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This is our brief response to the .au Licensing Rules Review paper, November 2025.

3V and Merlin Integrated Media

3V, and its businesses, has operated on the internet and web since 1995 when we registered our first domain names. As Merlin Integrated Media we built some of Australia's first websites for clients ranging from Qantas to the Australian Council of Social Services. Our services have ranged from project development and management of information and ecommerce sites, venture capital raising, strategic and defensive domain name registration and consultation, and leading edge software creation for Australian companies and artists. We have taken part in over 10 government inquiries.

Background to Our Responses

Domain namespace is seemingly founded on an abundance of names, but contestation for a smaller class of more valuable or desirable names indicates an actual scarcity of these names and hence a need to better manage this contestation.

Although most names are mostly well managed under the current regimes, this apparent abundance needs clever and strategic management to ensure the ongoing value of the AU namespace as a brand in itself, together with the individual values each name holds.

Without this strategic management – through brand dilution, scam name and scam site owners and other bad actors and actions – the namespace values could be diminished, or some lost entirely.

We thank the committee for their public forums and this opportunity to contribute to this inquiry

Yours

Jeffrey Cook
Director

Question for consultation: 1. Should the allocation rules require a closer match between a com.au or net.au domain name and registrant's name or business name, or should there be less requirements?

1.1

Whether a com.au or net.au domain name should only be allocated solely on the basis of sections 2.4.4(2)(a) to (e)?

1.2

Should the allocation requirements under 2.4.4(2) be removed from the .au Licensing Rules?

Response to 1.1 and 1.2

Clarity and focus in the rules will lessen contestation.

The clearer the definitions and requirements, the less contestation, and so we support more narrowly defined requirements such as are currently in place. Remaining contests should have a clear pathway for an applicant in contestation to seek AUDA's adjudication, mediation and so on.

1.3

Should the Registrant be able to meet the allocation requirement of provision of a service (section 2.4.4(2)(f)(i)) through the establishment of a monetised website? (see issue 3 for further discussion of monetisation)?

Response to 1.3

In brief; no, where "monetisation" is defined as: "where the sole purpose is passive monetisation, such as domain parking or pay-per-click pages with no genuine underlying business, service or other bona fide activity", and excludes simple name selling. See response to Issue 3.

1.4

Should the requirements of 'Match or an Acronym' and 'Match or Synonym' (as those terms are defined in section 1.4 Definitions of the .au licensing rules) for .au be replaced with the old requirement for a 'close and substantial connection' (as this term was used in the 2012 version of the licensing rules – Guidelines on the Interpretation of the Policy Rules for Open 2LDs (section 11)) with the domain name?

Response to 1.4

As before we believe that "The clearer the definitions and requirements, the less contestation" and consider that the older policy of a close and substantial link relational requirement is superior to the current rules.

Question for consultation: 2. Should a domain name continue to be able to be registered for monetisation in com.au and net.au?

Response to Issue 3

“Monetisation” should be more clearly and narrowly defined to capture bad actors (e.g. cyber and typo squatting, scam websites, PPC link farm websites).

“Monetisation” under this definition should not include valid business practices where businesses that may sell names they have owned and now longer require, or are to be sold with the sale of the related business. We suggest simply “domain name selling” as a description of this business practice.

The exception here is a business whose business is selling names. The term often used here is name “speculation” (i.e. registering a name with the sole purpose of onselling it later).

It is evident from the operations of other namespaces that the Australian namespace would benefit from a market driven commercial service to promote and sell names, as complementary and supplementary to other forms of name allocation.

This is actually the flip side of name allocation and is needed to keep some namespace allocation at arm’s length to government and AUDA, and to foster a vibrant and growing namespace ecology in league with government and AUDA.

Tighter restriction of bad actors using a more narrowly defined regime of requirements will eliminate the bulk of illegitimate names (application as well as allocation) and leave only a few contentious names to be adjudicated.

To allow commercial name sellers to operate fairly under this definition would require large scale sellers (e.g. registries and name selling businesses holding 10 or more names) to be licensed by clear process of agreement with a set of principles developed by AUDA so that the public may trust that the names on sale:

- conform to AUDA rules;
- were obtained fairly without false undertakings made to the seller or other similar unfair practices;
- are validly onsold using transparent and fair mechanisms (e.g. promotion of the names, auctions, etc)

Question for consultation: 3. How should contested names be dealt with in future?

Response to Question 3

Seeming Abundance

As domain namespace grows, and new forms of namespace emerge, contestation will likely increase, as will the cost of this contestation to the parties involved.

The seeming abundance of names – compounded by the release of AU Direct – is actually only an abundance of prosaic or ordinary names that are unlikely to be contested. In fact, it is this lack of contestation that would properly define the bulk of names on issue, and likely to be issued in years to come.

As a kind of a power law, 20% of the names are “contestable” (i.e. higher value,) and 80% are not, and will likely never be.

A solution for contestation needs to treat these more “contestable” names as *scarce*, requiring a proper budget to allocated by AUDA to set up a system of clear and efficient adjudication and arbitration steps, e.g. an initial, simple online process to complete, and if unsatisfied with the result, then real world interaction can take place.

Question for consultation: 4. Should the requirement that reserved names that pose a risk to the operational security, integrity and utility of the .au domain be published on the website be removed from the .au Licensing Rules?

Response to Question 4

It is clear that a hidden reserved list is needed to manage bad actors.

Clear outlines of what is acceptable and not acceptable with examples needs to be provided in lieu of access to the reserved list, and listing any requirement changes of updates.

Question for consultation: 5. Should there be changes to the complaints wording and/or processes in .au Licensing Rules to reflect audit action complaints and to reflect an applicant's standing to escalate a complaint?

5.1. Should the descriptions and processes under Part 3 of the .au Licensing Rules explicitly include complaints arising out of the audit process?

The audit process is part of domain namespace allocation and management and as such, for simplicity's sake alone, should be part of the adjudication and arbitration process open to all parties.

5.2. Should the description of "affected person" in Part 3 of the .au Licensing Rules be changed to align with auDA's current process?

5.3. Alternatively, should auDA change its approach to align with the description of an "affected person"?

Response to Question 5.1

Contestation, whether triggered by any party, including AUDA, should be subject to a fair and reasonable system of adjudication, escalation and arbitration, ideally managed by a subcommittee of AUDA, and/or part outsourced to third party arbitrators.

Response to 5.2 and 5.3

The "affected person" definition should include the ability and standing to contest already registered names, as well as those undergoing registration. As such an ordinary person seeking an existing name that was incorrectly or mistakenly registered to another party should have a clear pathway to contest the name using the adjudication and arbitration system as proposed.

Question for consultation: 6. Should auDA align selected business practices and rules with gTLD rules?

6.1. Should auDA amend the four rules in the above table to align them with gTLD rules, and ensure all the amended rules are in the .au Licensing Rules?

6.2 Are there other international best practices and approaches, besides what is discussed, that could bring .au Licensing Rules into alignment with international domain name lifecycle rules?

Response to Question 6.1

The 90 day renewal window works to protect the licensee and we believe should be maintained as is.

As it would be very useful for name holders to be able to registered for longer periods, AUDA could investigate allowing licensed registries to operate a system to extend registration periods after being with them for a year as a client.

The cooling off period should be extended further than 3 days, ideally to 5 working days.

A standard 30 days before deletion would be useful.

The redemption period should be 5 working days to allow time to complete forms etc.

Response to Question 6.2

A major deficiency with AUDA operations which has affected my business is the lack of synchronisation between local domain name databases and those operated by overseas companies such as GoDaddy.

AU name space names may be either registered to an Australian registry, or registered direct with an overseas registry, and the databases may have two sets of different information regarding the registrant, addresses and so on.

This is unacceptable and causes much confusion and cost.

It should be a requirement for an overseas registry to operate in Australia that its databases are able to be updated from both local and overseas inputs and changes within 24 hours.