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*Question 1. Should the New Zealand domain name space be extended to allow registration at the second level, for example yourname.nz?*

No

It is our opinion that opening up registrations at the second level presents no significant benefits and instead raises a number of problems. 1) Registrants of existing names may well feel compelled to register new variants of their existing names just to prevent others from doing so. This may well present excellent revenue generating opportunities for InternetNZ and registrars but we don't believe it represents the best interests of registrants or the wider community. 2) Opportunities for phishing are increased in cases where the new variant is not registered. 3) Confusion will surely arise amongst registrants as to what is a registration at the third level and what is a sub-domain relating to a registration at the second level.

*Question 2. Are there any other undertakings that the Domain Name Commission should make while developing/implementing the policy?*

We don't support the opening of the second level for registrations.

*Question 3. Should new second level domains be created to cater for particular interest groups, such as .wine.nz or .sport.nz?*

An existing process exists for the creation of new 2LDs for communities of interest. We see no reason to change this.

*Question 4. Should new moderated second level domains be created to cater for domain names that require special protection, such as .bank.nz?*

As for Question 3 above, an existing process exists for the creation of new 2LDs for specific communities of interest. We see no reason to change this.

*Question 5. Should the registration of some names such as .com.nz or .gov.nz, be prohibited at the second level to minimise potential confusion? What names, if any, should be prohibited?*

Yes

Noting that we do not support the proposal, if it does proceed then registration of a number of names should be prohibited in an attempt to minimize the confusion caused. At a minimum the prohibited list should include any names which might look like legitimate hierarchical names. e.g. gov.nz, com.nz, ltd.nz, inc.nz, plc.nz, me.nz.

*Question 6. Do you agree with the rationale for the Sunrise Period that would enable existing .nz domain name holders first chance to register names at the second level? Why?*

Agree

InternetNZ policies currently protect the rights of registrants. Allowing registrations of domain names at the second level which match those of existing registrants at the third

level whilst providing no ability for the existing registrants to protect their current, often long-standing, investment in their brand can in no way be construed as protecting the rights of registrants. The Sunrise Period addresses this in a well-understood and fair manner.

*Question 7. Who should be allowed to register a domain name at the second level when there are competing registrations at the third level?*

Only an existing registrant of a variant at the third level and then only with the consent of all other existing registrants of that variant.

*Question 8. Assuming only persons with a conflicting third level domain name may apply, how should that conflict be resolved? By consent? Or some other mechanism?*

Consent

On the face of it, consent seems the fairest mechanism. However, we are very concerned that a mechanism of consent could enhance the value of any existing name speculation. Where today, the value of a speculative domain registration at the third level might be small, establishing a process whereby that speculator's consent was needed for a registration by a competing third level domain registrant merely legitimizes the strategy of speculation and is of benefit to no-one except the speculator.

*Question 9. Should the Domain Name Commission consider extending its Dispute Resolution Service for a limited period to cover particular sub-domains when considering whether a name registered at the second level infringes a complainant's rights?*

Yes

*Question 10. Is the approach as outlined in the proposed amended policy in Appendix C appropriate? Why?*

Yes

We believe that it probably as close to an appropriate policy as is possible. However, a clear problem exists which goes to the heart of one of the key downsides of allowing registrations at the second level. A new generic 2LD could be registered and sub-domains then issued and used for a period. A new sub-domain is then issued and a challenge made under the amended Dispute Resolution Policy resulting ultimately in the removal of the domain from the .nz DNS. All other holders/users of sub-domains under that domain would then be negatively affected though no fault of their own, except perhaps ignorance of the lack protection afforded them through not having obtained their sub-domain through an accredited registrar.

*Question 11. Are there any other comments you would like to make relating to this consultation?*

We believe that opening up registrations at the second level is merely inviting trouble. Registrants will be caught out by 'registering' sub-domains rather than domains and will thus have none of the protections currently afforded to registrants through the well administered current environment. Cyber-squatting and domain speculation will be legitimized. Registrants will be left with little option but to incur extra costs to protect their brands. The proposal solves no existing problem and merely creates new ones.

