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Joy Liddicoat
Chair
Domain Name Commission Limited
PO Box 11 881
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Dear Joy

Consultation on proposed registration of .nz domain names at the second level (round 2)

Thank you for the opportunity to comment on the Domain Name Commission (DNCL)'s revised proposal to extend the .nz domain name to the second level.

The Association of New Zealand Advertisers (ANZA) represents more than 100 leading advertiser companies and organisations in New Zealand. Our members interests cover most influential industry sectors including, Food and Beverages, Liquor, Therapeutic/Pharmaceutical Products and Services, Finance and Banking, Motor Vehicles, Oil Companies, Personal Care, Toys and Non-Government Organisations (NGO's).

ANZA is grateful that DNCL has considered the submissions made in the initial consultation in 2012 and revised the proposal to address concerns raised at that time.

ANZA remains opposed to the proposal for which the benefits are relatively weak. We believe there is sufficient flexibility in current registration options and while we do recognise that if this was a "clean sheet" exercise, the use of anyname.nz vs. anyname.co.nz would be logical, the reality is the system is what it is. Business owners have invested in third level domain names and the public are familiar with these.

We are concerned that the revised proposal continues to favour future registrants over existing registrants who have invested in the .nz space. The revised proposal does mitigate the protection of brand IP by reserving second-level domain names for an extended period, but in reality this merely moves the point at which businesses will be required to secure second level domain names (often multiples) to protect their brand and corporate IP and legal entities for no apparent benefit.

Further, the change to anyname.nz from anyname.co.nz will come at a cost to business in terms of upgrading communication collateral both on and off-line.

As we have previously submitted, the proposal will create unnecessary confusion for consumers at a time when the risk of phishing scams and similar security issues are growing, as consumers will have less clarity over the credibility of a domain name of, for example, a bank or insurance company. Maintaining the integrity of commercial websites is vitally important to brand-owners. Advertisers in a number of sectors, such as therapeutics and health are concerned that public trust is maintained about their product offerings.

Other advertisers, selling restricted products or those where specific advertising codes are in place must have confidence that their brand credibility is not at risk from third-parties who could use an alternate domain name to denigrate or damage a brand, or allow it to be used for unmoderated user generated content that is inadvertently attributed to the brand owner by the public, damaging brand value.

We remain of the view that there is a financial benefit for DNCL in this proposal, which would be addressed if existing owners had rights to anyname.nz at no extra cost.

In summary, ANZA continues to believe that the current domain name form serves both the public and existing domain name holders very well. The benefits of the proposal are weighted to new domain name applicants limited benefit to the public while risking creating significant confusion or risk of fraud from multiple second-level channels with similar names.

ANZA again thanks DNCL for the opportunity to comment on this proposal. We would welcome the opportunity to discuss these issues with the Commission in greater detail.

Yours sincerely

Lindsay Mouat
Chief Executive