

To: ICANN Board New gTLD Program Committee

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Regarding "Digital Archery" batching method

ICANN has recently revealed that there are over 2000 applications in ICANN's TLD Application System (TAS), and that ICANN plans to open the "digital archery" process for batching applications on 8 June 2012, before the publication of the new gTLD applications on 13 June 2012, and conclude the process on 28 June 2012.

Melbourne IT recommends that ICANN delay the implementation of a batching solution until the community has had a chance to review the published applications for new gTLDs, and fully consider the implications of the batching method. Given the applications will be published for public comment on 13 June 2012, the ICANN meeting in Prague would be an ideal time for the community to re-consider whether the chosen batching solution is still appropriate.

Possible implications of the "digital archery" batching solution include:

- more contentious strings with multiple applications being placed in the first batch. These applications are more likely to have issues with defensive registrations at the second level, as they are more likely to be operated for purposes of maximising revenue from second level registrations.
- given over 2000 applications, the gap in time between the processing of the first batch of applications and the processing of the last batch of applications may be two years or more. The information provided as part of the application may no longer be particularly accurate after two years - especially with respect to financial capabilities, designated bank accounts with funds for the operation of the registry, and letters of credit.
- ICANN has committed under its Affirmation of Commitments that when new gTLDs have been in operation for one year, ICANN will organize a review that will examine the extent to which the introduction or expansion of gTLDs has promoted competition, consumer trust and consumer choice. This may be difficult if many of the applications for new gTLDs that maximise community benefit have yet to be assessed.
- brand owners that were seeking to minimise their need to create defensive registrations at the second level by operating their own top level domain, may find they need to defensively register more second level domains in new generic gTLDs, until they have a chance to establish their own top level domain



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A review of the actual new gTLD applications, and an understanding of their common elements (e.g. common back-end registry operators, common applicants, common rights protection mechanisms), may result in designing a process that allows all applications to be reviewed within a year. Note this can be done, and still preserve the commitment to limit the number of new names delegated to the root in a year to 1000 (past experience shows that there is a spread over time of when applicants have their contracts, operations and infrastructure ready to go live).

Melbourne IT urges ICANN to allow the community the opportunity to suggest improved methods for processing the applications in light of the actual applications received by ICANN. A short pause in the program to improve this process, may result in an overall reduction in the time taken and cost to process all applications.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Theo Hnarakis", with a long horizontal flourish extending to the right.

Theo Hnarakis

Chief Executive Officer & Managing Director
Melbourne IT Limited