NEW 2LDS ADVISORY PANEL

RECOMMENDATIONS TO THE auDA BOARD, AUGUST 2010

BACKGROUND

In December 2009 the auDA board established the New 2LDs Advisory Panel to:

- evaluate proposals for the creation of new second level domains (2LDs) against the approved selection criteria;
- consider proposals for the reactivation of conf.au and info.au; and
- provide recommendations to the auDA board.

Full text of the Panel's Terms of Reference, a list of Panel members and minutes of Panel meetings, are available on the auDA website at http://www.auda.org.au/new2ldsap/new2ldsap-index/.

PUBLIC CONSULTATION

Under its Terms of Reference, the Panel was required to undertake at least two rounds of public consultation, to ensure that its recommendations to the auDA board were properly canvassed with, and informed by, key stakeholders and the general community.

Discussion Paper, April 2010
The Panel released a Discussion Panel in April 2010, to invite comments on:

- the creation of new 2LDs in general, and auDA's current policy and process for new 2LDs; and
- the Panel's initial views on the eight proposals for new 2LDs, conf.au and info.au received by auDA in 2009.

The Panel received seven formal submissions and 63 responses to the online survey that accompanied the Discussion Paper. The submissions are archived on the auDA website at http://www.auda.org.au/new2ldsap/new2ldsap-index/.

Draft Recommendations, July 2010
The Panel released its Draft Recommendations in July 2010. All draft recommendations except one had the unanimous support of Panel members; a minority opinion was included in relation to the other recommendation.

The Panel received eight formal submissions, which are archived on the auDA website at http://www.auda.org.au/new2ldsap/new2ldsap-index/.

GLOSSARY

Term	Definition
2LD	Second level domain, ie. a name at the second level of the .au domain name hierarchy (eg. com.au)
3LD	Third level domain, ie. a name at the third level of the .au domain name hierarchy (eg. domainname.com.au)
auDA	.au Domain Administration Ltd

ccTLD	Country Code Top Level Domain (eg. .au, .uk)
DNS	Domain Name System
gTLD	Generic (or Global) Top Level Domain (eg. .com, .biz)
Registrant	An entity or individual that holds a domain name licence
Registrar	An entity that registers domain names for registrants and is accredited by auDA

1. NEW 2LDS POLICY AND PROCESS

1.1   The Panel notes that it has been eight years since auDA formulated its new 2LD policy and process, and that only two proposals for new 2LDs were received this time around. Whilst it is not required to do so under its terms of reference, the Panel believes that it is reasonable and appropriate for it to provide feedback to the auDA Board on auDA's policy and process for new 2LDs.

1.2   The main principles that govern auDA's current policy and process for the creation of new 2LDs are:

- a new 2LD must be **in the public interest**; and
- **no proprietary rights** should attach to a 2LD.

These principles were enunciated in two reports produced by the New Names Advisory Panel in 2002-03, which were endorsed by the auDA Board and have since been incorporated into auDA's policy framework for the .au domain:

- Interim Report to the auDA Board, October 2002 at http://www.auda.org.au/nnap/nnap-index/; and
- Process for Future Consideration of New 2LD Proposals, April 2003 at http://www.auda.org.au/pdf/nnap-process-final.pdf.

Public interest
1.3   The current Panel's view is that, in essence, the public interest lies in making the .au DNS better. The key consideration is whether the .au DNS will be improved by creating the proposed new 2LD. The Panel found that determining the public interest as it relates to a new 2LD, requires careful consideration of the following issues:

- Preservation of integrity and usability of the .au domain space:

    Diversity. A considerable amount of diversity can be accommodated in the DNS without compromising its usability and the integrity of the .au regulatory framework. There is no reason to limit the number of 2LDs, but new 2LDs that merely duplicate existing 2LDs should be avoided.

    Usability. Users of the existing Australian DNS currently benefit from the guessability and memorability of domain name extensions such as com.au and org.au, and the ability to identify the type of registrant from the name of the 2LD.

    Actual names. In relation to the actual names of 2LDs, the use of simple nouns (or 3-4 letter abbreviations of them) and generic terms (such as "org" and "com") are considered more suitable than more specific terms (such as "charity" or "company").

- DNS hierarchy issues:

  Hierarchy. A hierarchy of names does not exist now, and cannot be effectively created. The current 2LDs are not the same kind of thing as each other and overlap substantially; many entities could legitimately have domain names in most of them simultaneously. The DNS should not be viewed as a static structure but a dynamic system that is capable of change in order to meet the needs of users.

  Simplicity. The simpler the structure, the more likely it is to be understood. This is axiomatically the case, but does not mean that a more diverse and complex 2LD structure could not be justified by its benefits. Users will adapt to change quickly if there is a compelling advantage to them to do so (compare the introduction in Australia of the mobile phone with pay TV).

  Conservation or rationing of names. There is a related principle of parsimony, which suggests that domain names are a scarce resource. In fact, there is no reason why entities should not have a number of domain names, and this is borne out by the current practice of many registrants in all domains.

- Purpose of the DNS:

  "Appropriate" purposes. It is not possible to say that some purposes of 2LDs are appropriate, and others are not. The reality is that domain names are used for a variety of purposes, and that decisions on this are best made by the users of domain names. In practice, domain names have as much significance (or more) in relation to identity, branding, and marketing as they do for purposes of locating an entity.

  Online identity and branding. There are alternatives to the use of domain names in improving online identity and branding, however, the Panel believes that a new 2LD is a valid consideration for a community of interest seeking to promote itself or enhance its find-ability on the internet.

- Precedent-setting:

  Precedents and future demand. It is important to bear in mind that the creation of a new 2LD is likely to set a precedent for similar types of 2LDs. The creation of a 2LD for a specific interest group will imply that this is a legitimate action, and will lead to other interest groups requesting names to be created for them (although the creation of a precedent-setting 2LD does not automatically mean that there will be a flow on in demand).

- Commercial considerations:

  Competition. There is an issue of whether the 2LD can be supported by a competitive market of registrars using objective policy guidelines and existing technical processes. The majority of commercial registrars will not choose to offer a new 2LD unless they believe that there is a likelihood of strong customer demand, or alternatively that it may give them an advantage over their competitors.

  User demand. Demand can be measured not just by the number of registrants that would register a domain name within the new 2LD, but also in terms of the internet users who are likely to use the resultant domain names, which in turn can drive the demand of registrants to register names. Experience with new gTLDs at the international level, and the community geographic domain names at the local level, has shown that just creating the new domain does not on its own generate user demand.

Sustainability. The level of demand is related to sustainability. Sustainability is a core concern for auDA, since the creation of a new 2LD involves a cost, and the drift of a 2LD into a non-sustainable state involves both direct costs, and costs to the credibility of the system as a whole. Currently, 85% of registrations take place in com.au, and it is likely that this pattern will substantially continue, regardless of the creation of new 2LDs.

Costs and risk. The costs and risk of a new 2LD will be borne in part by auDA, and spread over the full range of industry players. It is therefore important that the decision to create a new 2LD addresses these issues. Sustainability is not about the ability of powerful entities to act as "guarantor" for the 2LD, but relates to proven demand and support for a 2LD, and willingness to use and pay for it, from a diverse community in many or most cases.

No proprietary rights

1.4   The second key policy principle underlying the creation of new 2LDs is that no proprietary rights should attach to a 2LD. The Panel in 2002-03 concluded that it would not be in the public interest to approve proposals for new 2LDs which primarily serve to enhance the legitimacy or authority of a single organisation or individual.

1.5   In the existing 2LD hierarchy, auDA is the registrant of all 2LDs[1], in its capacity as administrator of the .au domain space. In the case of edu.au and gov.au, auDA has delegated policy authority to the relevant entity, but auDA remains the registrant of the 2LD. There are policy, legal and technical reasons why this arrangement is both necessary and desirable:

- it enables the implementation and enforcement of a consistent policy and regulatory framework across all .au 2LDs;
- it reflects auDA's legal responsibility as the administrator of the .au ccTLD and its associated 2LDs, as outlined in auDA's Constitution; and
- it supports the technical security and stability of the .au DNS.

Process

1.6   The two principles discussed above have informed the process adopted by auDA for the creation of new 2LDs. The process is explicitly non-commercial and non-proprietary. Proponents of new 2LDs must agree to waive any rights in the proposal, and must show strong evidence of user support. Proposals for new 2LDs are evaluated by an independent Advisory Panel of relevant stakeholders, which is required to undertake public consultation to ensure that new 2LDs are thoroughly examined and widely canvassed.

1.7   Public submissions to the Panel indicated general acceptance and approval of the current policy and process for new 2LDs. However, the Panel took note of one submission which argued that it was unreasonable to expect the proponent to be responsible for developing the business case for a new 2LD. Whilst Panel members endorse the general principle that it should be the responsibility of the proponent to make the case for a new 2LD, there needs to be a degree of flexibility so that a potentially good idea is not disregarded on process grounds. The Panel believes that this can be achieved with relatively minor amendments to auDA's new 2LD process, to give future evaluating Panels the discretion to conduct their own research if warranted.

Recommendation 1:

That auDA amend its new 2LDs process to give the evaluating Panel the discretion to conduct its own research with respect to new 2LD proposals.

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[1] The sole exception is csiro.au, for historical reasons.

2. PROPOSALS UNDER CONSIDERATION

2.1   auDA issued a Call for Proposals for New 2LDs and a Call for Proposals for conf.au and info.au, on 1 October 2009. auDA received two proposals for new 2LDs (blog.au and event.au), two proposals for conf.au and one proposal for info.au. In addition, auDA staff submitted three proposals for info.au. All proposals are archived on the auDA website at http://www.auda.org.au/new2ldsap/new2ldsap-index/.

2.2   The Panel evaluated the proposals for blog.au and event.au against the approved selection criteria:

1. The 2LD should serve the needs of users, or a community of users, that are not well served by the existing 2LDs. A proposal should define a user group and indicate clearly why its needs are not as well served at present as they would be with the proposed new 2LD. "Users" included both registrants and non-registrants who may benefit from or use the 2LD.

2. There must be clear support for the 2LD, in particular among the users it is intended to serve, and in general terms from the wider community. "Users" includes both registrants and non-registrants who may benefit from or use the 2LD. Strong evidence of support should be provided. Reasonable objections to the creation of the new 2LD from the wider community during public consultation, will be taken into account.

3. The 2LD should contribute to the broad utility of the Australian DNS and be generally relevant to users. "Users" include both registrants and non-registrants who may benefit from or use the 2LD. For example, a 2LD that is not of benefit, use or interest to most users of the Australian DNS will generally not be acceptable.

4. The 2LD must be consistent with the existing .au 2LD hierarchy and otherwise compliant with auDA policies.

2.3   The Panel also considered the two proposals to reactivate conf.au, and four proposals to reactivate info.au.

blog.au

2.4   The proposal for blog.au stated that its purpose would be "to provide a specific 2LD that Registrants could use for when they wanted to establish a website for blogging purposes." The intended users of blog.au would be all Australian entities and individuals who wish to establish a blog about a specific topic (eg. football.blog.au).

2.5   The Panel's assessment of blog.au against the selection criteria (refer to paragraph 2.2 above) is as follows:

1. The Panel's view is that the needs of bloggers are already accommodated because there is no restriction on people setting up blogs within any of the existing 2LDs.

2. The Panel notes that the proponent has not provided any evidence of support for blog.au among intended users, or the wider community.

3. Given the lack of evidence of user support (see 2 above), the Panel does not have sufficient information to judge the proposal against this criterion at this time. It notes that the creation of a blog.au 2LD would not of itself improve the ability of users to blog in a technical sense, although it may enhance the ability of users to brand their blog.

4. The Panel notes that the name "blog" is format specific, which is at odds with the more generic names of the existing 2LDs. The proposed policy rules would require auDA to enforce a specific type of web content, which is also in contrast to the policy rules for existing commercial 2LDs.

2.6   The Panel notes that public comments received in relation to blog.au were mostly negative and served to reinforce its own views on the proposal.

> **Recommendation 2A:**
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> **That the proposal for blog.au should not be accepted by auDA at this time.**

event.au

2.7   The proposal for event.au stated that its purpose would be to "consolidate the event industry across Australia". The proponent of event.au suggested that it be introduced as a replacement for conf.au, in order to "broaden the eligibility for all types of events". The intended users of event.au would be Australian entities who wish to register a domain name for an event (defined as meetings, conferences, seminars, exhibitions, fairs, festivals, fetes, tournaments, races, games, dances, parades, performances or parties).

2.8   The Panel's assessment of event.au against the selection criteria (refer to paragraph 2.2 above) is as follows:

1. The Panel's view is that the needs of users are already accommodated because conference organisers and event managers can register domain names in existing 2LDs, under the "close and substantial connection rule".

2. The Panel notes that the proponent has not provided any evidence of support for event.au among intended users, or the wider community. The Panel futher notes that its own attempt to consult with the peak body for Australian conference organisers was unsuccessful.

3. Given the lack of evidence of user support (see 2 above), the Panel does not have sufficient information to judge the proposal against this criterion at this time.

4. The Panel believes that the proposal meets this criterion; the name "event" is generic, and the proposed policy rules would be consistent with policy rules for existing commercial 2LDs.

2.9   It was clear to the Panel from the outset that it would not be desirable to have both conf.au *and* event.au.The Panel's initial belief that event.au would have a broader appeal than conf.au was not borne out by the public consultation. The Panel concludes that to the extent that there is support for an events-related 2LD, it is for conf.au and not event.au.

> **Recommendation 2B:**
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> **That the proposal for event.au should not be accepted by auDA at this time.**

conf.au

2.10   Of the two proposals to reactivate conf.au, one (Walsh) supported the narrow focus of the original 2LD on conferences and exhibitions, while the other (Tearle) suggested that the 2LD could be expanded to include a wider range of events. Both proponents argued that the utility of conf.au has already been demonstrated through past use (eg. linux.conf.au, bestforwomen.conf.au).

2.11   The Panel notes that, of all the proposals under consideration, conf.au attracted the most attention in the public consultations. The majority of responses to the online survey

were from people who wanted to express their support for the reactivation of conf.au, and of those, the majority focused specifically on the continuation of linux.conf.au.

2.12   Notwithstanding the enthusiastic support of the Linux community, the Panel does not believe that there is sufficient evidence of general user demand for the reactivation of conf.au. As noted above in relation to event.au, the Panel's own attempt to consult with the peak body for Australian conference organisers was unsuccessful.

2.13   Two Panel members do not agree with the majority view, and their minority opinion is provided at Attachment A.

2.14   The Panel acknowledges that the Linux conference has established a long-standing online identity through the use of linux.conf.au. The Panel notes that it is not within its terms of reference to make recommendations with respect to specific domain names, however its view is that **there is a strong case for grandfathering linux.conf.au**.

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Recommendation 2C:

That conf.au should not be reactivated by auDA.

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info.au
2.15   Four proposals for info.au were received.

- *For registrants who are not eligible in any other 2LD (AusRegistry)* – to make info.au domain names available only to registrants who are not eligible to register in any of the existing 2LDs.
- *For "major information resources" (auDA staff)* – to reactivate info.au for its original purpose, for "major information resources".
- *For premium commercial registrations (auDA staff)* – to change info.au into a "premium" commercial 2LD, with more restrictive policy rules than com.au and net.au.
- *Close it down (auDA staff)* – to close down info.au, due to the apparent lack of public demand or interest, rather than keep it suspended indefinitely.

2.16   The Panel notes that there was no strong support for reactivating info.au. Public submissions and responses to the survey indicated a mild level of support for the suggestion to expand AusRegistry's proposal for info.au to include people who don't want to register in other 2LDs, however this was counter-balanced by concerns about the prospect of defensive registrations if info.au was reactivated as another commercial domain space.

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Recommendation 2D:

That info.au should not be reactivated by auDA.

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MINORITY OPINION REGARDING CONF.AU

Two Panel members note the level of support for conf.au that came through the public consultations, and are inclined to agree with arguments put forward that the apparent lack of demand for conf.au may be explained by one or all of the following factors:

- the fact that conf.au has been unavailable since auDA took over;
- the original policy of short term registrations, forcing registrants to re-register their domain name every year;
- the poor service provided by the previous administrator of conf.au.

If conf.au was reactivated in line with standard auDA policies (ie. 2 year registrations, service provided by accredited registrars), then the Panel members believe that conf.au may fill a gap in the market for events-related domain names.