

NEW 2LDS - Discussion Paper

New Names Advisory Panel

August 2002

Introduction

In May 2002, .au Domain Administration (auDA) called for proposals for the creation of new second level domains (2LDs), to be evaluated by an independent New Names Advisory Panel (the Panel). The Call for Proposals and Terms of Reference for the Panel are available on the auDA website at <http://www.auda.org.au/policy/panel-newname-2002>

A list of proposals received by auDA is at Appendix A.

The role of the Panel is to evaluate the proposals according to the selection criteria set by the auDA Board, as follows:

1. The 2LD must be robust, sustainable and viable. For example, in the case of closed 2LDs there should be a clear, long-term commitment from the body which it is proposed would manage the 2LD.
2. The 2LD should serve the needs of users, or a community of users, that are not well served by the existing 2LDs. For example, a proposal should define the user group and indicate clearly why its needs are not as well served at present as they would be with the proposed 2LD.
3. 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. Strong evidence of this support should be provided (eg. letters of support, the resolution of a governing body, or survey evidence). There should be clear evidence that user community support is broadly representative of that community. Reasonable objections to the creation of the 2LD from the wider community will be taken into account by the Panel during its public consultation.
4. The 2LD should widen the choice of domain names available to users of the Australian DNS. For example, a proposed 2LD that simply duplicates an existing 2LD will generally not be considered to widen the choice of available domain names.

In the course of discussions to date, it has become clear to the Panel that the creation of new 2LDs raises a number of other important issues that are not explicitly mentioned in either the auDA Call for Proposals or the Panel Terms of Reference. However, the Panel believes that they are generally implicit in either or both, and in most cases these issues arise directly from the four main selection criteria established by the auDA Board.

Purpose

The purpose of this discussion paper is to canvas some broad policy issues and seek public comment on them, to assist the Panel to formulate its recommendations about proposals for new 2LDs. Following this public consultation, if necessary, the Panel will request the auDA Board to provide further amplification or clarification of the selection criteria.

The Panel wishes to emphasise that, at this stage of the process, it has not reached any firm conclusions about individual proposals. As part of this consultation, the Panel strongly encourages the proposers of new 2LDs to comment on issues raised in the discussion paper. The Panel would also welcome any additional information from proposers that might address some of the concerns raised in this paper.

The Panel believes that the proposals for geographic 2LDs raise their own set of issues, and has therefore addressed them in a separate discussion paper (see Geographic 2LDs Discussion Paper, August 2002 at <http://www.auda.org.au/policy/panel-newname-2002>).

Definition of "open 2LD" and "closed 2LD"

The Panel has adopted the terminology established by auDA's previous Advisory Panels, which defined an "open 2LD" as one which is basically open to all registrants subject to minimum eligibility criteria, and a "closed 2LD" as one which is reserved for use by a specific community of interest.

In the Panel's view, the most important distinction between open and closed 2LDs is based on control of policy. auDA is the policy authority for open 2LDs, and develops policy through open and consultative processes. Examples of open 2LDs include com.au, net.au, org.au, id.au, and asn.au. Policy for closed 2LDs rests with the managing body, which may or may not use open and consultative processes. Examples of closed 2LDs include edu.au, gov.au, and csiro.au.

Issues for consideration

The majority of proposals received by auDA are for closed 2LDs. Accordingly, the Panel has focused its attention mostly on the policy implications of creating new closed 2LDs. The Panel believes that in adding a number of new closed 2LDs, auDA would be introducing a very major change to the Australian domain name system. Due to flow-on effects, it is not feasible to introduce only one or two new closed 2LDs. In other words, the Panel feels it is an "all or nothing" situation.

In the Panel's opinion, the Australian 2LD structure works well now. Recent changes to domain name allocation policy in the existing 2LDs (introduced on 1 July 2002) have made it easier for registrants to get the domain name they want. Therefore, the Panel believes that the onus is squarely on the proponents of change to demonstrate that the change will bring commensurate benefits to Australian and international Internet users as a whole.

1. Preservation of the overall integrity and usability of the .au domain space

Unlike many other domains, the .au domain is structured into a number of different 2LDs, each with its own purpose and eligibility criteria. For example, com.au and net.au are for commercial purposes, gov.au is for government purposes, id.au is for individuals, and so on. There are two reasons for maintaining this structure:

- it increases the availability of names for registrants (eg. instead of just one smith.au, there can be smith.com.au, smith.net.au, smith.org.au, and so on).
- it enhances the usability of the .au domain by providing an intuitive navigation guide for registrants and users alike (eg. people know that if they're searching for the website of an Australian government body, there's a high likelihood that they will find it in gov.au, rather than com.au or edu.au).

The current 2LDs are generally well-known and understood by registrants and Internet users in general. The Panel wonders how many 2LDs can be created before the usability of the .au domain is undermined? For example, if auDA was to create an additional 10 new 2LDs to sit alongside the existing 8 2LDs, would users start to "lose track" of what the different 2LDs are and what they represent? Or would they lose track at 25 new 2LDs? Or 50? Would the nature of the new 2LDs have an impact on how many new ones could be created? Does the relative position of the .au domain in the context of widely used international gTLDs and de facto gTLDs (like .tv or .bz) mean that there is already considerable complexity undermining the usability of .au?

An additional consideration is the actual name of the 2LD. The Panel believes that "guessability" and "memorability" of domain names is paramount to the overall usability of the DNS. Whilst law.au for legal purposes and med.au for medical purposes are fairly unambiguous, how many people would intuitively know that emb.au is for embassies or aom.au is for adult-oriented material?

The Panel believes it would be useful to look at the experience of other ccTLDs that use a 2LD structure, to see how many and what type of 2LDs they have been able to sustain.

2. DNS hierarchy issues

The existing 2LDs are very broad in nature and accommodate several different types of eligible registrant. For example, within edu.au there are primary and secondary schools, universities, TAFEs and other education and training institutions. Several of the proposed new 2LDs could be viewed as sub-sets of the existing 2LDs, sometimes of more than one. What impact would that have on the existing 2LDs? For example, would the creation of university.au devalue the appeal or utility of edu.au, or threaten the existing 2LD's financial viability? Clearly, a number of the submissions for new 2LDs anticipate substantial benefits for the proponents. A view has been expressed that this, in itself, is insufficient grounds to justify acceptance of a proposal if as result the DNS as a whole is weakened.

If the new 2LDs are not mutually exclusive, instead of widening choice for registrants it might lead to a rash of defensive registrations, especially by trade mark owners and other commercial entities. The Panel notes that experience with the new gTLDs .biz and .info would suggest that many registrants already hold the equivalent .com name and initially redirect to their existing .com website, or initial registrants are domain name speculators hoping to resell popular generic names. The growth of unique websites (ie. not duplicated in other domains) is slow, reflecting the long time taken to get consumer awareness of the new suffixes by companies. It's worth noting however that the existing 2LDs are not mutually exclusive, and experience to date is that most .au registrants are satisfied with a name in one 2LD and do not register the same name in all 2LDs for which they are eligible.

Users of the DNS regard domain names in a hierarchy of significance. For example, there is a perception among Australian businesses that com.au is "better" than net.au, even though both 2LDs have exactly the same purpose and eligibility criteria, and both have the same visibility on the Internet. This apparent duplicity was not planned, but evolved. While these hierarchies overlap, they are also likely to be idiosyncratic and reflect different personal approaches to the ordering of Internet content. The Panel believes that the simpler the 2LD structure, the more likely there is to be a common understanding and appreciation of it. For example, the creation of catholic.au would create a new hierarchy of significance which would parallel or supplant the existing edu.au in the case of schools, and perhaps a proposed med.au in the case of hospitals.

The implication is that entities would need to establish multiple presences in the DNS, or choose which category of 2LD suited them best.

3. Purpose of the DNS

Many people use the DNS as a way of searching the Internet, by typing a likely domain name in their browser until they find what they're looking for. While this might be common practice among Internet users, it should be remembered that the DNS was not designed to operate as an Internet search engine. The technical purpose of the DNS is to resolve domain names to IP addresses. The domain name may give an indication of what the user will find at that IP address, but it is by no means an accurate Internet navigation tool.

Several of the proposals focus on using the new 2LD to enhance the online identity and branding for a particular organisation or industry. The Panel questions whether those aims might be more appropriately achieved by other means, for example by developing and promoting a portal website, improving search engine visibility, or using a common trademark or industry logo across multiple websites.

Before creating a significant number of new 2LDs, the Panel considers it important that some consideration be given to defining appropriate uses of the Australian DNS. In addition to the two functions above – directory-style location, and creation and maintenance of identity – others have also been proposed, such as online authentication or certification of entities. Are there other legitimate purposes that might be accommodated within, or facilitated by, the creation of more 2LDs?

4. Precedent-setting

Although each proposal must be evaluated on its own merits, the Panel believes that it is essential to consider the extent to which the creation of a particular type of 2LD establishes a precedent for similar or analogous 2LDs in future. For example, it could be argued that the creation of catholic.au sets a precedent for the creation of 2LDs for other religions, ethno-religious communities and probably ethnic communities. Would auDA be bound to follow such a precedent? What criteria would auDA use to define what is a "religion" or an "ethnic community"?

Similarly, it could be argued that the creation of law.au and med.au sets a precedent for other professions, while pharmacy.au sets a precedent for other industries. Again, how does auDA determine which professions and industries qualify for their own 2LD? Or whether qualification should be based on industry (an economic grouping) or profession (a personal grouping) or both or neither. Would 100 professional based 2LDs necessarily have a negative impact upon the DNS?

The existing closed 2LDs offer guidance on this point. Only one of the existing closed 2LDs - csiro.au - is for a single organisation. It is widely acknowledged as an historical anomaly. The others - edu.au and gov.au - are for a broader community of interest, which is reflected in their more generic names (edu for education, gov for government). There is a choice of whether to follow this approach in creating new 2LDs, or whether to create a new model. In the Panel's view, this is a highly significant choice that should not be made without a serious consideration of the consequences.

5. Commercial advantage considerations

Closed 2LDs are not directly managed by auDA but by the appropriate peak body for the community of interest. The Panel considers it vital to the long-term viability of a closed 2LD that the peak body has clear, ongoing support from the community of interest. In some proposals, it is not clear whether the proposing body is truly representative of the community of interest. It may be difficult for auDA to identify the correct manager, particularly where there is more than one peak body for the community of interest.

Panel members have raised concerns over the potential for commercial advantage being awarded to a single industry body, in effect allowing them to "corner the market", or in a worst case scenario actually discriminating against other industry bodies (eg. by refusing domain name registrations from members of other associations). Are these concerns justified? It could be said that the situation is analogous to concerns raised by the prospect of the release of generic domain names. Generic names are now being released by auDA, together with any commercial advantage that may attach to them, through a public auction process.

The Panel acknowledges the claim by some proposing bodies that a closed 2LD could be used as a "seal of approval" or quality assurance mechanism for consumers. The Panel sees some benefit in this approach, provided that registrant eligibility criteria is linked to actual professional accreditation as opposed to membership of an industry association.

The Panel questioned whether some of the proposed closed 2LDs might not be more appropriately managed as open 2LDs. If professional accreditation can be objectively verified by commercial registrars (in the same way that they currently verify other open 2LD eligibility criteria, such as registered company name and ACN), why does the 2LD need to be managed by a peak body?

6. User demand

The selection criteria provided by auDA emphasises the need to provide evidence of user demand (registrant and non-registrant). Some proposals indicate a level of commercial demand for the new 2LD, but this does not necessarily translate into user demand. In many cases, a more systematic test of actual demand would be desirable before the Panel could make a clear recommendation. There are difficulties on both sides - how can the proposing body demonstrate the "right" type of demand, and how does the Panel (or auDA) gauge its veracity? What yardsticks might be applied to demonstrate demand or likelihood of extensive use? Is support from 5,000 users sufficient? Or should it be 50,000 users? Support from a peak body is highly relevant to the viability of a new 2LD, but it may not necessarily translate into actual user support when the time comes to migrate to the new domain.

In relation to the above issue, it is also relevant to consider whether entities would be likely to create multiple presences in the DNS, and whether this is desirable for registrants and/or Internet users. A consequence of the creation of new 2LDs is that entities are likely to want or need to be represented in more than one domain – Catholic schools, law firms, pharmacy networks. Multiple representation (eg. in .com and com.au) is already common, especially for larger entities. Clearly, this creates additional costs for users without necessarily creating added value.

The Panel has looked at initial experience with the new gTLDs. Contrary to expectation, they have not proven immediately popular with registrants or users. As with any new product or service, it takes time and resources to achieve recognition and critical mass. Registrants and users, especially in the case of commercial domains, want to be reasonably sure that the 2LD

will suit their purpose before making the investment. For example, it could be argued that until a majority of museums decide to use a .museum domain name (or at least the most well-known museums), the domain will not be a particularly useful addition to the global DNS for both registrants and users alike.

How to make a submission

People who wish to comment on any of the issues raised in this paper should send their submission to:

Ms Jo Lim
Chief Policy Officer
auDA
email: jo.lim@auda.org.au
fax: 03 9349 5711

Electronic submissions are preferred.

All submissions will be posted on the auDA website within 2 working days of receipt.

The closing date for submissions is **Friday 27 September 2002**.

APPENDIX A

NEW 2LD PROPOSALS* May/June 2002

No	Proposed 2LD	2LD Category	Proposed by
1	aom.au	closed	Richard Lim
2	biz.au	open	Michael Pappas
3	catholic.au	closed	Australian Catholic Bishops Conference
4	club.au	closed	Australian National Clubs Association
5	conf.au	open	Mark Tearle
6	emb.au	closed	Anand Kumria
7	info.au	open	Michael Pappas
8	law.au	closed	Law Council of Australia
9	med.au	closed	Anand Kumria
10	pharmacy.au	closed	Pharmacy Guild Of Australia
11	research.au	closed	Australian Vice-Chancellors' Committee
12	retail.au	closed	Australian Retailers Association
13	state/territory.au	geographic	C-Ballarat Ltd And City Of Ballarat
14	state/territory.au	geographic	Stephen Gethin
15	state/territory.au	geographic	One City One Site Working Party
16	uni.au university.au	closed	Australian Vice-Chancellors' Committee
17	various 2LDs	open/closed	David Patterson

* All proposals are available on the auDA website at
<http://www.auda.org.au/policy/panel-newname-2002>