

The ALAC and At-Large have multiple opinions on whether the removal of Cross-Ownership Restrictions for gTLD Operators will be to the benefit or detriment of users, or in fact, the domain ecosystem. There is, however, a unified position that whatever the environment is, with certain constraints, there should be a level playing field for all gTLD operators.

As such, the ALAC supports the removal of cross-ownership constraints for existing gTLD operators.

However, the ALAC does have one major concern with the proposal. The option for existing gTLD operators to transition to the new gTLD agreement would remove cross-ownership constraints, but it would also have a very significant other effect that has not been the subject of virtually any public discussion. Specifically, it would remove the price caps in the existing agreements, and that is not something that should quietly be slipped in without careful analysis.

That transition would be subject to limits related to competition issues raised by the removal of the cross-ownership restrictions. The document is silent on other results of such a transition, and particularly the removal of price caps on existing operators.

The ALAC does not believe that there is sufficient proof at this time to indicate that the new gTLD environment will so significantly change the gTLD market so that price caps are no longer required for the dominant gTLDs. As such, no change driven by the removal of cross-ownership restrictions should at the same time remove the price caps in the current agreements for dominant gTLDs without substantive community involvement.