

To: The Governmental Advisory Committee

- **Ms. Heather Dryden, Chair**
- **Mr. Peter Nettlefold - Australia**
- **Mr. Thomas Schneider - Switzerland**
- **Mr. Tracy Hackshaw - Trinidad & Tobago**

Buenos Aires, November 19th 2013

Re. Public Interest extensions and Auctions of Last Resort

Dear Heather, Tracy, Thomas and Peter,

As applicants for gTLDs that are all designed to bring Internet users community-level services, following the NGPC letter to the GAC dated October 29 titled "NGPC Consideration of GAC Category 1 and Category 2 Safeguard Advice", we were surprised to see the Category 2 list the NGPC mention that "ICANN contacted the 186 applicants for strings identified in the GAC's Category 2 safeguard advice" while the Beijing Communiqué specifically stated that the Category 2 list was "non exhaustive" – as was reiterated by the US GAC member during the ICANN 48 meeting.

In light of this, we feel it is important to stress that several TLDs that were not specifically mentioned in the Beijing Communiqué do have great relevance to public interest and as such still create specific expectations for millions of Internet users worldwide.

Yet, several applications for such strings by so-called "Portfolio Applicants" remain "closed generics" and are silent on how they plan to address end-users' expectations based on the meaning of those strings. Examples of such strings that we have identified are, inter alia, .Kids, .Secure, .Pay, .Box, .News, .Shop, .Spot or .Science. These are applications are, for some at least, word-for-word identical from one application to another. They are often in contention with applicants that have a single focus: to bring the string they have applied for to market to serve all Internet users with models that are built upon principles of community service and innovation. Simply put, their ambition is to bring these strings to the Internet and make a significant difference for the general public.

As a result, we wish to reiterate the sentiment expressed to the NGPC by ALAC on their statement of August 9, 2013 (attached for reference): "*applications with demonstrable support, appropriate safeguards and strong emphasis on community service should be accorded preferential treatment in the new gTLD string contention resolution process*". Such public interest Top Level Domains should not simply be awarded to the highest bidder in a so-called "auction of last resort" but considered on their own merits of openness and innovation.

We note that the auction process is a problem in itself, since its parameters are still generally obscure and the destination of the significant funds to be processed as a result of these auctions remains undetermined by ICANN to this day. Also, the auction process currently

appears significantly biased towards Portfolio Applicants, to the detriment of "Niche Applicants". One suggestion for a remedy to this might be to consider that when a Niche Applicant goes up against a Portfolio Applicant at auction, the winning bid is awarded to the losing applicant, rather than ICANN. This might provide added incentive for Portfolio Applicants to enter into positive discussions with Niche Applicants prior to auctions, whereas today that incentive simply does not exist.

We commend the GAC for having already reminded both the ICANN Board and applicants several times that new Top Level Domains would have direct and concrete consequences for citizens. We would suggest that this principle should also be present in deciding who should be managing such Top Level Domains and how they would do so.

Yours sincerely,

Alex Stamos
CTO Artemis Internet Inc
Applicant for **.Secure**

Oleg Serebrennikov
President, DotPay SA
Applicant for **.Pay**

Encl: ALAC statement, August 9, 2013