currently purchase digital certificates for $1000 each will buy dot-mail domains, and informal polling. (No specifics were submitted in the application and limited details were provided in the supplementary response.) Market demand is premised on the belief that companies that send considerable e-mail such as Amazon, or organizations managing considerable incoming e-mail such as universities, will find the service valuable, but no evidence is presented indicating support or interest from such organizations.

Marketing is presented as an extension of the current relationship Spamhaus enjoys with "companies who send and receive e-mails" (ISPs) and projections are for limited, expensive registrations. Here it should be noted that the number of

ISPs in the world who can be considered a target market is finite, and indeed their number is constantly being reduced as larger players consolidate dominant market positions.

A position of Vice President Marketing has been identified, and an outside marketing firm will be engaged. This presents a circular dilemma from a financial perspective in that the VP Marketing will not be hired until at least 2,000 names are registered, but how will those 2,000 names be acquired if the TLD is not marketed aggressively? The cost of an outside marketing firm does not appear to be provided for in the start-up costs.

iii) Registrar Arrangements

Dot-mail's registrar arrangements are presented in the application. VeriSign plans to provide a thick registry for dot-mail, the inherent design of which ensures accountability between registry, registrars and registrants.

The RO, VeriSign will conduct registrar arrangements. VeriSign is ICANN-accredited and has considerable relevant experience, with 31M domains registered in .com and .net; US $1.1 billion revenues. VeriSign will implement registrar transfer procedures according to a transfer policy, which will be in acceptance with ICANN guidelines. VeriSign will generate registrar reports on a regular basis.

Registrar billing and collection systems are identified in the application; the RO will be performing billing and collection services, and will debit fees from the account of each registrar as transactions are conducted.

In this sTLD the WHOIS information is already contained at some other registry/registrar, therefore there are no plans, and the applicant sees no need, to transmit the information from the registrar to the registry. A system is proposed whereby the XO will transmit WHOIS information to the registry.

iv) Fee Structure

The RO fee is US $500,000. per year up to 16,000 registrations, $30 per domain registered for 16,000+ domains, and $6 per domain for 50,000+ domains. VeriSign employees to have strong relevant experience.

The Extra Services Operator (for authentication) is eNom, which is represented in the application and substantiated in the responses to supplementary questions as a strong company with 2.8M domain names sponsored across a variety of TLDs and US $30 million revenues projected for 2004. eNom has 50 employees, who appear to have strong relevant experience. eNom is ICANN-accredited.

The fee structure is variable proportional to the number of domains (US $715,000 for 1000; $1,873,000 for 2200, $3,611,000 for 4000). This appears to be half of

the $1995 fee after VeriSign and ICANN have been paid.

There is a compliance review and monitoring fee of $1,995. per name/year. Subcontractor fees have not been fully negotiated; They are 'subject to final contract negotiations and agreement", however, a minimum fee of $500,000. would have to be paid by the SO to the RO regardless of number of registrations performed up to 16K, and each registration after 16K would cost the SO $30. until a 50,000 registration threshold is reached. The fee then drops to $6. Given the apparent under-capitalization, this $500,000. floor could prove to be an onerous financial burden for this sTLD.

v) Technical Resources
The RO will be Verisign, (USA) so the Team is confident that technical resources for that part of the operation are proven and satisfactory. There is ample capacity if this operation becomes large. Spamhaus (UK base) is a volunteer organization with servers that distribute spam blocklist and are dispersed around 22 countries worldwide. It is difficult, therefore to judge the technical resources of those 22 sites. (The applicant has noted that staff will use desktop computers that interface with the RO and the SO.)

eNom, as Extra Services Operator is established and reputable.

The two subcontractors appear to have good technical resources and experience. The application, however, contains very little information about the technical capabilities of the SO, Spamhaus.

The applicant's responses to the supplementary questions do not provide the Team with adequate additional detail to indicate the technical capabilities of the SO.

The SO sets policy/rules, and can, by means of policy-making, deny entry into the zone or have removed those names that violate the policy/rules. The SO will determine which domains are accepted or removed from the zone. If the credibility of the policies is compromised this may have a negative effect on the value of the TLD.

vi) Uniqueness of Application
The RFP calls for an assessment of the "uniqueness of application" as an element of the Business Plan. This assessment depends to a large extent on whether the Applicant has persuasively demonstrated that it appropriately represents a "clearly defined [sponsored] community," that its proposal "is clearly differentiated from existing TLDs;" and "that it "meets needs that cannot reasonably be met in existing TLDs at the second level." A decision on these questions is properly within the purview of the Sponsorship/Other Evaluation Team. On this particular question, therefore, we defer to that Team's assessment of whether these criteria are met. If they are, then we are comfortable concluding that the "uniqueness of

application" element of the Business Plan is also satisfied.

vii) Engagement with And Commitment to The Sponsoring Organization SO
It is unclear who the community is that the SO represents. "The community of individuals and companies who wish to receive (and send) spam-free email", is, in addition to the very few who engage in spamming, everyone who uses email. There is little evidence in the application of how this enormous community of individuals will be engaged in this SO. There is no evidence in the application of support from the community at large. Nor is there evidence that the initial Board members suggested will agree to serve. The proposed small Board that picks its own successors seems unlikely to engender a high degree of consensus from the broader community. The core community is presented as operators of receiving e-mail servers and operators of sending e-mail servers (ISPs), responsible senders & receivers of spam-free electronic mail (unsolicited bulk e-mail).

The SO does not currently provide domain name registration services. Commitment may be there, on the part of the applicant, however engagement is not strongly demonstrated. The Anti-Spam Community Registry is, as the application indicates, very much TBD.

B. FINANCIAL MODEL

The financial model is weak and the project seems seriously underfunded. The applicant has access to start-up capital of US $100,000, and yet in the low demand scenario, would need $500,000. to pay the SO, $715,000. to pay the XO, $65,000. for ICANN, and $815,000 to fund its own operations.

The minimum registration level for SO to remain viable is 1000, with start-up capital of $100,000. being provided by eNom as an interest free loan. The applicant provides no evidence of ability to obtain additional funding, although eNom is represented in the application and substantiated in the supplementary responses as a company with access to significant financial resources.

[CONFIDENTIAL INFORMATION REDACTED]

The applicant represents that both RO and XO will build out systems and begin work without any start-up payments. There is no indication of confirmation of the strength and details of these commitments in the applicant's responses to supplementary questions.

The technical and operational capacities of the RO and XO are not in question . The Team has a high level of concern over the financial capabilities of the organization, in particular, the start-up capital that has been promised and also the scenario in the event of business failure of any of the SO, RO or XO. Of these three, the RO and XO are the least likely to fail. The applicant states that "If it did fail, provisions would have to be made with the RO to maintain the DNS and

WHOIS until another SO can be established." Given that the applicant has not yet marshaled the support of major players in the anti-spam community for this application, the Team is not convinced that it would be able to draw supporters for 'another SO'. Our conclusion is that there is an absence of well thought-through contingency plans to sustain this initiative through the ups and downs that are common to new business start-ups.

RECOMMENDATION

Our review and analysis of this application, together with our review of the public comments regarding business and financial issues, and the applicant's unsatisfactory responses to our supplementary questions indicate that the selection criteria set forth in the RFP have not been met. It is our recommendation that, from a business/financial perspective, this application for .mail sTLD not be approved.

Summary of Factors Influencing This Recommendation
The major weaknesses in this application are:

a) There is insufficient evidence and documentation to support the revenue projections,
b) There is insufficient capital to support ongoing operations if revenues are short of projections, and
c) There is little evidence of support (and therefore of market demand) from the affected community, which the applicant describes as large senders or recipients of e-mail.

The major strengths in this application are:

a) Strong subcontractors (Verisign, eNom)
b) Commitment from eNom (as evidenced by interest-free loan and accepting payment only after Verisign has been paid)

It is the Team's opinion that the weaknesses in this application overwhelm the strengths. There is little in the business plan, or in the responses to our supplementary questions, to provide confidence that the applicant will have sufficient staying power to see this TLD through start up and early growth stages. There is even less to instill confidence if it encounters any setbacks; this application lacks sufficient resources to have the necessary staying power for the delays and problems inherent in a start-up business.

3.5	Mobi

ANALYSIS AND EVALUATION

A. BUSINESS PLAN

Methodology The proposed methodology is detailed and thorough. The Registry operation is outsourced to Afilias. There is a staggered introduction of dot-mobi products, and it would appear that market research has been done, see section ii of the Marketing Plan.

Much emphasis is placed on the growing mobile telephone user population, and on the need for mobile Internet content.
Ability to Implement

[CONFIDENTIAL INFORMATION REDACTED]

Given the combined strength of the key players (Nokia, Vodafone and Microsoft), the resources at their disposal – capital, market research, R&D laboratories, staff and facilities, and the level of planning evidenced in the application, there is little doubt as to the financial capability to implement a robust and appropriately resourced organization.

Projections, as presented, seem achievable, however, if growth is slower than predicted, the Team is satisfied (by means of applicant's response to a supplementary question) that there is sufficient investment commitment to survive slow growth.

Specific Elements

> i) Staffing, including key personnel and operational capability. The executive structure is outlined briefly, but initial directors and members of the Board are not named. The SOs are strong, so participation by experienced, qualified individuals should be easy to obtain. A staffing plan is included, which provides roles/functions for a proposed staff of between 20 and 25 people. The proposed staffing complement is appropriate for the type of registry that is envisioned.
>
> Importantly, the applicant has provided for the position of Standards and Industry Liaison manager with staff. Salary levels have been well researched and seem appropriate. Recruitment costs have been identified, which is indicative of this applicant's attention to detail regarding expenses. However, no details have been provided about training, other than 'suitable training possibilities" will be provided.
>
> Registry operations will be outsourced, (Afilias has an established, proven registry capability), as will SRS and DNS infrastructure, IT support web site, PR and HR. This is a considerable amount of outsourcing; however, it will allow the registry staff to concentrate on the core business. It is assumed that there will be a liaison function between dot-mobi staff and the staff of these outsourced

companies, and that it will be handled by various officers and staff members.

Good research has been conducted on costs of physical facilities in Ireland. Dublin is highest-cost possibility in that country, therefore this provides a safe basis for actual costs.

ii) Marketing The applicant has not provided a full marketing plan, however substantial consideration seems to have been given to the extent and durability of the potential market. Key market segments are identified. Market will grow as mobile subscriber base grows, and as more people buy phones/devices that support the new naming related services. The applicant has estimated regional demand world-wide and plans to market through its Registrar network, and to use re-sellers.

Projections and prices seem reasonable and there is a good sized budget for marketing to the 4 market segments that have been identified:
        a.   corporations and trademarks that register their brand names Low forecast is 400,000 registrations in year 3 (70% entities w/<10K users/subscribers; 2% entities w/>10 million users & subscribers) Wholesale prices >10M max $10K; >10K $30; <10K min $20
b.   operators and mobile service providers that register their brand names
c.   Low forecast is 200K domains in year 3 --pricing same as A)
d.   mobile content and service providers who provide services under generic or high value names
e.   Low forecast is 800 domains in year 3 --pricing is $10 for generic; $1000 for reserved
f.   individuals or groups of individuals that register personalized domain names
g.   Low forecast is 660K in year 3 --wholesale pricing is $10 thru 2 reselling channels: Registrars and mobile operators

The Team asked for additional information regarding market share for each segment and product availability for each segment and the answer provided by the applicant was satisfactory.

iii) Registrar Arrangements The Registry/Registrar model and protocol are detailed and thorough. The RO will be Afilias. Registrars must meet detailed criteria, including financial viability criteria. The agreement will be based on standard Registry/Registrar agreements used in other TLD registries. Wholesale prices are provided. A mix of mobile operators and accredited Registrars will be the distribution channel.

iv) Fee Structure
Fees the registry will charge the Registrars are provided, with category variables. Sales volumes are reasonably predicted. (See Marketing Plan details above.) Pricing structure as provided for all products is in line with other TLD products on the market.
The Team asked for additional information regarding the trademark verification fee and

the amount Afilias charge for maintaining system capacity and buying and maintaining hardware and software, and the response was satisfactory.

v) Technical Resources Plans for acquiring technical resources to meet demand have been outlined. The Registry (Afilias) is solid, and scalability is proven. Track record with .org and .info is established. Provision for ensuring technical backup in case of registry failure is comprehensive and solid. Technical plan is detailed and comprehensive. Given the high number of outsourced functions, appropriate financial resources have been allocated in the budget.

vi) Uniqueness of Application The RFP calls for an assessment of the "uniqueness of application" as an element of the Business Plan. This assessment depends to a large extent on whether the Applicant has persuasively demonstrated that it appropriately represents a "clearly defined [sponsored] community," that its proposal "is clearly differentiated from existing TLDs;" and "that it "meets needs that cannot reasonably be met in existing TLDs at the second level." A decision on these questions is properly within the purview of the Sponsorship/Other Evaluation Team. On this particular question, therefore, we defer to that Team's assessment of whether these criteria are met. If they are, then we are comfortable concluding that the "uniqueness of application" element of the Business Plan is also satisfied.

vii) Engagement with and Commitment to the Sponsoring Organization The SO will be built up by the applicant, and will become the registry. Mobi JV has strong initial founders (Nokia, Microsoft, Vodafone), and also important investors. The SO is/will be comprised of the investors.

A Membership Advisory Committee will be open to all commercial participants. It will appoint a Policy Advisory Group. No provision for participation by the consumer is indicated other than that the MobiJV Board will invite consumer and trade organizations to designate policy Advisory Group members.

The original investors (Microsoft, Nokia, Vodafone) state that others will join, (GSM Association, HP, Orange, Samsung, SUN Microsystems, T-Mobile, TIM, and others). The plan appears to be to reach out to more investors if the sTLD granted. The SO, will be a for profit corporation with policy making authority. The Policy Advisory Group will be advisory only. The Advisory Group will be self funded for corporate members; funding will be provided for govt/non-profit members, however specific funding mechanism has not been identified.

The team has some concern that the SO may have difficulty engendering support from all affected communities, which could hamper the ability to achieve projected revenues; however, the organization seems sufficiently well resourced to survive lower than projected revenues.

B. FINANCIAL MODEL

The financial model adequately outlines the organization's capabilities. The applicant has proposed low, medium and high demand forecasts for each product, which are supported by reasonable projections.

Start up capital of [CONFIDENTIAL INFORMATION REDACTED] million Euro is healthy, and projection on spreadsheet looks to break even in the second year. In Section vii (Business Risks and Opportunities) it is stated that "in addition the investor base can be leveraged at any time in order to guarantee the registry contingency." Considering the applicants' collective reputation as highly successful, established businesses this is seen as a reassuring indication of dot-mobi's financial stability.

Technical and operational capabilities appear to be good, with Afilias as RO adding the domain namespace expertise to the mobile industry expertise of the applicants.

The applicant provided a satisfactory response to the Team's question regarding the amount of revenue needed to sustain operations if demand develops more slowly than projected.

RECOMMENDATION

Our review and analysis of this application, together with our review of the public comments regarding business and financial issues, and the applicant's satisfactory responses to our supplementary questions indicate that the selection criteria set forth in the RFP have been met. It is our recommendation that, from a business/financial perspective, this application for a .mobi sTLD be approved.

3.6	**.post**

A. BUSINESS PLAN

Methodology
A clear methodology is demonstrated. It is straightforward, given that the community is defined and UPU and SWITCH are both established. The registrant community is comprised of the worldwide postal service entities and offices. They are pre-identified and outreach to them is an internal procedure at UPU. "Using a sponsored TLD, the UPU wishes to extend this territory by extending its services onto a global electronic postal network establishing up to 650,000 Post Offices on the Internet which will enable users in all parts of the world to access their local postal outlets via the DNS, for services related to local postal functions."

The concept is described adequately; however, it would benefit from more detail,

specifically on how rollout will actually be managed.

Ability to Implement

UPU is a known quantity. It is a specialized agency of the United Nations and as such has established its reputation over the years. The design for the SO is appropriate and there is good support from the community. SWITCH has proven ability in running the ccTLD.

Strengths:

a) support from 27 member DPOs,
b) suitable SO structure, and
b) reasonably strong technical resources in SWITCH and UPU's International Bureau.

The applicant was asked to address the Team's concerns around what were considered to be weaknesses, specifically:

a) not enough details provided to build confidence in the financial plan, especially of whether adequate financing is in place,
b) failure to identify specific individuals (and their experience) who will manage the project, and
c) not enough information to gain confidence in their ability to reach projected levels of domain registrations.

The responses were deemed to be adequate, although going forward ICANN would benefit from learning more specifically how UPU plans to fund this venture and the nature of the financial arrangements between UPU and SWITCH.

SPECIFIC ELEMENTS

i) Staffing, Including Key Personnel and Operational Capability

Specific individuals are not named in the application, however, the applicant states "The UPU will use its existing governance structure to manage and administer dot-post on behalf of the community", so the assumption is that current UPU officials will serve as key personnel. Knowing that both organizations (UPU IB and SWITCH) have strong, relevant experience is reassuring.

The Team asked for details about the individuals who will hold key positions. The response included the CVs of key staff, all of whom have relevant experience.

ii) Marketing Plan

Market is known and there is support from 27 member countries (14.2% of members, but 41.8% of UPU revenues). A central part of the marketing plan is to attend each of 15 Restricted Union (geographic region) member meetings.

Projections were not well substantiated in the plan. In order to assess likelihood of reaching projections, the Team asked for supplementary information, which was provided to the Team's satisfaction.

iii) Registrar Arrangements

The RO will be SWITCH, which manages 650K domains for Switzerland and Liechtenstein, as well as Swiss academic and research organization, with a staff of 32.

Thick model registry will use one of two versions of a VeriSign thick model RRP depending on registrar requests. These are established and commonly used protocols/agreements, and SWITCH's capability to use both in parallel is a good sign of operational capacity.

The arrangement calls for a combination of the 190 DPOs (or UPU members) and ICANN accredited Registrars, to conform to UPU procedures.

iv) Fee Structure

[CONFIDENTIAL INFORMATION REDACTED]

No information was provided in the application about the financial arrangement between UPU and SWITCH. The response to the Team's supplementary question indicates that no details have been negotiated yet.

v) Technical Resources

Technical resources appear to be good. SWITCH (the Swiss academic network and ccTLD) will be the RO. UPU has its own IT department, and the International Bureau of UPU (150 staff, 50 contractors) appears to have significant relevant experience in deploying technical solutions (track and trace, financial services) to members. SWITCH appears to have relevant experience and staying power.

vi) Uniqueness of Application

The RFP calls for an assessment of the "uniqueness of application" as an element of the Business Plan. This assessment depends to a large extent on whether the Applicant has persuasively demonstrated that it appropriately represents a "clearly defined [sponsored] community," that its proposal "is clearly differentiated from existing TLDs;" and "that it "meets needs that cannot reasonably be met in existing TLDs at the second level." A decision on these questions is properly

within the purview of the Sponsorship/Other Evaluation Team. On this particular question, therefore, we defer to that Team's assessment of whether these criteria are met. If they are, then we are comfortable concluding that the "uniqueness of application" element of the Business Plan is also satisfied.

vii) Engagement with and commitment to the Sponsoring Organization SO
The applicant and the SO are the same and this is a good match between the right organization and a very specific purpose.

The SO structure (Postal Operations Council of the UPU) seems ideally suited to this task since it has elected representatives, a delegated body of staff, and is accustomed to dealing with standards setting.

B. FINANCIAL MODEL

[CONFIDENTIAL INFORMATION REDACTED]

Based on the supplementary information provided by the applicant, it is the Team's opinion that the financial plan is viable, and concerns regarding the organization's ability to survive low registration rates have been adequately addressed.

RECOMMENDATION

Our review and analysis of this application, together with our review of the public comments regarding business and financial issues, and the applicant's satisfactory responses to our supplementary questions indicate that the selection criteria set forth in the RFP have been met. It is our recommendation that, from a business/financial perspective, this application for a .post sTLD be approved.

3.7	.tel (Pulver)

A. BUSINESS PLAN

Methodology
The methodology is not clear. The key players are experienced, well resourced financially and qualified, and NetNumber's existing operation appears to be solid, but there are few details actually provided in the application to substantiate this. Nor is there a detailed methodology that describes how that experience and current operational success will be used to ensure the success of this TLD. The applicant's responses to the Team's supplementary questions failed to provide adequate additional detail about the proposed methodology.

Ability to Implement

The Business Plan is minimal. The applicant states that based on current operations, it has the ability to implement, but there is a shortage of specific details about the proposed business activity to substantiate the statement. If no new systems and/or facilities or staff are required, we assume that existing systems, facilities and staff will be used. But to what extent? There is no indication of scope or cost. Will the entire operation and all staff shift to the deployment of dot-tel? Capital resources are substantiated, but capital requirements have not been clearly identified. The fact that previous venture capital and strategy equity investments funded the current operation, and the applicant has those numbers, and that "no additional financing is required" does not tell the evaluators how much capital dot-tel will require.

The Team questions the likelihood of successful implementation of a plan with no dedicated staffing, no resources specifically dedicated to the project, and no specific plans for marketing the product/service to customers.

SPECIFIC ELEMENTS

i) Staffing, including key personnel and operational capability
Initial directors have been named: Mr. Jeff Pulver (pulver.com) and Mr. Douglas J. Ranalli (NetNumber). No other personnel is named, nor are positions described other than those listed in the 2005/2006 business plan for NetNumber's existing business, wherein 24 full-time staff provide existing services. NetNumber's existing staff will be used to provide .tel services." No additional staffing or equipment will be required to implement the proposed services."

The list of key executives and Board Directors from NetNumber is simply a list and short bio for each individual. It offers no indication as to who, if any, of these very experienced, credible and in many cases high-profile individuals will be

responsible for specific areas of the .tel DNS operation.

Sections IV and V, which ask for hiring policies, training plans, etc., and positions that key management personnel will hold have not been answered.

With regard to operational capacity, there is a description of registry services to be provided:
1. WHOIS (common WHOIS database for all .tel Registrars and initially NetNumber will be the only Registrar)
2. Conflict Resolution Tool for registrants disputing authority over use of an e.164 number as a domain name,
3. Conflict Resolution Centre, with personnel to be provided by NetNumber.
4. Registrar Services – provided by NetNumber.

The description of NetNumber's current operations provides little evidence of capacity to provide conflict resolution services, registrar services or WHOIS services. It is unclear as to whether NetNumber's current business of providing telephone number address resolution services (via a hosted DNS infrastructure) involves NetNumber staff developing, maintaining and making available some kind of WHOIS database.

With regard to operational capacity as it relates to physical facilities, there appears to be no problem with housing the staff for dot-tel or with expansion of physical facilities if the need arises. Four addresses are provided, including staff headquarters, (for which square footage and future expansion detail is provided), the master database site (which is a hosting facility) and 3 edge sites (which are also hosting facilities).

Technical capacity is summarized in Business Plan – Registry Requirements Section I where applicant says "….existing DNS infrastructure hosted by NetNumber can support up to 120 million incremental .tel records and up to 100,000 TLD referral queries per second.)

There is no dedicated staffing for this project, and there are no expense lines dedicated specifically to it. Team members believe that the success of projects where no one "owns" the initiative or is held accountable for it is rare.

ii) Marketing Plan[3]

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[3] While we are aware that it this Team's mandate to evaluate all applications from a business/financial perspective, we feel a responsibility to advise ICANN to consider some political and regulatory background regarding ENUM service in its review of this application. This is because the regulatory and political '' bigger picture" will, in our view have an impact on the applicant's ability to implement its proposed business plan methodology.

ENUM has been launched as an ITU project, and tests are being conducted in a number of countries, mostly European, plus the U.S., Brazil and some Asian countries. In order to implement

There is no marketing plan evident in the application. NetNumber does not maintain any marketing staff. The application provides no indication of plans to hire marketing staff. Is the assumption that because NetNumber already provides telephone number address resolution services to communications service providers no marketing will be necessary? If this is the assumption, it is not explained in the application. Responses to the Team's supplementary questions did not explain this in a satisfactory manner. The role of the 2 Directors of Sales, as it relates to marketing, is not specified.

Those activities that could be interpreted as marketing initiatives seem to consist of publishing newsletters and running conferences, however there are no projections made as to market acceptance and financial impact of these activities.

The applicants make no attempt at projecting likely levels of sales either in the application or in responses to the supplementary questions.

iii) Registrar Arrangements

The application contains very few details about the Registry/Registrar arrangement or agreement. NetNumber will do the registrar side of the business itself. However, there is nothing in the application or the supplementary reponses to indicate how the registrar will function and what its parameters of responsibility will be (e.g. where does ultimate responsibility for registrar/registrant relations fall? What is responsibility of registrar to registrant? What are the terms of the RAR/RANT agreement? What is relationship of Registry to RAR?)

The applicant states "NetNumber will operate the first accredited Registrar service for the .tel TLD, however, NetNumber's objective is to recruit Registrars on a global basis for the .tel TLD." There is no indication as to how that recruitment will be achieved. What criteria will be applied to potential registrars? Will they have to be ICANN accredited? It would appear that IP communications providers will do the registering of phone numbers of their subscribers. The assumption is, therefore, that they would be acting as registrars.

With regard to billing and collection systems, the applicant states that NetNumber

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an ENUM registry test in a country, the application must be made from a country, showing adequate stakeholder support, and submitted to RIPE/NCC as the ENUM testbed registry. (Recently RIPE/NCC has granted extensions.) Ripe then sends a query to the telecom regulator of the requesting country, asking if they authorize the test. The regulator is the country entity that is a member of the ITU, and specifically must authorize the "delegation" of the country international telephone prefix (for example '54' for Argentina) for ENUM testing. This dot-tel application seems to intend to "remove" ENUM service from the sphere of authority of the ITU and its members (national telecom regulators), and launch dot-tel as a market-driven sTLD.

We acknowledge that this does not appear to directly concern the specific elements of our financial/business evaluation, nonetheless we believe there is a financial impact inherent in it, given the opposition that could compromise dot-tel's ability to market this TLD may (and will likely) arise from those currently engaged in the deployment of ENUM.

uses "a state-of-the-art web based billing infrastructure provided by Intacct, Inc.",
but no further details are provided.

iv) Fee Structure
[CONFIDENTIAL INFORMATION REDACTED]

v) Technical Resources
Technical resources are in place. NetNumber is an established business and is
engaged in the development of ENUM related technology. NetNumber is both the
applicant and the RO, and seems to have positioned itself as a leading player in
the technology upon which this application is based.

Regarding "plans for acquiring necessary systems and facilities" the reply is
"none required. All systems and facilities are already deployed" (p.17). Based on
our interpretation of established track records, and the strength of the management
team, we have assumed that between UUNet and MCI the capacity for
appropriate technical resources will be there.

We cannot evaluate whether or not they will meet the requirements of the new
TLD's projections, since there are no projections.

vi) Uniqueness of Application
The RFP calls for an assessment of the "uniqueness of application" as an element
of the Business Plan. This assessment depends to a large extent on whether the
Applicant has persuasively demonstrated that it appropriately represents a "clearly
defined [sponsored] community," that its proposal "is clearly differentiated from
existing TLDs;" and "that it "meets needs that cannot reasonably be met in
existing TLDs at the second level." A decision on these questions is properly
within the purview of the Sponsorship/Other Evaluation Team. On this particular
question, therefore, we defer to that Team's assessment of whether these criteria
are met. If they are, then we are comfortable concluding that the "uniqueness of
application" element of the Business Plan is also satisfied.

vii) Engagement with and Commitment to the Sponsoring Organization
The SO is pulver.com (which is a private U.S. corporation), and the application
appears to describe an existing partnership arrangement between pulver.com and
NetNumber. Engagement is described, however the sponsoring organization is
being created based on the activities of Mr. Pulver, and support of some relevant
industry players is claimed. It is unclear who the list of supporters includes and
excludes, and what the structure of the SO will be. The applicant has not
demonstrated that significant effort has yet been directed at creating the SO

beyond the financial relationship that exists between Mr. Pulver and NetNumber.

B. FINANCIAL MODEL

[CONFIDENTIAL INFORMATION REDACTED]

RECOMMENDATION

Our review and analysis of this application, together with our review of the public comments regarding business and financial issues, and the applicant's unsatisfactory responses to our supplementary questions indicate that the selection criteria set forth in the RFP have not been met. It is our recommendation that, from a business/financial perspective, this application for .tel sTLD not be approved.

Summary of Factors Influencing This Decision
Major weaknesses are:

a) The applicant's failure to provide specific budget or plans for the venture.
b) Statements that operation will be handled by existing staff as part of existing operations do not instill confidence in their ability to execute successfully.
c) There is insufficient evidence that the organization as structured is capable of representing the relevant community, and the result of that could be very slow market acceptance.

Major strengths are:

a) The applicant appears to have strong organizational capabilities

It is the Team's opinion that the weaknesses in this application overwhelm the strengths. The business plan and supplemental responses do not engender confidence in what the applicant will do to introduce the new sTLD or in ability to do so.

| 3.9 | .travel |

[CONFIDENTIAL INFORMATION REDACTED]

| 3.10 | .xxx |

A. BUSINESS PLAN

Methodology

Methodology is detailed and comprehensive, and addresses all significant aspects of introducing a new TLD. The application has clear focus and description of how plan will be implemented

The target community is precisely [CONFIDENTIAL INFORMATION REDACTED]. After the anticipated sunrise period the general sale of dot-xxx domains will begin through accredited Registrars. Promotion to customers will be through industry events, portal development, and Registrars or aggregated resource [CONFIDENTIAL INFORMATION REDACTED] be outsourced to Afilias. Policies of the SO are modeled on the ICANN structure and bylaws.

The Team has identified a fundamental question at the base of this proposed methodology; Does this community want to be pre-identified by a TLD? That is, will registrants be willing relinquish the potential for disguise that is offered by registering in other TLDs? If the answer is yes, the basis for the methodology is sound.

Ability to Implement

Ability to implement is well demonstrated. The plan reflects a significant amount of background work and detailed thinking about how to establish the business. Its clear focus bodes well for implementation. The applicant's projections appear achievable given the level of interest shown by potential customers. Solid contingency plans are in place. Management has strong relevant experience in growing related businesses. The RO (Afilias) is experienced and ICANN accredited, and has an established track record.

Human Resources capacity is demonstrated: The principal players (Initial Directors, Officers and other staff) appear to be experienced and qualified. Financial Resources: Resources appear to be available to the applicant.

In response to the Team's supplementary questions the applicant provided detailed financials indicating how it
would respond to lower than expected revenues, clear compelling evidence of capital, and good back-up for revenue projections and pricing.

SPECIFIC ELEMENTS

i) Staffing, Including Key Personnel And Operational Capability
Management has strong relevant experience in growing businesses in the technology industry. [CONFIDENTIAL INFORMATION REDACTED].

ii) Marketing Plan
The marketing plan, although not presented in great detail in the application itself, is focused and targeted. The community to be served has been defined, and market size has been estimated. Supplementary information provided by the applicant in response to the Team's questions adds important details to the plan.

The applicant has letters of support from a number of major potential customers, lending credence to its ability to achieve at least low range of projections.

The applicant states that ICM has conducted an "extensive outreach program" to establish support for this application. We have interpreted this outreach to be part of the marketing initiative.

The proposed marketing budget for the first year seems appropriate to achieve that which needs to be accomplished [CONFIDENTIAL INFORMATION REDACTED].

In its supplementary questions the Team requested evidence of market research to support price projections. The responses to the questions were satisfactory and engendered confidence in the applicant's ability to reach projected sales levels.

iii) Registrar Arrangements
Registrar arrangements are solid. The applicant has a letter of intent to enter into an outsourcing agreement with Afilias, which is an established organization with highly relevant experience (4M domain names, .org and .info) and qualified staff.

iv) Fee Structure

Dot-XXX plans to pay Afilias [CONFIDENTIAL INFORMATION REDACTED] per domain name registration per year.

Pricing is proposed at [CONFIDENTIAL INFORMATION REDACTED] wholesale and [CONFIDENTIAL INFORMATION REDACTED] retail, which is seen to be in line with specialized TLD market trends.

US $10 is allocated to the sponsor. IP claims during sunrise period

[CONFIDENTIAL INFORMATION REDACTED] per domain name.

The information supplied by the applicant in response to supplementary questions provided good justification for the proposed fee structure.

v) Technical resources
Technical resources are demonstrated through the outsourcing agreement with Afilias. Afilias's track record for highly relevant experience is established (4m domain names, .org and .info) and qualified staff.

Financial provision for ensuring technical backup in case of registry failure is comprehensive.

vi) Uniqueness of application
The RFP calls for an assessment of the "uniqueness of application" as an element of the Business Plan. This assessment depends to a large extent on whether the Applicant has persuasively demonstrated that it appropriately represents a "clearly defined [sponsored] community," that its proposal "is clearly differentiated from existing TLDs;" and "that it "meets needs that cannot reasonably be met in existing TLDs at the second level." A decision on these questions is properly within the purview of the Sponsorship/Other Evaluation Team. On this particular question, therefore, we defer to that Team's assessment of whether these criteria are met. If they are, then we are comfortable concluding that the "uniqueness of application" element of the Business Plan is also satisfied.

vii) Engagement with and commitment to the Sponsoring Organization SO
The SO (IFFOR) has a complex organizational structure, but seems well thought through and appears to have enough traction for it to be implementable. It is appropriate to organize IFFOR as non-profit in charge of policy and overall direction complemented by the for profit company (ICM), which will implement the operation in accordance with the SO's policy directives.

The funding base seems appropriate ([CONFIDENTIAL INFORMATION REDACTED] capital infusion, $10 per domain name) for proposed staff size [CONFIDENTIAL INFORMATION REDACTED]. The applicant represents that there is a broad base of support from the adult entertainment industry, child advocacy groups, privacy organizations, and free speech organizations. Extensive information has been provided on the structure of IFFOR and its engagement/input mechanisms.

B. FINANCIAL MODEL

The financial model is strong. Line items seem appropriate to the tasks at hand. The inclusion of a [CONFIDENTIAL INFORMATION REDACTED] contingency in year 1 indicates that the applicant understands the realities and unpredictability factors of a start-up operation. The applicant indicates that the ICM principals are capable of funding this initiative themselves until it is profitable, and responses to supplemental questions confirmed this. The investment of money and time to date suggests that dot-xxx has the staying power to see this initiative through to successful implementation.

Costs of staff are defined, and the applicant anticipates adding staff as growth occurs. Registry operation expenses are predicated on a [CONFIDENTIAL INFORMATION REDACTED] charge per name from AFILIAS. The Registrars may provide a good sales force at no cost to applicant if they view this TLD as a profitable product.

In its supplementary questions the Team asked for details about the applicant's ability to manage lower than projected revenue, and how much premium domain name sales are expected to contribute to revenues in years 1 and 2. All responses provided strong evidence of a well thought through plan and of adequate capital resources should more funding be required.

RECOMMENDATION

Our review and analysis of this application, together with our review of the public comments regarding business and financial issues, and the applicant's satisfactory responses to our supplementary questions indicate that the selection criteria set forth in the RFP have been met. It is our recommendation that, from a business/financial perspective, this application for a .xxx sTLD be approved.

4. CONCLUSION

Serving as the Business/Financial Evaluation Team, we have reviewed the ten applications that were submitted to ICANN for new sponsored Top Level Domains (sTLDs). Each application has been reviewed and evaluated on the basis of the Selection Criteria established in the RFP and has been judged on its own merits, and we have conducted this work in a fair and objective manner.

Our assessment included a review of the six sections that respond to the posted Selection Criteria. They are; Explanatory Notes and Selection Criteria (Part A); Application Form (Part B); Business Plan (Part C); Financial Model (Part D);Technical Specification (Part E) and Application Checklist (Part F). We considered the following questions raised by the RFP;

1. Does the Business Plan clearly demonstrate the applicant's methodology for introducing a new sTLD?
2. Does the Business Plan demonstrate the ability of the organization to implement a robust and appropriately resourced organization (i.e., capable of executing the plan)?
3. Does the Business Plan include, at a minimum, the following elements in sufficient detail:
    i) Staffing, including key personnel and operational capacity
    ii) Marketing plan
    iii) Registrar arrangements
    iv) Fee structure
    v) Technical resources
    vi) Uniqueness of application
    vii) Engagement with and commitment to the SO (SO)
4. Does the Financial Model adequately outline the financial, technical and operational capabilities of the organization?

We also developed sets of specific questions, which were sent to each applicant. The purpose of these questions was to obtain additional information and/or clarification regarding certain aspects of the applicants' methodologies, business plans or other relevant sections of the applications. We considered the responses carefully, and in conjunction with the information provided in the applications and the postings to the public comments websites prior to making our final recommendations.

We judged seven of the ten applications as meeting the criteria and have recommended that from a business and financial perspective, they be approved.

The seven are .asia, .cat, .jobs, .mobi, .post, .travel, and .xxx. We judged three of the ten applications as not meeting the criteria and have recommended that from a business and financial perspective, they not be approved. The three are .mail, .tel (pulver), and .tel (telnic).

Respectfully submitted by the Business/Financial Evaluation Team
Maureen Cubberley, Chair, Fernando Silveira Galban and Jeffrey Lissack

5.   LIST OF APPENDICES

Appendix 1   Review and Analysis Of Comments Posted To The Public
Websites

Appendix 2   Evaluators' Biographies

APPENDIX 1

PUBLIC COMMENTS

REVIEW AND ANALYSIS OF PUBLIC COMMENTS

AS THEY RELATE TO THE BUSINESS/FINANCIAL EVALUATION TEAM's ASSESMENT PROCESS

THIS DOCUMENT INCLUDES REVIEW OF THE FOLLOWING SETS OF PUBLIC COMMENTS:

GENERAL (http://forum.icann.org/lists/stld-rfp-general/)
1. ASIA (http://forum.icann.org/lists/stld-rfp-asia/)
2. CAT (http://forum.icann.org/lists/stld-rfp-cat/)
3. JOBS (http://forum.icann.org/lists/stld-rfp-jobs/)
4. MAIL (http://forum.icann.org/lists/stld-rfp-mail/)
5. MOBI (http://forum.icann.org/lists/stld-rfp-mobi/)
6. POST (http://forum.icann.org/lists/stld-rfp-post/)
7. TEL – PULVER (http://forum.icann.org/lists/stld-rfp-tel-pulver/)
8. TEL-TELNIC (http://forum.icann.org/lists/stld-rfp-tel-telnic/)
9. TRAVEL (http://forum.icann.org/lists/stld-rfp-travel/)
10. XXX (http://forum.icann.org/lists/stld-rfp-xxx/)

GENERAL

Most of the 59 comments did not comment specifically on the business or financial aspects of the applications.
- A couple of e-mails question the impact of MAIL's proposed $2000 fee on small mail serving businesses and therefore question the proposal's viability
- There are several e-mails relating to the conflict between the proposed TRAVEL sTLD and New.Net (and 1 or 2 on the same topic re: XXX)

- Marilyn Cade's (ATT Corporation) April 30th comment includes the following:

. Finally, in observation of the "proof of concept" TLDS experience in growth of registration, as provided in public data sources, it appears that growth in registration may take a reasonable amount of time, after the introduction of a new TLD string to a community of registrants; e.g., there may be initial slow, even if steady growth. Therefore, we note that given our priority on the stability of the Internet, that all applications approved must demonstrate full capability for technical systems, appropriate financial resources, administrative performance, and operational integrity of the registry, as well as providing an appropriate escrow approach, in order to weather an extended and slow initial growth period.

- Elana Broitman's (Registry.com) April 30th comment includes the following:
  ICANN should approve those business proposals that support the growth of a vibrant, competitive domain name industry. Industry growth requires stable, healthy companies with reasonable margins that allow them to adhere to ICANN requirements, provide innovation and protect their customers. New registries should frame their business plans with a view toward promoting such healthy registrars, rather than fostering a race to the bottom, which only cuts out the ability of the industry to satisfy the requirements of the ICANN community.

- Phillip Sheppard (Commercial and Business User Constituency)'s May 6th comment includes the following:
  The BC offers a set of questions to the ICANN evaluators that we recommend be examined for all applications...
  4. Sufficient resources. Has the sponsor provided documentation of sufficient financial and administrative resources to ensure the stable operation of the TLD, even with a slower than expected registrations? (Experience with earlier TLDs indicates a slower take up than forecasted in the applicant's business plans).
  5. Risk of failure. Does the sponsor provide proper documentation of escrow? The BC is opposed to ICANN taking a casual attitude toward the potential failure of new TLDs. While failure may occur, given time, the BC believes that ICANN has a responsibility to take all reasonable steps to limit these occurrences, and to limit harm to the registrants who have built businesses within the new TLD.

1.   ASIA

There is only one of the 40 published comments that refers to financial aspects. Mr. Joseph Yu (Chairman of HKIRC) does not demonstrate the basis of his opinion.

"Fourthly, we are also concerned about the financial viability of DotAsia. We are not aware of any viability study on the sources of start-up capital.

> *Best regards,*
> Joseph YuChairman
> *Hong Kong Internet Registration Corporation (HKIRC)*
> *17-5-04"*

2.   CAT

Of the 26 public comments, none comment specifically on the business or financial aspects of the application. Most of the comments address the questions of what is an appropriate community for a sTLD and what precedent would be set by approval of CAT.

One comment, posted on April 30th by the applicant, PUNTCAT, does provide specifics on the level of support for the application. The relevant section of their comment is excerpted below:

> *…Contrary to other applicants, we have explicitly asked our supporters not to come to this forum to express that support. This is a comment forum, and comments and discussion should take place here, not just endorsements. Therefore we used our own site (http://www.puntcat.org) in order to collect such support. The result has been impressive: as of today, at 11:17 UTC 54,981 individuals and 2,122 legal organizations (corporations, associations, foundations, federations...) have signed up and provided all their relevant contact data (including identity card or passport for individuals and tax identification number for legal entities) and agreed to their name and data to be sent to ICANN in proof of their support. Many thanks to them all!!*
>
> *Over 57,000 formal expressions of support (and 57,000 mails spared to this forum ;-) is certainly not a small number. At the very least, is a clear proof of support from the community at which .cat is aimed. It also shows the strength of the promoters. The association, created for the sole purpose of promoting the .cat application, consists of 71 among the most respected and representative entities in the linguistic and cultural fields,*

both offline and online. It has reached this level of support without spending a single cent in marketing or advertising. A single press conference (and at that time the supports already exceeded 30,000!) and, most especially, their channeling of the information through its members, its users.

There is a community of appreciable size. There is strong support for the proposal within it. There is an entity capable to communicate with such community, and to mobilize it....

3.   JOBS

None of the 8 comments posted comment specifically on the business or financial aspects of the proposal. Most relate to the question of the need for or value of the proposed sTLD.

4.   MAIL

- This application had a total of 60 comments. Most objections are based on the $2.000 dlrs. Registration fee, in one extreme case the following experience is detailed:

  *"Title: **Customer Service and how is the $2,000 spent***

  I have only experienced poor customer service from SpamHaus in the few instances I have had to deal with them.
  I am curious how they will approach customer service issues and how they decided upon a $2,000 Fee vs. the typical fees that most domain registrars charge.
  Geoff Brookins
  Beachead Technologies, Inc.
  Geoff Brookins" <geoff@xxxxxxxxxxxx> Date: Sat, 10 Apr 2004 22:52:44 – 0400"

- Observations on the technical side regarding the usefulness of the proposed methodology, could suggest doubts about the possibility of achieving the market goals proposed in the business plan.

  "Two, the British Spamhaus guys' effort is laudable but unfortunately much overly optimistic and unrealistic and just plain erroneous. The fact that they are "totally depending" on a paltry $2,000 dollar "market entry fee" (a/k/a registration fee) to scare away multimillion dollar spammers is ludicrous and downright funny much in the same spirit as a Monty Python Rube-Goldberg machine that requires the movement of raw eggs to stop spam (or sometimes "cook it" - the real spam too that is). It would be so

easy for the deceitful mega-spammers to simply start up scores of dummy corporations and just let them age like a fine wine until they sequentially one after another month after month reach the ripe old age of 6 months and THEN start their old usual spamming operations again."

The remaining comments are in line with the above two examples.

5.   MOBI

Most of the 79 comments do not comment specifically on the business or financial aspects of the proposal. Several comments include questions about whether the need for such a sTLD is a temporary one, whether it is addressed by other technologies or forums, the appropriateness of the sponsors to represent the community, and whether creation of the sTLD would give too much power or control to the applicants. Comments that specifically addressed business or financial aspects of the proposal are excerpted below:

- Mohammad Kahbir's April 3rd comment questions the business model:

  After carefully examining the figures in the fiscal information section one is amazed by the modest revenue levels Mobi JV anticipates. Having explained in the first part of their application, the power of Mobi JV and the importance of the mobile market (1.5 billion mobile subscribers growing to 2.2 billion in the next few years), one is puzzled by the low level of registrations expected by Mobi JV.

  By 2007, the consortium only expects revenue of 12 million Euros. If one assumes a wholesale fee of US$ 6 per registration, this translates approximately a 2 million registration level for the .Mobi sTLD.

  This seems paradoxical, however there could be a clear explanation:

  Mobile Operators will register their domain names on the second level (Vodafone. mobi) and offer all their subscribers a third level registration (name@xxxxxxxxxxxx) thus ring fencing their subscriber base. The subscriber by receiving his .mobi name on the third level from his mobile operator will have a lesser incentive to purchase his own second level .Mobi.

  Under these circumstances why bother giving out this Mobi sTLD?

- Larry Boston's comment on April 21st included this comment (which references several other paragraphs made in the same comments but not excerpted here):

5. sTLD Financial Justification and Registration Projections are Unproven
----

From the above, it is not clear that there is a sustainable business case for the sTLD, unless Service Providers mandate that Data services and Content must be provided by domains registered under the .mobi sTLD.

Service Providers and Content Providers could reasonably use a TLD for their own purposes, but the number of registrations seems unlikely to reach the estimates given in the proposal unless the financial model assumes a higher
registration charge than for most other Registries.

It might also be that registrations are not the primary motive for this sTLD, but rather to enable mobile operators to register their subscribers at the third level, thus ringfencing them.

- Ritva Siren (writing on behalf of the applicant)'s comments on April 29th included this section re: projected volumes:

  Concern # 4 - Business volume
  mTLD addresses a market with huge long term potential. However, both Internet capable mobile devices and services targeting these devices are just emerging. Therefore, it will take some time before the market can fully benefit and use the full extent of the possible mTLD features and services. That applies to the situation in both the traditional mobile telecommunications services and new mobile services based on unlicensed or unregulated wireless access. The application only covers the time up to 2008. We expect significant mass-market growth to begin closer to the end of this decade, i.e. after the period defined in the application. Critical to that growth are a number of things including the development and availability of solutions, establishing roaming agreements for new services, etc. To get these items in place we need to start now and that requires as a component the existence of the mTLD.

  Investors have discussed how potential future profits will be used. The consensus is, that investors themselves target only payback of their investment with very modest interest with the rest of the profit being reinvested in the business to foster further innovation and enhance mobile business possibilities in different parts of the world. Developing countries in particular have been mentioned.

- Ian Robertson's comments on May 2nd included this comment on proposed level of registrations:

  Furthermore, if mobile users have such a need for a .mobi as you suggest, how can you explain the very low level of registrations you forecast in the

business section of your application? You are forecasting 2.2 billion mobile users by 2007 but only 2 million .mobi registrations, which represents about 0.1% of mobile users.

- Andrew Goldman's May 12 comments included:

1) Will the pricing of second level domain names for mobile operators with large subscriber bases (i.e. vodafone.mobi), who will therefore have numerous third level registrations (i.e. siren<at>vodafone.mobi ...), be the same as for a small content provider with no sub-domain registrations?
 (i) If this is the case, then the projections in your business model are too optimistic: if all the mobile operators go for third level registrations and pay only $6.00 for their second level domain name, and assume approximately 1000 operators in world, that only yields an annual revenue of $6000!
 (ii) If this is not the case and second level domain names for mobile operators will be determined by the number of sub-registrations, could you please explain your innovative pricing policy?

- Ritva Siren (writing on behalf of the applicants) May 15 comments include:

Financial Model clarification

mTLD financials as presented in the application are conservative and reflect the belief, that it takes some time before majority of consumers have handsets, which can use Internet based services. Therefore figures for the first years are modest compared to the target population. However, majority of the currently sold phones are already IP phones and the user population for mTLD's name services is expected to ramp up rapidly towards the end of this decade. That is not reflected in the application due to the requirement of only 3 years period for the estimates.

6. POST

Among the 8 opinions published, there were none related to business and finance characteristics of the .post application.

7. TEL (Pulver)

Among the 28 comments published, none have been detected that refer specifically to business and finance aspects of the .tel application.

8. TEL (Telnic)

The 13 comments do not comment specifically on the business or financial aspects of the proposal.

9. TRAVEL

- There is only one specific comment related to finance and business aspects, which poses questions on characteristics of the business plan and some technical aspects, as follows:

   "Question is ... -Do you have enough investment power? -Are you good enough to convince VCs? -What is your risk tolerance? -Do you have a team of professionals? -Can you afford to employ such high level professionals for a long period? -Do you have 200 million user accessibility power? -Do you have ISP support? -Do you have support from Internet backbone providers? -Do you have registrar/reseller support? -Do you have webmaster/business owner/end user support? iska" <iska@xxxxxx> Date: Sun, 18 Apr 2004 13:42:33 –0400"

However, it must be noted that alternative root "New.net" is operating with an identical domain and this might affect the potential market.

- It is worth noting a comment that refers to ICANN's financial health, is the following:

   *"Under Article XIV of its ICANN bylaws, ICANN must "indemnify each of its agents", including "any other agent", for liability for their actions as an agent of ICANN. In other words, ICANN is required by its bylaws to assume complete liability for the actions of sTLD sponsors in their role as agents of ICANN exercising delegated decision-making authority, including liability for decisions made according to procedures which fail to satisfy the requirements of ICANN's bylaws for the "maximum extent possible" of openness, transparency, and fairness. Given ICANN's liability for its exercise, the delegation of decision-making authority carries the highest degree of fiduciary responsibility for ICANN, and should only be done on the basis of explicit binding commitments to observe all the procedural requirements of ICANN's bylaws. Those commitments are utterly lacking from the Tralliance/TPC proposal. To approve the ".travel" application without a commitment to the "maximum extent feasible" clause of ICANN's transparency, openness, and fairness would be a violation of ICANN's bylaws as well its fiduciary responsibility.
   Edward Hasbrouck" <edward@xxxxxxxxxxxxx>
   Date: Fri, 30 Apr 2004 01:00"*

10. XXX

The 63 comments do not comment specifically on the business or financial aspects of the proposal. A couple suggest that the registration fee seems high relative to that for .com and that some legitimate businesses may feel "forced" to register their names under .xxx to avoid having their brand be tainted.

BUSINESS/FINANCIAL EVALUATION TEAM

EVALUATORS' BIOS

MAUREEN CUBBERLEY - Senior Partner, ASM Advanced Strategic Management Consultants, Canada, specializing in strategic business planning and the design and implementation of new organizational structures in the private and public sectors. She is immediate Past-Chair of the Canadian Internet Registration Authority (CIRA) Board of Directors. As a founding member of CIRA, Ms. Cubberley played a key role in negotiating the transition of dot-ca from UBC to CIRA and helping take the organization from conceptual stage through start-up and on to successful registry operation. She has served three consecutive terms as Chair of the Board, overseeing growth in dot-ca registrations from 60,000 to 400,000. She has contributed to international ccTLD policy discussions and negotiations with ICANN. Ms. Cubberley has held leadership positions with the Ontario Library Association and the Ministry of Culture and Communications and was co-founder of Canada's Coalition for Public Information. She has served as a volunteer advisor with the Canadian National Institute for the Blind and the Consumer Health Information Service and as a mentor with the Northern Exposure To Leadership Institute. She has worked in the areas of information and telecommunications business planning and policy since the late 1980s. In 2001 she received an IWAY Award Honourable Mention for Public Leadership, and was honoured by CANARIE for her contribution to the founding and building of the dot-ca domain.

FERNANDO SILVEIRA GALBAN - Active in the IT world, particularly in e-commerce in Argentina, and a member of the Board of the most important foreign trade entity in Argentina, the CAMARA DE EXPORTADORES DE LA REPUBLICA ARGENTINA (www.cera.org.ar). Mr. Galban is active in the higher education field. He was also a high ranking official for management and performance control in the Presidency of the Argentine Republic, and directed the development of IT applications for International Commerce in the Argentine Foreign Office. He sat on the board of local IT enterprises even before the Internet was deployed in Argentina, where he was in charge of development and control of their business plans. As part of the team at ECOM-LAC, the Latin America and Caribbean Federation for Electronic Commerce and the Internet (www.ecom-lac.org), he was charged with the assignment of the business plan and financial projection for ECOM-LAC activities in the deployment of connectivity solutions for 600 primary/high schools in Latin America, for the "ATLAS MI LUGAR" project funded by the @lis programme of the European Union. He has also been active in preparing projects for funding from organizations like the IDB and the World Bank. Mr.Galban holds a degree in Economy (Universidad del Salvador – Buenos Aires), and a Masters degree in

Operation Research (ESIO-JICEFA) and International Economic Policy
(Universidad de Belgrano – Buenos Aires).

JEFFREY B. LISSACK - An experienced executive in the technology field, he
now runs his own consulting firm in Salem, MA, focused on helping early stage
organizations navigate changing markets and technologies. Previously, he served
as Vice President of Nanoplex Technologies (Menlo Park, CA), where he
facilitated the launch of a brand security/supply chain tracking business by co-
authoring the business plan, building the financial model, and developing its first
partnerships. Before that, he rationalized product development and led an asset
sale for Knowledge Ventures (Naples, FL), allowing this higher education e-
services company to survive amidst a severe industry downturn. Prior to that, he
was one of six executives who took The Cobalt Group, the leading provider of
Internet marketing services to the U.S. automotive industry, through two rounds
of venture financing and its initial public offering, growing annual revenues from
<$1M to >$40M. At Cobalt, he served as COO of a multi-million dollar
acquisition, created a new customer service division to meet the changing needs
of more than 10,000 business customers and managed complex re-selling
relationships with a range of companies, including Microsoft, Yahoo, and AOL.
Mr. Lissack's earlier work for Massachusetts state government included creating
a loan fund and a series of venture capital forums to assist early stage companies
with environmentally beneficial technologies. Mr. Lissack earned his M.B.A
from the Yale School of Management and his B.A. from Williams College.

NEW sTLD APPLICATIONS

EVALUATION REPORT

**Prepared for the
Internet Corporation for Assigned Names and Numbers**

**Section III:
Report of the Sponsorship
and Other Issues Team**

**Dr. Liz Williams, Chair
Mr. Pierre Ouedraogo
Mr. Daniel J. Weitzner**

TABLE OF CONTENTS

I. **INTRODUCTION**

The Sponsorship and Other Issues Evaluation Team (S&OI ET) have made their recommendations based on an analysis of each of the applications in response to the RFP released on 15 December 2003; on answers to supplementary questions from the applicants and the team's collective knowledge of ICANN and the management of the domain name system.

The S&OI ET had the most complex of the evaluation tasks with significantly more RFP criteria than the Business & Finance and Technical teams ranging across an array of different sTLD elements. In addition, the questions required, in some cases, subjective and futuristic judgments about how the applications may meet the criteria. We applied the criteria to each of the applications individually. We assessed the applications in the context of existing gTLDs, sTLDs and ccTLDs and our knowledge of ICANN's historic (but relatively new) approach to these issues.

We found that this round of applications takes ICANN into new territory, especially with respect to the market for domain name registration services and the services required of registry operators; the economic and policy environment in which the new sTLDs would operate and the social policy context of global DNS governance. These factors, whilst outside the direct scope of the RFP, reflect the reality of the environment in which new sTLDs would operate.

II. **SELECTION CRITERIA**

A brief discussion of the selection criteria is necessary to put into a precise context the way in which the analysis was constructed and to give some background on how the S&OI ET arrived at its conclusions.

The S&OI selection criteria were grouped into two major parts - Sponsorship Information and Community Value. The criteria relating to Sponsorship Information are divided into four sections. The criteria concerning Community Value fall into four sections. We have reprinted all of them here for easy reference to each of the applications and our response to the applicants.

1. *Sponsorship Information*

A. *Definition of Sponsored TLD Community*

The first section revolved around the notion of sponsored communities; appropriate sponsorship arrangements and an understanding of how common needs and interests of the applicant group could be differentiated from the global Internet community. The

RFP required precise definition of a sponsored community; evidence that that community would benefit from the establishment of an sTLD and evidence that the community would be involved in policy formulation.

> RFP: **The proposed sTLD must address the needs and interests of a clearly defined community (the Sponsored TLD Community), which can benefit from the establishment of a TLD operating in a policy formulation environment in which the community would participate. Applicants must demonstrate that the Sponsored TLD Community is: precisely defined, so it can readily be determined which persons or entities make up that community; and comprised of persons that have needs and interests in common but which are differentiated from those of the general global Internet community.**

B. Evidence of support from the Sponsoring Organization

The second section of the RFP looked for direct evidence of support from the Sponsoring Organization for the application. In some cases, the applicant and the Sponsoring Organization were the same entity, in other cases there was a close connection between them.

> RFP: **Applicants must: provide evidence of support for your application from your Sponsoring Organization; and, provide the name and contact information within the Sponsoring Organization.**

C. Appropriateness of the Sponsoring Organization and the policy formulation environment

The third section of the RFP required the evaluators to judge whether the Sponsoring Organization's policy formulation procedures and structures would successfully demonstrate a robust and effective policy formulation and implementation organisation. This is a critical section of the RFP because, in delegating the policy formulation and implementation function, ICANN has to be assured that any successful applicant has the capacity to create and deliver policy on a wide range of issues, consistent with ICANN's technical regulatory remit.

> *RFP: Applicants must provide an explanation of the Sponsoring Organization's policy-formulation procedures demonstrating:*
>
> - *Operates primarily in the interests of the Sponsored TLD Community;*
> - *Has a clearly defined delegated policy-formulation role and is appropriate to the needs of the Sponsored TLD Community; and*
> - *Has defined mechanisms to ensure that approved policies are primarily in the interests of the Sponsored TLD Community and the public interest.*

> **The scope of delegation of the policy formulation role need not be (and is not) uniform for all sTLDs, but is tailored to meet the particular needs of the defined Sponsored TLD Community and the characteristics of the policy formulation environment.**

D. Level of support from the Community

The fourth section of the RFP required the ET to assess whether the applicants had demonstrated sufficient levels of support from the community. This was a particularly subjective judgment which relied upon assessment of evidence provided by the applicants, in addition to analysis of the ICANN public comment forum to ascertain whether the application had sufficient support. The ET required signed evidence of support for the application. Copies of letters of support provided by applicants were uploaded to the evaluation website as supplementary materials and read carefully.

> RFP: **A key requirement of a sTLD proposal is that it demonstrates broad-based support from the community it is intended to represent.**

Applicants must demonstrate that there is:

- *Evidence of broad-based support from the Sponsored TLD Community for the sTLD, for the Sponsoring Organization , and for the proposed policy-formulation process; and*
- *An outreach program that illustrates the Sponsoring Organization's capacity to represent a wide range of interests within the community.*

2. Community Value

The second major section of the RFP was divided into five significant subsections. This section of the analysis was the most complex. It required the ET to make objective judgments about the characteristics of each of the applications and to make subjective and futuristic summations of the likely success of any of the successful sTLDs. The results of the assessment were done in the aggregate so that the application was rated on how it met the criteria in a balanced way. The applications presented a mix of commercial and non-commercial propositions which required different analysis.

A. Addition of new value to the Internet name space

RFP: Applicants must demonstrate the value that will be added to the Internet name space by launching the proposed sTLD by considering the following objectives:

(i) Name value

A top-level sTLD name must be of broad significance and must establish clear and lasting value. The name must be appropriate to the defined community. Applicants must demonstrate that their proposal:

- o *Categorizes a broad and lasting field of human, institutional, or social endeavor or activity;*
- o *Represents an endeavor or activity that has importance across multiple geographic regions;*
- o *Has lasting value; and*
- o *Is appropriate to the scope of the proposed Sponsored TLD Community*

(ii) Enhanced diversity of the Internet name space

The proposed new sTLD must create a new and clearly differentiated space, and satisfy needs that cannot be readily met through the existing TLDs. One purpose of creating new TLDs is to enhance competition in registry services and applicants must demonstrate that their proposal:

- o *Is clearly differentiated from existing TLDs;*
- o *Meets needs that cannot reasonably be met in existing TLDs at the second level;*
- o *Attracts new supplier and user communities to the Internet and delivers choice to end users; and*
- o *Enhances competition in domain-name registration services, including competition with existing TLD registries.*

(iii) Enrichment of broad global communities

One of the reasons for launching new sTLDs is to introduce sTLDs with broad geographic and demographic impact.

Significant consideration will be given to sTLDs that serve larger user communities and attract a greater number of registrants. Consideration will also be given to those proposed sTLDs whose charters have relatively broader functional scope.

B. Protecting the rights of others

This section of the RFP focused on the protection of the rights of others. The applications were assessed on their ability to meet other ICANN policies designed to protect registrants' interests and those of intellectual property and trademark owners.

RFP: New sTLD registries will be responsible for creating policies and practices that minimize abusive registration activities and other activities that affect the legal rights of others.

sTLD registries are required to implement safeguards against allowing unqualified registrations, and to ensure compliance with other ICANN policies designed to protect the rights of others.

C. Assurance of charter-compliant registrations and avoidance of abusive registration practices

This section of the RFP was used to assess whether registry operators could ensure the veracity of registrants within their community and protect the rights of intellectual property holders. It was a particularly difficult section to examine given the diversity of applications and the diversity of jurisdictions in which the applicants proposed to operate. In addition, some applications had not fully formed their organizations and were unable to give sufficient information about the selection criteria.

RFP: Operators of sTLDs must implement safeguards to ensure that non-compliant applicants cannot register domain names. Applicants must demonstrate that their proposals address and include precise measures that:

- *Discourage registration of domain names that infringe intellectual property rights;*
- *Ensure that only charter-compliant persons or entities (that is, legitimate members of the Sponsored TLD Community) are able to register domain names in the proposed new sTLD;*
- *Reserve specific names to prevent inappropriate name registrations;*
- *Minimize abusive registrations;*
- *Comply with applicable trademark and anti-cybersquatting legislation; and*
- *Provide protections (other than exceptions that may be applicable during the start-up period) for famous name and trademark owners.*

D. Assurance of adequate dispute-resolution mechanisms

This section of the RFP focused clearly on whether the applicants were able to implement and ensure compliance with ICANN's well-established Uniform Dispute Resolution Policy. In addition, the applicants were required to demonstrate that they were aware of and could respond to other disputes that may arise within their community.

RFP: All gTLD registries must adhere to the ICANN Uniform Dispute Resolution Policy (UDRP). Particular dispute resolution mechanisms are implemented to support situations such as priority of acceptance of applicants in competition for the same name during start-up periods.

Applicants must demonstrate that their proposal will:

- *Implement the ICANN UDRP; and*
- *Where applicable, supplement the UDRP with policies or procedures that apply to the particular characteristics of the sTLD.*

E. Provision of ICANN-policy compliant WHOIS service

The final section of the RFP focused on the applicant's ability to implement an ICANN compliant WHOIS policy. The provision of accurate WHOIS data and the protection of registrant privacy are handled in diverse ways in different jurisdictions. The ET had to assess whether the applicants had the capacity to implement the existing ICANN WHOIS policy and determine whether they had the capacity to comply with future decisions about WHOIS policy and privacy protection.

RFP: **All existing gTLD registries must provide accessible WHOIS database services to give legitimate information about registrants for purposes that comply with ICANN policies.**

Applicants must include an explanation of how they plan to develop and implement a complete, up-to-date, reliable, and accessible WHOIS database of all registrations in the sTLD. The WHOIS database must also be compliant with ICANN policies. The implementation of such WHOIS policies must comply with emerging ICANN privacy policies in this area, if and when they become approved.

III. PROCEDURAL MATTERS

The ET met through conference calls and conducted their discussions on-line and through formal regular meetings throughout the evaluation phase. The ET met eight times by teleconference between May 28 and July 7. Its work focused on using the evaluation website to input comments, transmit questions and receive information from team members. The ET was generally in agreement on all of their recommendations. In addition, there was no significant divergence of views either about the approach to the evaluation or the results of the evaluation.

This report was drafted based on detailed study of all the applications; reference to meeting notes; conference call discussions and general familiarity with the ICANN and the sTLD application process. The applicants also had one week to provide further information to the ET by responding to questions that it had about a variety of aspects of the applications.

The ET commends the work of all the applicants and has recommended all that we believe meet the Sponsorship and Other Issues selection criteria set forth in the RFP.

IV. **METHODOLOGY**

The ET team used a variety of methods to arrive at their conclusions.

Firstly, we relied upon the applicants to make demonstrably clear in their responses to the selection criteria that they understood those criteria and would be able to implement a new sTLD on the basis of what they had claimed in the application. We have acknowledged that some of the selection criteria required somewhat subjective analyses of future attractiveness and lasting value.

Secondly, we attempted to rely on the process and results of the previous round of gTLD applications to determine what parts of that process were relevant here, most particularly with respect to dispute resolution, protection of the rights of others and the potential for a successful implementation phase. We found that those earlier processes were not that helpful here as the applications were largely different; the market had shifted significantly and the reasoning behind decisions in those processes were not always well documented. We also took the opportunity to pose questions to each of the applicants, inviting them to amplify their applications and to clarify other information that we needed to assess their proposal against the RFP.

Thirdly, we used existing ICANN policies on sponsorship; accreditation of registries and registrars; and on the definitions of regions and country codes; as well as those policies under discussion in the GNSO (particularly with respect to WHOIS and UDRP) and on our knowledge of ICANN's systems and procedures within its technical regulatory mandate.

Fourthly, we reviewed the public comment forum in great detail and took into account commentary from the broader community about the strength of each of the applications. However, we had to contain our analysis very firmly to the detailed RFP criteria.

Finally, we relied on our collective experience within the ICANN policy making environment; gTLD & ccTLD management experience; technical and policy expertise within the group, both in non-profit and for-profit environments, and the geographical and skills diversity of our ET. This enabled us to make decisions on the basis of the RFP in an orderly and sound manner.

V. **ANALYSIS**

We have set out our analysis on an application-by-application basis and have addressed each of the selection criteria in turn.

We have put the applications into three categories: those that meet all of the selection criteria, those that do not presently meet all of the selection criteria but, for the reasons described below, merit further discussions with ICANN, and those which do not meet all of the selection criteria and whose deficiencies cannot be remedied within the applicant's proposed framework.

Recommendation	Application
Meets criteria	.cat
	.post
Does not meet all criteria	.asia
but merits further discussion	.jobs
	.travel
Does not meet all criteria	.mail
and is not recommended for further discussion	.mobi
	.tel (Telnic)
	.tel (Pulver)
	.xxx

VI. **.asia**

Introductory comments

The ET was concerned about the .asia application for several reasons. The proposal does not define a sponsored TLD community clearly enough. There also is inadequate evidence of widespread support for the application across the broadly identified region. In addition, the ET has questions about how a .asia sTLD would have broad recognition across such a wide region that includes both the Middle East and the South Pacific.

On balance, the ET thought that the application might be a useful starting point for the consideration of a sTLD which reflects specific geographic regions, but that the application had failed to demonstrate how it would be implemented and managed in this instance. The applicant might also consider participating in a broader round of generic top level domains at a later date.

1. SPONSORSHIP INFORMATION

A. Definition of Sponsored TLD Community

The ET was of the view that the community was not clearly defined on a number of levels. Whilst the region is reasonably well defined geographically (particularly according to ICANN's five regional definitions), it was not clear whether registrants would be limited to that region. The ET was of the view that the diversity within the region (from the Middle East to the South Pacific) was so great as to make it difficult to define a community of common interests.

The poor to non-existent representation of some parts of the community in the application also cast doubt on the likelihood of being able to meet the criteria.

On balance, the application does not meet the selection criteria.

B. Evidence of support from the Sponsoring Organization

The application meets the criteria insofar as the Sponsoring Organization (Dotasia Organisation Limited) and the applicant are one and the same.

C. Appropriateness of the Sponsoring Organization and the policy formulation environment

The application demonstrated significant experience and commitment to policy formulation in the DNS governance environment. However, the application does not demonstrate that there is a clearly defined policy formulation environment for .asia that would operate in the interests of both the sTLD and the public interest.

It was also not clear that the proposed policy formulation environment reflected the diversity of views within the region, nor how such a broadly defined community could be brought together in an effective policy making organisation.

On balance, the application does not meet the selection criteria.

D. Level of support from the Community

Measuring levels of support from the community is a particularly difficult task and the ET recognized and valued the strong support from several important groups.

The ET took into consideration the level of support demonstrated in the application itself; the provision of support letters from the applicant and other entities (such as regional organizations) from which we could reasonably have expected support for the application.

Answers to the supplementary questions the ET posed were not sufficient to demonstrate that the application had formalized support from a diversity of groups in the region. The support for the application is limited to a range of ccTLDs, albeit important and well-established ones. The ET was concerned about the absence of even a majority of regional ccTLDs and questioned whether it would be possible to gain support from additional ccTLDs administrations at least those that appear concerned .asia may compete with them for recognition in the domain name space.

The ET is aware that there is not comprehensive support from the APTLD and from a range of other interests outside of North Asia. The representation is heavily skewed to North Asia, with little or no representation from other areas within the region. Furthermore, it appears that the applicant did not seek support from pan-regional organizations such as ASEAN, APEC or the Pacific Island Forum Secretariat.

The application does not demonstrate broad based support from the community, either through the evidence supplied in the application or from the public comment forum.

2. COMMUNITY VALUE

A. Addition of new value to the Internet name space

The ET was not persuaded that the .asia string would have broad recognition across such a wide region, especially in the Middle East and the South Pacific, where potential registrants may have difficulty relating to the "asia" tag. As such, the ET could not conclude that the application adds new value to the name space.

Aside from the question of whether the application demonstrates lasting value, the application does not meet the other criteria for this section because the name string proposed does not align with the community assembled so far. The applicant may wish

to consider a TLD that is more descriptive of the group it has assembled, as a .asia sTLD seems too broad for the group described in application.

B. Protecting the rights of others

The applicant has shown a strong will to protect the rights of others through sunrise registration periods, commitment to ICANN's Uniform Dispute Resolution Policy (UDRP) policies and a special Charter Eligibility Dispute Resolution Policy (CEDRP).

However, the application was not very clear in sections under these categories relating to the protection of rights adapted to the specifics of local communities and the nations that composed the region.

Considering the variety of cultures and languages in the region, the ET was not convinced that the application sufficiently met the criteria.

C. Assurance of charter-compliant registrations and avoidance of abusive registration practices

The application provided general discussion around these parts of the selection criteria. It did not, however, demonstrate that it met the criteria. Again, the diversity of the region; the difference in approach to these issues with respect to the policy formulation environment and the lack of clarity about how to ensure charter and name registration policy compliance were problematic.

On balance, the application does not meet the criteria.

D. Assurance of adequate dispute-resolution mechanisms

The application set out a clear intention to abide by the already established ICANN UDRP.

The application meets the criteria.

E. Provision of ICANN-policy compliant WHOIS service

The application set out a clear intention to abide by ICANN existing and future WHOIS policies. The application meets the criteria.

Recommendation:

In light of all these factors, we believe that .asia does not meet the Sponsorship and Other Issues selection criteria set forth in the RFP.

Whilst we cannot state that this application meets the RFP criteria, we believe some of the ideas presented here are sound and innovative. The application might consider a TLD string which is more descriptive of the community that it has assembled, or participating in a broader round of generic top level domains at a later date.

VII. .cat

Introductory comments

The ET was of the view that the .cat application met the required criteria and should be allowed to proceed to the next stage of the application process.

The community was well defined and the policy formulation environment was properly articulated. The applicant asked that some support letters be kept confidential. We were not able rely on support and testimonials which could not be made public. However, we did ascertain that there was sufficient public support to warrant the application meeting the criteria.

The applicant showed a clear understanding of the selection criteria and ICANN's expectations for sponsored TLDs.

1. SPONSORSHIP INFORMATION

A. Definition of Sponsored TLD Community

The application clearly demonstrated that the definition of a sTLD community was met. The application showed that there is a clearly defined set of needs around the provision of Internet services that are culturally and/or linguistically associated with the Catalan language or region.

The ET was satisfied that the criteria had been met.

B. Evidence of support from the Sponsoring Organization

The application meets the criteria. Although the Sponsoring Organization, Fundacio puntCAT has not yet been formed, its founders will be largely the same people that have formed Associacio puntCAT.

C. Appropriateness of the Sponsoring Organization and the policy formulation environment

The ET was satisfied that the criteria had been met in the explanations provided in the application.

D. Level of support from the Community

The Catalan culture and language is recognized globally as a significant community with valuable content and services both for the members of the community and others. There were approximately 58,000 indications of support from the community.

The application therefore demonstrated that there was support from the Catalan community for the application. In the public comment forum there was ambivalence about support from the broader Internet community.

However, the ET is obliged to assess the application on the basis of the selection criteria. On that basis, the application met the criteria.

2. COMMUNITY VALUE

A. Addition of new value to the Internet name space

The application met all the criteria in this section. It is clear that .cat adds new and different value to the name space, especially as it recognizes clearly defined cultural and linguistic characteristics. The applicant has demonstrated a broad and lasting social endeavour and activity which has importance for a diasporic community which is appropriate to the sponsored community.

There was some discussion about whether the needs of the community could be met under the existing .es ccTLD, but because the Catalan community is not limited to Spain, the application has demonstrated that the needs of the community are sufficiently differentiated to warrant a specific sTLD.

The ET could not assess whether there would be a large number of registrations in the new sTLD but that, on balance, this application would be attractive to a wide range of Catalan users around the world.

B. Protecting the rights of others

The application does attempt to protect the rights of others.

The application meets the criteria.

C. Assurance of charter-compliant registrations and avoidance of abusive registration practices

The application demonstrated an understanding of charter-compliant registrations and mechanisms to avoid abusive registrations. The ET were of the view that the experience of the staff involved in the application would be helpful in ensuring that these criteria would be met in implementation.

The application meets the criteria.

D. Assurance of adequate dispute-resolution mechanisms

The application meets the criteria.

E. Provision of ICANN-policy compliant WHOIS service

The application meets the selection criteria.

Recommendation:

In light of all these factors, we believe that .cat meets Sponsorship and Other Issues selection criteria set forth in the RFP.

VIII. .jobs

Introductory comments
The ET was of the view that the .jobs application did not, on balance, meet the selection criteria. The ET believe that the existing sTLD structure is sufficient to accommodate the needs identified in the application. In addition, whilst the application listed international organizations of human resource professionals, it was not clear that those organizations would have a significant impact on the nature and operation of the sTLD.
In summary, the ET thought that employment is a very broad category that has substantial overlap with other existing classes of content and services. The ET was of the view that the global jobs and careers market was well served by existing search capabilities and that the application as presented would not add significant new value to the name space.

1. SPONSORSHIP INFORMATION

A. Definition of Sponsored TLD Community

It was thought that the string suggested is broader than the described community. For example, the absence of ILO (International Labor Organization) and main trade union organizations in the SO suggests that the SO is insufficient to represent the proposed community.

The applicant seems to restrict the community related to "jobs" to "employment." Jobs could also refer to other sub-communities related to jobs as, for example, trade unions, health, security, law enforcement, retreats or insurance.

The choice of another string is one way to address these concerns. For example, ".shrm" (the acronym for the sponsoring organization) or ".employ" would correlate more closely to the proposed sponsoring organization.

The ET was not convinced that the definition of the sTLD met the selection criteria.

B. Evidence of support from the Sponsoring Organization

The application meets the selection criteria insofar as the Sponsoring Organization (The Society for Human Resource Management) and applicant (Employ Media LLC) are closely affiliated.

C. Appropriateness of the Sponsoring Organization and the policy formulation environment

The SO definition and its applicability in the jobs market makes it very difficult to determine how appropriate the SO is to the proposed policy formulation environment. We have noted above our concern about the absence of organizations such as the ILO.

On balance, the ET agreed that the application did not meet the selection criteria.

D. Level of support from the Community

The ET was not convinced there was sufficient evidence for support from the SO to meet the selection criteria. Whilst the application listed a range of organizations that could support the application, the ET were not assured that the SO had sufficient support from the community it was designed to serve.

The applicant seemed to suggest that those who are interested should join the Society for Human Resources Management. It is not clear that this organization has adequately broad representation in the labor market in general. The geographic centre of gravity of the organization appears to be in the United States with little evidence of participation outside. The entire board of directors is composed of U.S. persons.

In addition, the ET thought that there was little evidence of outreach activities to garner support from a larger community of interest in employment matters for the Sponsoring Organization. On balance, the application does not meet the selection criteria.

2. COMMUNITY VALUE

The ET did not agree that the .jobs application added sufficient value to the name space. In particular, whilst jobs is a recognized letter string, the application did not demonstrate clear and lasting value that could not be met in the existing gTLD structure nor was it relevant across multiple geographic regions. Employment-related content is well represented already on-line, and it was not made clear how this proposal would increase those services.

The ET agreed that the .jobs application did not create a new and clearly differentiated space which was clearly distinct from existing gTLDS. It is unlikely that the .jobs would attract new user and supplier communities as the existing job and career search services are comprehensive, globally relevant and demonstrably successful in terms of numbers of advertised positions and use of on-line job search facilities.

Whilst the .jobs may serve a large global community, the application failed to explain why those needs could not be met in the current DNS structure.

B. Protecting the rights of others

The applicant's response is adequate and meets the selection criteria. It does not, however, account for a global service reach.

C. Assurance of charter-compliant registrations and avoidance of abusive registration practices

The application meets the selection criteria.

D. Assurance of adequate dispute-resolution mechanisms

The application meets the selection criteria.

E. Provision of ICANN-policy compliant WHOIS service

The application meets the selection criteria.

Recommendation:

In light of all these factors, we believe that .jobs does not meet the Sponsorship and Other Issues selection criteria set forth in the RFP.

Some of the ideas presented in the application, however, are valuable and interesting. We recommend that, in the first instance, the application could be improved if a narrower string was used, for example, .shrm or .employ. As an alternative, we recommend that the applicant broaden their base of support to include other groups and individuals that one would normally associate with the broad term "jobs." In the meantime the applicant might work closely with existing registries to offer their services through the current gTLD structure.

IX. **.mail**

Introductory comments

The ET was not convinced that the .mail application met the selection criteria adequately. The reduction and removal of spam was seen as a worthy and useful service which could be applied to any gTLD or ccTLD. The ET thought that, on balance, .mail did not meet all the selection criteria.

It recommended, however, that the .mail applicants work with existing registry providers to ascertain whether their technical solution can be used in all registries.

1. SPONSORSHIP INFORMATION

A. Definition of Sponsored TLD Community

The application met some of the selection criteria in this section but the sponsored TLD community is a very amorphous category of users – essentially anyone who does not want to receive spam.

B. Evidence of support from the Sponsoring Organization

The application met the selection criteria insofar as the Sponsoring Organization (The Anti-Spam Community Registry) and the applicant are the same.

C. Appropriateness of the Sponsoring Organization and the policy formulation environment

The application met the selection criteria but the benefit of having an SO with the proposed policy formulation environment is not immediately obvious, as registrants appear to need an existing registration in another registry which then uses the .mail service to filter mail.

D. Level of support from the Community

The application did not meet the selection criteria, either from the public comment forum or through direct proof of support from the applicant community itself. According to some public forum commentary, the high costs of fees for this registry were considered a disincentive for individual and small and medium size business registrants.

2. COMMUNITY VALUE

A. Addition of new value to the Internet name space

The applicant did not meet the selection criteria set out in this section. The ET was of the view that the service proposed by .mail could be most usefully implemented in the broader gTLD context if that would provide a technically sound solution for users.

B. Protecting the rights of others

The applicant did not meet the selection criteria set out in this section. In particular, it was unclear whether there was a benefit to registrants in having to register a domain name in one registry and another in this domain.

C. Assurance of charter-compliant registrations and avoidance of abusive registration practices

The application met the selection criteria.

D. Assurance of adequate dispute-resolution mechanisms

The application met the selection criteria.

E. Provision of ICANN-policy compliant WHOIS service

The application met the selection criteria.

Recommendation:

In light of all these factors, we believe that .mail does not meet the Sponsorship and Other Issues selection criteria set forth in the RFP.

Our decision not to recommend this application does not imply that we consider spam either a solved or unimportant problem. To the contrary, we believe that it is a vital issue to address but that it requires broad-based Internet community involvement. We recommend that the applicant work closely with the existing gTLD and ccTLD registries to implement their spam management ideas.

‣ **X. mobi**

.mobi

The ET does not believe that the .mobi application sufficiently meets the selection criteria to enable them to recommend that the application proceed to the next phase. In particular, concerns about exclusivity in the policy formation environment and uncertain contributions to the Internet name space lead us to decline to recommend this application for a sTLD on the basis of the RFP.

I.   SPONSORSHIP INFORMATION

A. Definition of Sponsored TLD Community

The applicant defines the community as "all commercial participants in the mobile community." It is not clear that it is possible, especially over time, to establish the membership of this community. Questions the ET discussed, for example, included whether television broadcasters who in the future may be allowed to use their radio spectrum for mobile services should be included. Until relatively recently, the computer industry would probably have been excluded, but now that would be regarded as mistaken. These scenarios raise questions as to the precise definition of the community.

Taking the applicant information and previous approaches to sTLDs, the ET were of the view that the application did not meet the selection criteria in a sufficiently well-defined way.

B. Evidence of support from the Sponsoring Organization

The application meets the selection criteria insofar as the initial founders of the Sponsoring Organization (Mobi JV) and the applicant (Nokia/Vodafone/Microsoft) are the same.

C. Appropriateness of the Sponsoring Organization and the policy formulation environment

The ET does not believe that the application articulated the most appropriate policy formulation environment for a highly commercial and exclusive organisation. The fact that the JV retains ultimate policy-making authority over the TLD raises concerns about bias on behalf of the financial backers of the JV.

The ET was also not persuaded that the joint venture partners could implement a cohesive policy formulation environment that aligned with ICANN policy setting priorities. The perception of bias would discourage the broader community from

participating and cast doubt on the fairness of the resulting decisions. The ET also thought that some mobile service providers may have a distinct interest in reaching mobile users. However, evidence of ongoing product development and technical standards efforts suggests that most content and services providers want to reach all Internet users and devices, not just those with mobile devices.

On other matters raised in this section, it was also not clear whether the Policy Advisory Group (PAG) and the Membership Advisory Group (MAG) were self-selecting on the basis of financial capability which would be an excluding element in their organisation. It was thought that whilst the policymaking process takes input from a variety of advisory organizations, decisions are made by the board of directors, chosen from amongst those that invest in the venture. This may not be the best scenario for the board to take the larger community input into account.

The application also suggests that the ability to set policy will enhance the community's ability to agree on business and technical best practices in order to form a more coherent, precisely defined set of mobile services. This may benefit those who participate in the decision. It is unclear that it will be positive for innovation or the community of registrants and users. On balance, the ET does not believe that the application meets the selection criteria.

D. Level of support from the Community

As the Sponsoring Organization has not yet been formed, it is impossible to assess the level of support for the organization. There is not at this time evidence of broad support from the potential community of registrants nor is there such evidence from the public comment forum.

In addition, the scope of delegation is not clear in that it appears to include requirements to comply with a variety of technical standards and business practices. There is no indication whether the policymaking process will or will not be bound to comply with basic technical standards from established standards setting bodies in the Internet community, such as the IETF, all of which work in this mobile Internet and web environment.

The policy formulation process is not sufficiently well articulated especially to support a new service and a new community of users. The application, on balance, does not meet the selection criteria.

II. COMMUNITY VALUE

A. Addition of new value to the Internet name space

The ET was of the view that the benefits of more mobile-aware Internet and web services can be provided at least as effectively with existing

technologies and without reliance on a new TLD.

To the extent that the purpose of this new TLD is to provide specialized mobile access to both existing and new Internet-based services, the existence of this TLD is likely to create confusion as to where to find a particular service and whether there is any difference between *.com/org/cctld and *.mobi. The confusion will be magnified in trying to assess the relationship between http://www.*.mobi and http://www.*.*

In addition, it appears that the needs of the community can be met through existing content negotiation and device capability negotiation technologies, even without second level domain name changes. While the application asserts that the very large number of mobile users will generate more registrants, the logic is unclear. The average mobile user seems even less likely to need or want a domain name than the average traditional Internet user. The ET was not convinced that the .mobi application would bring new user communities to the Internet.

On balance, the application does not meet the selection criteria.

B. Protecting the rights of others

The application meets the selection criteria. However, significant questions remain about the ability of the SO to implement these policies.

C. Assurance of charter-compliant registrations and avoidance of abusive registration practices

The application meets the selection criteria but further work would need to be done on avoiding abusive registrations practices and ensuring compliance.

D. Provision of ICANN-policy compliant WHOIS service

The application meets the selection criteria.

E. Provision of ICANN-policy compliant WHOIS service

The application meets the selection criteria.

RECOMMENDATION

In light of all these factors, the ET believes that .mobi does not meet the Sponsorship and Other Issues selection criteria set forth in the RFP.

X. **.post**

Introductory comments

The .post application was presented in a well defined and sensible manner. The ET was of the view that the .post application met the required selection criteria and should be allowed to proceed to the next stage of the application process.

1. SPONSORSHIP INFORMATION

A. Definition of Sponsored TLD Community

The application meets the selection criteria because it is clear that organizations that are part of the Universal Postal Union (UPU) and those who provide private postal services are included in the community. This seems to be a well-bounded group of organizations that are potential registrants.

B. Evidence of support from the Sponsoring Organization

The application meets the selection criteria insofar as the Sponsoring Organization (the Universal Postal Union, or UPU) and the applicant are one and the same.

C. Appropriateness of the Sponsoring Organization and the policy formulation environment

The application meets the selection criteria.

The UPU affiliation makes the scope of needs and interests clear in addition to having a clear and long established policy formulation environment. Further clarification is needed about the integration of the UPU policy formulation environment into the ICANN environment. A hierarchy of regulatory authority must be established early to ensure the smooth operation of a new registry. In addition, the applicant needs to show how non-state registrants (such as FEDEX) would participate in the policy development process.

D. Level of support from the Community

The application meets the selection criteria.

The applicant's reference to the longstanding experience of the UPU suggests a good likelihood of success. It would be valuable to know whether any non-UPU, non-governmental members are excluded.

The application would be strengthened by clear focus on the utility of the sTLD to developing countries, where postal services are universal but Internet access is limited or non-existent.

2. COMMUNITY VALUE

A. Addition of new value to the Internet name space

The application meets the selection criteria, particularly with respect to its broad significance; its relevance across multiple geographic regions; and its potential for lasting value in underserved markets.

The applicant needs to clarify that ICANN's policy formulation processes take precedent; that accreditation as an ICANN registrar is sufficient to allow the registrars to sell .post names and that ICANN registrars are not excluded through an extra layer of accreditation standards.

The applicant needs to demonstrate direct outreach efforts. It seems implicit that, because postal services are universal, the .post outreach will also be universal.

The .post application meets needs that are not currently served in existing gTLDs.

B. Protecting the rights of others

The applicant meets the selection criteria. We do recommend that further discussions with ICANN address data protection and law enforcement access to communications covered under .post.

C. Assurance of charter-compliant registrations and avoidance of abusive registration practices

The applicant meets the selection criteria.

D. Assurance of adequate dispute-resolution mechanisms

The applicant meets the selection criteria.

E. Provision of ICANN-policy compliant WHOIS service

The applicant meets the selection criteria.

Recommendation:

In light of all these factors, we believe that .post meets the Sponsorship and Other Issues selection criteria set forth in the RFP.

XI. .tel (Pulver)

Introductory Comments

The ET was of the view that the .tel (Pulver) application did not meet the selection criteria because of the lack of representative reach of the Sponsoring Organization, poor coordination with ENUM developments in the larger Internet community, and questions about whether the application defined a community which can add value to the Internet name space.

Whether the proposed sTLD ought to be established depends, in the first instance, on whether or not it makes sense to register telephone numbers as domain names.

1. SPONSORSHIP INFORMATION

A. Definition of Sponsored TLD Community

The application does not meet the selection criteria.

The definition of the community to be served by this sTLD is very clear, that is, those who seek to register telephone numbers in ITU E.164 format as domain names on the Internet. The ET was concerned about whether this sTLD meets the requirements of a sponsored TLD community given that it was unclear whether it made sense to register telephone numbers as domain names apart from the ENUM trials under way. If it did make sense to register telephone numbers as domain names, then it becomes even more problematic to identify a clearly defined community whose needs are differentiated from existing Internet users.

The Sponsorship evaluation team was not convinced that the definition of the community to be served is precisely and sufficiently well described.

B. Evidence of support from the Sponsoring Organization

The application meets the selection criteria insofar as the Sponsoring Organization (Pulver.com) and applicant (NetNumber, Inc) are closely affiliated.

C. Appropriateness of the Sponsoring Organization and the policy formulation environment

The application relies on the framework of a newsletter writing and conference organizing company. While this company is well regarded in some parts of the IP telephony community, it functions primarily as a media outlet. Given the pressures of operating industry conferences and close ties with particular commercial service providers in the IP Telephony industry, we are not persuaded that this type of organization can provide an open, fair and trusted environment for policy making. The application lists a large number of organizations that participate in Pulver-sponsored

conferences. While this speaks well to the applicants' organizing ability, it does not provide adequate evidence of the sort of foundation required for a well-functioning policy-making process.

The composition and selection procedures of the Sponsoring Organization's board of directors do not establish an adequately open, inclusive policy formation environment. Whilst the application calls for a board representative of the variety of industries interested in the IP telephony market, the board as defined is self-perpetuating with no process for open selection of new directors beyond the applicant organizations.

Information provided in the supplemental answers submitted in response to the ET's questions do make a case for the need on the part of a certain sub-section of the overall IP telephony community to have a better organized voice in the process of evolving standards and services. As such, the applicant makes the case for continued efforts at technical and operational consensus, not an sTLD. Moreover, the proposed policy formulation environment may inadvertently encourage and/or enable a subset of the overall Internet community to depart from efforts at consensus on operation of VoIP services. In that this departure could lead to fragmentation of important new Internet voice services, accepting this sTLD application could make policy formulation in these issues more difficult. Policymaking and standards setting in this important area is clearly needed at a broader level than the applicant proposes.

Given the narrow scope of the sponsoring organization and the unfinished process of developing consensus in the Internet community, the application does not meet the selection criteria.

D. Level of support from the Community

The application does not meet the selection criteria. A comprehensive list of major stakeholders has not been provided which would indicate a sufficient level of support. In addition, the support list which has been provided does not demonstrate sufficient geographically diversity, which is critically important given the increasing use of IP telephony in developing countries.

The public comment forum did not provide resounding support for the idea and some of the commentators posed valid questions (on both sponsorship and other matters) which, on balance, indicated that the application does not meet the selection criteria.

2. COMMUNITY VALUE

A. Addition of new value to the Internet name space

We are not certain whether or not this sTLD would add value to the Internet name space. The ET noted that this would be a proof of concept trial as there are currently no numbers

registered as domain names. We note that the DNS system has been created in order to make the IP identifiers easier to remember and, in this proposal, exactly the opposite is proposed.

Hence, we cannot find that the application meets the selection criteria.

B. Protecting the rights of others

The application appears to meet the selection criteria by requiring that registrants prove they are entitled to use of the E.164 number they seek to register.

C. Assurance of charter-compliant registrations and avoidance of abusive registration practices

The application assumes that it can prevent abusive practices by limiting the universe of potential registrants to IP Communications Service Providers. The application meets the selection criteria.

D. Assurance of adequate dispute-resolution mechanisms

The application meets the selection criteria through use of ICANN UDRP procedures.

E. Provision of ICANN-policy compliant WHOIS service

The application meets the selection criteria through agreement to provide ICANN policy compliant WHOIS services.

Recommendation:

In light of all these factors, we believe that .tel (Pulver) does not meet the Sponsorship and Other Issues selection criteria set forth in the RFP.

XII. .travel

Introductory comments

The ET were not persuaded that .travel met sufficient of the selection criteria to warrant the application proceeding to the next stage of negotiations.

The ET thought that the string chosen by the applicants was too broad to enable an adequate definition of a Sponsoring Organization or to identify needs that were not already met by the existing gTLD structure.

While the applicant does a very thorough job of defining a community, we did not believe that the community is consistent in breath with the name string .travel. Rather, the community defined is limited to the commercial providers of travel services. Also, the ET believes that the needs of the very diverse travel community are well met by the existing gTLDs and that this proposal could be integrated as a second level domain name into, for example, .com, .biz or .info, quite easily.

1. SPONSORSHIP INFORMATION

A. Definition of Sponsored TLD Community

This application does a thorough job of defining the commercial travel services community. Commercial travel services appear to come from a well-defined and well-organized community. (As we note below, the scope of the chosen name string is not consistent with the community that is being defined.

B. Evidence of support from the Sponsoring Organization
The application meets the selection criteria insofar as the Sponsoring Organization (The Travel Partnership Corporation) and applicant (Tralliance Corporation) are closely affiliated.

C. Appropriateness of the Sponsoring Organization and the policy formulation environment

We do not believe that the application has defined a policy formulation requirement that is sufficient to justify a separate TLD. The applicant asserts that this sTLD would be the first and only means by which the entire global and regional travel industry and its organizations are able to directly participate in domain policy formation and implementation. While this statement is true, we have not seen any reason why the needs of the travel community require distinctive policy treatment. The main activities they cite -- authentication of bona fide travel organizations, searching in approved travel services directories and promotion of online travel-related services -- are all services that can be accomplished outside the DNS. Both general purpose and industry-specific search tools in existence today demonstrate this fact. We did seek clarification on this point but the

response in the supplemental answers did not offer substantially new information than that which was in the application.

We are pleased to see that, as described by the applicant, the potential constituents of the Sponsoring Organization make up "nearly 100%" of the travel industries associations worldwide. The initial board of directors of the Sponsoring Organization will represent "approximately 70%" of those bodies.

Yet, based on concerns about the breath of implication of the term "travel, we are concerned that even this broad commercial representation does not meet the policy formulation requirements of the far-reaching sTLD that is proposed. Hence, the delegation of the entire sTLD namespace ".travel" by ICANN to this Sponsor would not result in appropriately representative policy formulation. The application therefore does not meet the selection criteria in that it fails to define a policy formulation and delegation environment suitably tailored to the proposed sTLD.

D. Level of support from the Community

The application and supporting material indicate broad support from the travel *industry*, as the text of application makes clear:

> "The .travel TLD will serve a community restricted to businesses, organizations, associations, and private, governmental and non-governmental agencies operating in the portion of the travel industry defined by the eighteen travel sectors"

As noted, these organizations represent a very high percentage of the travel industry globally. However, we are concerned (as described in section 2A) that even this breadth of support is not sufficient to sustain the designation ".travel," which has both commercial and non-commercial aspects.

The application does not meet the selection criteria.

2. COMMUNITY VALUE

A. Addition of new value to the Internet name space

The application has not demonstrated in sufficient detail how a specific .travel sTLD adds new value and diversity to the domain name space. The stated function of the TLD is to serve the global travel industry. However, the implication of the chosen namestring .travel extends well beyond commercial travel services. For example, in answer to supplemental questions posed by the ET, the applicant indicated that individuals with an interest in travel would be excluded from registration, as would providers of travel-related products. While there is reason to consider such potential registrants as outside the scope of the travel services industry, they certainly fall within the general notion of "travel." Hence, though the addition of new travel services could add value to the Internet, the narrow definition of the sponsoring organization and the corresponding

breadth of the namestring appears more likely to add confusion than value. All of the stated advantages listed in the application can be achieved in the existing gTLD structure.

Furthermore, the public comment forum is particularly ambivalent about support for .travel, most notably because of lack of public interest representation and the failure to articulate how .travel would differentiate itself from existing services and whether it is representative of that community.

B. Protecting the rights of others

Screening functions before registration will help assure that new registrations, as well as transfers and renewals, will take into account the rights of others. The application meets the selection criteria.

C. Assurance of charter-compliant registrations and avoidance of abusive registration practices

Strong eligibility and authentication requirements appear to mitigate many of the problems of abusive name registration practices. The application meets the selection criteria.

D. Assurance of adequate dispute-resolution mechanisms

The applicant proposed a range of dispute resolution procedures, including not only the UDRP and CEDRP-like procedures, but also informal review of applications that have been denied by an industry-based panel appointed by the Sponsor. The application meets the selection criteria.

E. Provision of ICANN-policy compliant WHOIS service

The application meets the selection criteria insofar as the applicant has agreed to provide ICANN-policy compliant WHOIS services. .

Recommendation:

In light of all these factors, we believe that .travel does not meet the Sponsorship and Other Issues selection criteria set forth in the RFP

We recommend that the applicants consider narrower strings which would define more tightly the community they wish to serve. Alternatively, they may wish to broaden the definition and representation of the proposed community. In the meantime, they may wish to work with existing gTLDs to integrate their service offerings.

XIII. **.xxx**

Introductory comments

The ET does not believe that the .xxx application met the selection criteria.

1. SPONSORSHIP INFORMATION

A. Definition of Sponsored TLD Community

The ET does not believe that the .xxx application represented a clearly defined community.

The proposed sTLD is proposed to serve a community of registrants defined based on the type of content they provide, described by the applicant as "adult-oriented information." In assessing whether the community is well-defined, we rely on the definition in the sTLD RFP. The RFP defines a "clearly defined community" as one that is "precisely defined, so it can readily be determined which persons or entities make up that community." The extreme variability in definitions of what constitutes the content which defines this community makes it difficult to establish which content and associated persons or services would be in or out of that community. The ET began with the assumption that moral and political judgments as to the appropriate public policy response to the availability of 'adult information' vary. Nevertheless, there can be no disagreement about the fact that the definition of such content and the scope of this content category varies considerably depending on one's moral, religious, national, or cultural perspective.

In exploring the questions of the definition of this community, we noted that many individual local communities (cities, nations, and regions) have come to their own conclusions about what type of content to regulate. We also thought that the definition of "adult content" varies considerably from region to region and culture to culture and, as such, there was not a global definition that could be applied here. Given these two factors, the ET questioned whether it could be possible to have a clearly defined community represented in this sTLD. As we had varying degrees of concern about this matter, we asked the applicant for more information regarding the community definition. The responses did not add any additional useful information. In the end, as evaluators, we believe that we should not be drawn into the debate as to the propriety of such content or how best to keep it from those who seek to avoid it, but we must recognize the widely held view that this content category is simply not susceptible to objective, globally-applicable definition.

On balance, the ET thought that the application did not meet the selection criteria.

B. Evidence of support from the Sponsoring Organization

The application meets the selection criteria insofar as the Sponsoring Organization (The International Foundation for Online Responsibility) and applicant (ICM Registry) are closely affiliated.

C. Appropriateness of the Sponsoring Organization and the policy formulation environment

A successful policy formulation environment requires effective coordination of a community that has some common interests and the promise of working together in a cohesive, even if confrontational, style. It is unclear what the interests of this community are. The applicant hypothesizes a set of interests on behalf of a community (whose definitional coherence is in doubt) but little testimony from that community has been provided in support of either its common interests or cohesiveness. As noted in section 1D, there is insufficient supported offered from many of the constituencies (child protection, freedom of expression, privacy, and law enforcement) which the applicant depends upon in its proposal for a well-functioning policy making process.

In addition, observation over time of the global debate about the regulation of obscene, indecent and harmful content suggests that the industry and individuals providing this type of content have not been well organized. There is no indication that this collection of providers has experience operating successfully in a collective policymaking environment. [CONFIDENTIAL INFORMATION REDACTED].

The evidence from the application shows that the group of organizations and individuals listed is not a cohesive community. For example, the co-location of privacy interests and child advocacy interests in the same SO may lead to the dilution of one or the other interests. Child protection may require the ability to track users or registrants, while privacy interests may mitigate toward less identity-based tracking. In the current structure, the board may not receive clear advice on these issues.   Organizations representing "public interest" views may not have adequate incentive or resources to participate in the process, assuming the term can be defined clearly in this context.

The ET was not convinced that the responses were sufficient to meet the selection criteria.

D. Level of support from the Community

There was inadequate evidence both in the application and from the supplementary material that the community (even assuming it is clearly defined) seeks the services that the sponsor proposes to offer. There was considerable support from North American representatives of the adult industry. However, virtual no support was available from the rest of the world, or from users or other members of this community. We note, in

particular, the absence of support from major child advocacy organizations and major law enforcement organizations. We also note that there is insufficient support from the freedom of expression community which the applicant also hopes to include as a supporting organization. More information might fill out this picture, but at present neither the application nor the supplemental responses provide evidence of a clear set of community interests.

2. COMMUNITY VALUE

A. Addition of new value to the Internet name space

The ET did not agree that the application added new value to the Internet name space. It is possible that new value can, in this case, perhaps be measured by new "values" which address child protection; filtering and other corralling issues. However, we were not convinced about the global value of a name. It may be that the name is meaningful to many western cultures but it is not clear how those who speak non-western languages with non-western character sets would perceive this. The application did not propose an internationalization strategy.

The ET did not agree that the .xxx had broad significance and global recognition. The ET noted above that the question of clear and lasting value was subjective but that the statistics provided showed that the adult content business is very large; it attracts one in four Internet users and is a very focused market. The use of an existing TLD (such as .us) could solve the question of content localization which is adapted to national laws or cultures.

The applicant suggests that the benefits to the community include (a) access to a legal defense under a U.S. law, the Misleading Domain Names on the Internet Act, (b) an environment in which adults can purchase adult content safely, and (c) creation of a community of adult content providers who could then organize to better articulate the interests of their industry. The ET found that all of these benefits are available with today's TLDs and none require the creation of a new sTLD. The defense under the law referred to in (a) does not require a new sTLD, only that there be some indication somewhere in the domain name that the content is related to sex or pornography. The current DNS allows this. Creating a better environment for sale of adult content and articulation of the policy priorities of the industry requires the formation of trade associations. To the extent that this has not succeeded in the past, there is no evidence offered that a new sTLD will help.

On balance, the ET has not agreed that the application meets the selection criteria.

B. Protecting the rights of others

The application set out clear intentions and demonstrates the ability to meet the selection criteria.

C. Assurance of charter-compliant registrations and avoidance of abusive registration practices

The application meets the selection criteria.

D. Assurance of adequate dispute-resolution mechanisms

The application meets the selection criteria.

E. Provision of ICANN-policy compliant WHOIS service

The application meets the selection criteria insofar as the applicant has agreed to provide ICANN-policy compliant WHOIS services.

Recommendation:

In light of all these factors, we believe that .xxx does not meet the Sponsorship and Other Issues selection criteria set forth in the RFP.

XIV.   CONCLUSION

The Evaluation Team recommends that, from the perspective of the Sponsorship and Other Issues it reviewed, the applications should be grouped into three categories.

The .cat and .post applications fall into Category One, which includes applications that meet all of the selection criteria.

The .asia, .jobs and .travel applications fall into Category Two, which includes applications that do not presently meet all of the selection criteria but, for the reasons described above, merit further discussions with ICANN.

The .mail, .mobi, .tel (Telnic), .tel (Pulver) and .xxx fall into Category Three, which includes applications that do not meet all of the selection criteria and whose deficiencies cannot be remedied within the applicant's proposed framework. We therefore recommend that ICANN not consider these applications further.

We thank ICANN for the opportunity to be a part of the evaluation processes.

APPENDIX – BIOGRAPHICAL INFORMATION

Pierre Ouedraogo

Mr. Ouedraogo has been the Information Society Project Manager at the Francophone Institute for Information and Learning New Technologies (INTIF) since 1998.   INTIF is a subsidiary unit of Agence intergouvernementale de la Francophonie. He is an expert in the fields of Internet governance, free software and human resource development. He has established many networks of IT experts that coordinate African efforts to harness information technologies as tools for development. As a result of his work, the African Free Software Users Association (AAUL) is working to create a unique African resource center focused on bridging the digital divide. ICT training laboratories are now running in ten African countries.

He is a founding member of AFRINIC (the African Internet Registry for IP addresses), the AfTLD (African Internet Top-Level Domain Names Association), AFNOG (African Network Operators Group) and AfrICANN (the African network of participants in the ICANN process). He is also a member of the ccNSO launching group at ICANN and technical contact for .bf ccTLD (Burkina Faso).

Prior to joining INTIF, he worked at ONATEL, Burkina Faso's national telecommunications operator, as head of the Computer Department. The Government of Burkina Faso has appointed him as its IT expert for many international conferences and projects, including development of the National IT strategy and the UNDP Internet Initiative for Africa project in Burkina Faso.

He holds a B.A. in physics and chemistry from the University of Ouagadougou. He also has a business administration degree and a Masters in Information Systems from the Catholic University of Louvain-La-Neuve in Belgium.

Daniel J. Weitzner

Mr. Weitzner is Director of the World Wide Web Consortium's Technology and Society activities. He is responsible for development of technology that enables the Web to address legal and public policy requirements, including the Platform for Privacy Preference (P3P) and XML Security technologies. As a leading figure in the Internet policy community, he was the first to advocate user control technologies such as content filtering to protect children and avoid government censorship. These arguments played a critical role in the landmark Internet First Amendment case, Reno v. ACLU (1997). In 1994, he won legal protections for email and web logs in the Electronic Communications Privacy Act.

As Principal Research Scientist at MIT's Computer Science and Artificial Intelligence Laboratory, Weitzner teaches courses on Internet policy and technology design, and is a founding member of MIT's Center for Information Security and Privacy.

Mr. Weitzner was co-founder and Deputy Director of the Center for Democracy and Technology, and Deputy Policy Director of the Electronic Frontier Foundation.

Weitzner has law degree from Buffalo Law School, and a B.A. in Philosophy from Swarthmore College. His writings have appeared in the Yale Law Review, Global Networks, MIT Press, Computerworld, Wired Magazine, Social Research, Electronic

Networking: Research, Applications & Policy, and The Whole Earth Review." More is on the web at http://www.w3.org/People/Weitzner.html
Dr. Liz Williams (Chair)

Dr. Williams began researching and writing about computers and the Internet in 1992 whilst university teaching in Japan. She graduated with her doctorate in February 2004 entitled - The Globalisation of Regulation and its Impact on the Domain Name System: Domain Names and the New Regulatory Economy - at the Queensland University of Technology. She also has a Masters in Communication on regulating the Internet and privacy.

She was an elected member of the Board of Directors for the .au Domain Administration in 2001 and 2002. .auDA is responsible for the management of the .au country code registry, the conduct of registrars in Australia and the development of the domain name industry in Australia. She also served as the Deputy Chair of the Board. Prior to joining the Board, she was an active member of the Competition Model Advisory Panel which provided detailed advice to the Board about the nature of competition in the Australian domain name market.

At an international level, Dr Williams has been active in ICANN's Registrars' Constituency working on diverse issues such as the development of policies for the transfer and deletion of domain names and the development of policy on new registry services. In addition she conducted a comprehensive review of the Registrars' Constituency By-Laws to enable the Constituency to work more effectively.

She has also been involved in the ccTLD constituency as a member of the .auDA Board. She is on the .cx Policy Advisory Board and assisted the DOT CX corporation with their negotiations with the Commonwealth of Australia and ICANN on key re-delegation issues.

Dr Williams has advised the Pacific Island Forum Secretariat on domain name system governance issues and opportunities for Pacific nations to participate more actively in ICANN processes and activities.

She is currently writing an academic textbook on electronic commerce and international regulation and a manuscript on the political history of the Internet in Australia.