Community Comment 2

Public Comment Review Tool

3.4 String Similarity

#	Comment	Contributor	WG Response
1	With regard to string similarity, the GAC Chair wrote to the ccNSO Chair on 28 September 2016 stating that: The GAC thanks the EPSRP Working Group for their assessment and considerations on the overall ICANN policy for the selection of IDN ccTLD strings. The GAC fully supports some of the key points expressed by the working group, in particular: - ccTLD policy is a matter for the local internet communities to determine. - An IDN ccTLD application represents the free choice of a specific linguistic community that has full right to use its language and script in the DNS space. - Where a finding of potential confusability has been made, rather than rejecting the application, the process should allow the applicant to propose mitigation measures and to assess fully the possibility versus probability of any such confusion - Where there is a split recommendation (between upper case and lower case), the finding relating to the lower case shall prevail and the application shall go forward where probability of confusion is low - ICANN must ensure consistency in the evaluation of the IDN strings throughout the TLD space and remedy the current, different approaches that are present in the gTLD and ccTLD space. The GAC has advised the Board to apply these views, and has also advised that: Facilitation of IDN ccTLDs, through the relevant local Internet community, has always been supported by the GAC as a way of making the domian name system more inclusive and accessible. Issues of potential confusability can and should be addressed on a practical and workable basis. (Hyderabad Communique, 2016).	GAC	
2	We believe that the 2007 GNSO Policy establishing that "strings must not be confusingly similar to an existing top-level domain or a Reserved Name" is satisfactory. Nevertheless, there remainlightweight potential improvements to the processes designed in support of these policies.Specifically, the 2012 Round saw several issues related to the handling of gTLD strings spanning the String Similarity Review, String Confusion Objection Process, as well as the systems put in place to help applicants identify potential contention sets and handle reserved names that we believe could be easily addressed in advance of a future application process.	RySG letter **Note: this document was not submitted as part of CC2	

3.4.1 - There was a perception that consistency and predictability of the string similarity evaluation needs to be improved. Do you have examples or evidence of issues? If so, do you have suggested changes to the policy recommendations or implementation that may lead to improvement? For instance, should the standard of string confusion that the evaluation panel used be updated or refined in any way?

#	Comment	Contributor	WG Response
1	NABP points out that string confusion may also arise when two strings are synonyms, even if they are not forms of the same word, eg, doctor and physician. If one of those gTLDs verifies and monitors the eligibility of its registrants, imparting a level of consumer trust in the TLD, and the other gTLD does not, internet users may mistakenly assume that the latter is equally as trustworthy as the former, when it is not. Such a misunderstanding could endanger consumer safety. For this reason, NABP recommends that, where there is a verified TLD in a particular industry sector, any string matching another applied for string or an existing string (including translations thereof) in the same industry sector should have, at a minimum, the same or substantially similar restrictions as the verified TLD.	NABP	
2	INTA recommends that singular and plural versions, and foreign equivalents, of the same type of string be evaluated for string confusion, with the intent that where an applied for string is the singular/plural, or the foreign equivalent, of an existing string the application will not proceed unless the applicant is also the registry operator (or an affiliate) of the prior blocking string. Further, where there are multiple applications for the same term and/or its singular/plural these should be placed into a single contention set. INTA has concerns that allowing further singulars and plurals and foreign equivalents of the same string to coexist at the top level will expose the Internet community to potential abuse, consumer confusion, and the need for additional defensive registrations. Applicants may feel compelled to apply for additional strings, thereby unnecessarily increasing the cost for TLDs, complicating the launch process for Applicants, and crowding the root zone with largely unused or unwanted TLDs. INTA encourages that a review of the string similarity reviews be conducted. Additional time needs to be allowed for possible objections between the String Similarity Review, and the deadline to file a String Confusion Objection. In the First Round, only 2 weeks were allowed for parties to consider filing a String Confusion Objection based on the results of the String Similarity Review. INTA recommends exploring additional ways of tolling the deadline (e.g., tolling the deadline to file a String Confusion Objection by 30 days from the issuance of a decision in a String Similarity Review).	INTA	
3	(Examples are described above, in response to 3.1.4) The BC has consistently stated that the plural of a TLD term is "confusingly similar" to the singular of that term. The string similarity panels making the decisions did not apply consistent analysis and the mixed results were an embarrassing mistake in the expansion of new gTLDs. The default rule should be that the singular and plural of the same term, in the same language and script, should be **presumed** to be sufficiently similar so to be placed in the same contention set. This would be a rebuttable presumption that could be appealed by applicants.	BC	
4	The BRG concurs with the RySG comments: Singular/Plural As stated in more detail in the recommendation provided in response to Section 3.4.3, the scope of the String Similarity Review should be broadened to encompass single/plurals of TLDs on a per-language basis in addition to the existing visual similarity standard. Eliminate the Sword Tool There was little correlation between the Sword Results and the actual outcomes of the String Similarity Review and String Confusion Objection Process and, thus, that the tool was more misleading to applicants than helpful. Further, it appeared that the scores produced by the Sword Tool were changed partway through the application process, resulting in further confusion to applicants. We recommend that ICANN do away with the Sword Tool that was presented to applicants as part of the 2012 Round.	BRG	
5	Afilias concurs with the opinions of the RySG and defers to that response.	Afilias	
6	Singular/Plural As stated in more detail in the recommendation provided in response to Section 3.4.3, the scope of the String Similarity Review should be broadened to encompass single/plurals of TLDs on a per-language basis in addition to the existing visual similarity standard. Eliminate the Sword Tool There was little correlation between the Sword Results and the actual outcomes of the String Similarity Review and String Confusion Objection Process and, thus, that the tool was more misleading to applicants than helpful. Further, it appeared that the scores produced by the Sword Tool were changed partway through the application process, resulting in further confusion to applicants. We recommend that ICANN do away with the Sword Tool that was presented to applicants as part of the 2012 Round.	RySG	
7	As noted above, singular/plural needs to be considered and mitigation policies should be a factor as well. See response to 3.1.1.	ALAC	

8	String evaluation should be consistent and effective in avoiding confusion and loss of confidence in the DNS with the eventual delegation of strings similar to existing TLDs or reserved names. Therefore the adoption of efficient and fair resolution mechanisms is key. Last but not least, there should be longer periods for applicants to submit String Confusion Objections based on the String Similarity Review given the possibility of receiving delayed reviews caused by unique factors such as the high volume of unique strings.	NCSG	
9	String Confusion Objections Issue: During the 2012 Round, the String Confusion Objection process resulted in indirect contention situations for identical strings proposing similar use cases. For example, in one objection determination, the strings .car/.cars were determined to be confusingly similar, while in another they were determined to not be confusingly similar. This resulted in a situation where the ability or inability for the two strings to coexist depended on which party prevailed at auction. This outcome was seen as inconsistent by many in the community (both objectors and respondents) and saw late stage intervention by the ICANN board to introduce a limited appeals process. The appeals process was only made available to the applicants who were placed in contention, and not to the party filing the objection. Recommendation: We believe that these could be largely avoided by allowing a single String Confusion Objection to be filed against all applicants for a particular string, rather than requiring a unique objection to be filed against each application. We propose the following guidelines: ● An objector could file a single objection that would extend to all applications for an identical string. ● Given that an objection that encompassed several applications would still require greater work to process and review, the string confusion panel could introduce a tiered pricing structure for these sets. ● Each applicant for that identical string would still prepare a response to the objection. ● The same panel would review all documentation associated with the objection. ● Each response would be reviewed on its own merits to determine whether it was confusingly similar. ● The panel would issue a single determination that identified which applications would be in contention. Any outcome that resulted in an indirect contention would be explained as part of the panel's response. ● A limited appeals process (as described above) would be available to both the objectors and the respondents to handle any perceived inconsistencies. Eliminate the Sword Tool Issue: There was little correlation between the Sword Results and the actual outcomes of the String Similarity Review and String Confusion Objection Process and, thus, that the tool was more misleading to applicants than helpful. Further, it appeared that the scores produced by the Sword Tool were changed partway through the application process, resulting in further confusion to applicants. Recommendation: We recommend that ICANN do away with the Sword Tool that was presented to applicants as part of the 2012 Round.	RySG letter **Note: this document was not submitted as part of CC2	
	3.4.2 - Should the approach for string similarity in gTLDs be harmonized with the way in which they are handled in ccTLDs (ccNSO IDN ccTLD Fast Track Process is described here: https://www.icann.org/resources/pages/fast-track-2012-02-25-en)?		

See SAC060: SSAC Comment on Examining the User Experience Implications of Active Variant TLDs Report (23 July 2013) at: https://www.icann.org/en/groups/ssac/documents/sac-060-en.pdf
Board Advice Status: CLOSED: 1,5,6,7,10,11,12,13,14; OPEN - IN IMPLEMENTATION 2,3,4,8,9
See Board Advice Status Report and Definitions at: https://www.icann.org/en/system/files/files/board-advice-status-report-pdf-30apr17-en.pdf and https://features.icann.org/board-advice
Recommendation 1: The root zone must use one and only one set of Label Generation Rules (LGR).
Recommendation 2: ICANN must maintain a secure, stable and objective process to resolve cases where some members of the community (e.g., an applicant for a TLD) do not agree with the result of the LGR calculations.
Recommendation 3: ICANN should concentrate foremost on the rules for the root zone.
Recommendation 4: ICANN should coordinate and encourage adoption of these rules at the second and higher levels as a starting point by:
• Updating the IDN Implementation Guidelines and recognizing that a modified version of these rules or a review or appeals process must be required to address special cases for the first and second levels;
• Maintaining and publishing a central repository of rules for second level domains (2LD) for all Top Level Domains (TLDs), encouraging TLD operators to publish their LGRs publicly in the repository maintained by ICANN; and
• Conducting specific training and outreach sessions in cooperation with generic TLD (gTLD) and country code TLD (ccTLD) operators who intend to launch Internationalized Domain Name (IDN) 2LDs or IDN TLDs, with a focus on consistency of user experience. The outreach should include among others registrants, end users and application developers.
Recommendation 5: Be very conservative on code points allowed in the root zone.
Recommendation 6: Because the implications of removing delegations from the root zone can have significant non-local impact, new rules added to LGR must, as far as possible, be backward compatible so that new versions of the LGR do not produce incompatible results with historical (existent) activations.
Recommendation 7: Should ICANN decide to implement safeguards, it should seek to distinguish two types of failure modes when a user expects a variant to work, but it is not implemented: denial of service versus misconnection.
Recommendation 8: A process should be developed to activate variants from allocable variants in LGR.
Recommendation 9: ICANN must ensure Emergency Back-End Registry Operator (EBERO) providers support variant TLDs, and that parity exists for variant support in all relevant systems and functions associated with new TLD components.
Recommendation 10: In the current design of rights protection related to the Trademark Clearinghouse (TMCH) process there is a risk of homographic attacks. The roles of the involved parties, specifically registrars, registries and TMCH, related to matching must be made clear.
Recommendation 11: When registries calculate variant sets for use in validation during registrations, such calculations must be done against all the implemented LGRs covering that script in which the label is applied for.
Recommendation 12: The matching algorithm for TMCH must be improved.
Recommendation 13: The TMCH must add support for IDN variant TLDs. Particularly during the TM Claims service a name registered under a TLD that has allocated variant TLDs should trigger trademark holder notifications for the registration of the name in all its allocated variant TLDs.
Recommendation 14: ICANN should ensure that the number of strings that are activated is conservative.

See SAC084: SSAC Comments on Guidelines for the Extended Process Similarity Review Panel for the IDN ccTLD Fast Track Process (31 August 2016) at: https://www.icann.org/en/system/files/files/sac-084-en.pdf
Board Advice Status: OPEN – UNDER REVIEW
See Board Advice Status Report and Definitions at: https://www.icann.org/en/system/files/files/board-advice-status-report-pdf-30apr17-en.pdf and https://features.icann.org/boardadvice Introduction: The Security and Stability Advisory Committee (SSAC) provides this brief comment on the "Proposed Guidelines for the Extended Process Similarity Review Panel (EPSRP) for the Internationalized Domain Name (IDN) country code Top Level Domain (ccTLD) Fast Track Process" and the related "Draft observations and recommendations of the country code Names Supporting Organization (ccNSO) Working Group on the EPSRP review."

The SSAC is aware of multiple issues with Internet Corporation for Assigned Names and Numbers (ICANN's) current collection of plans for handling IDNs in the Domain Name System (DNS) tree close to the root and will address them separately. This comment focuses specifically on the EPSRP, and some very basic issues that have been exposed in a review of these proposed guidelines.

The primary goal appears to be swift approval of whatever string is proposed by an applicant, rather than conservative evaluation of the security and stability consequences to the global DNS root and its users—not just the applicant's national or linguistic community—of approving the string as a top-level domain name label. The SSAC finds this to be diametrically opposed to ICANN's mission to "facilitate the openness, interoperability, resilience, security and stability of the DNS."

Design Principles: Request for Comment (RFC) 6912, "Principles for Unicode Code Point Inclusion in Labels in the DNS," describes "... a set of principles that can be used to guide the decision of whether a Unicode code point may be wisely included in the repertoire of permissible code points in a U-label in a zone." The SSAC believes that some of these principles, as restated below, also apply to decisions concerning the inclusion of IDN labels in the root zone:

● Conservatism Principle: Because the root zone of the global DNS is a shared resource, the decision to add a label to the root should be governed by a conservative bias in favor of minimizing the risk to users (regardless of the language or script they are using and whether the label will be a gTLD or a ccTLD) and minimizing the potential for the need to make decisions that later must be changed or overridden in painful or incompatible ways. In order to minimize risk, doubts should always be resolved in favor of rejecting a label for inclusion rather than in favor of including it.
● Inclusion Principle: A TLD label should be added to the root zone only if it is known to be "safe" in terms of usability and confusability. This is particularly important for labels whose form as normally presented to a user contains non-ASCII characters because the number and kinds of possibilities for usability and confusability problems is much greater.
● Stability Principle: The list of permitted labels in the root zone should change at a rate that does not negatively impact the stability of the root of the DNS, and usually only in the direction of permitting an addition as time and experience indicate that inclusion of such a TLD label is both safe and consistent with these principles.

These principles have been reflected in ICANN IDN guidelines that have been in place for more than a decade, in past SSAC advisories on IDNs, in input documents to ICANN's Root Zone Label Generation Rules (LGRs), and as overall principles for the IDN ccNSO Policy Development Process. The conservatism principle was also a cornerstone to the IDN ccTLD Fast Track Process. Adherence to these principles is critical for the continued interoperability and stability of the DNS root zone and deviation would increase the risk of root zone instability.

Findings: The SSAC finds that the observation document's focus on detailed timelines and a series of process driven steps to make judgements on the confusability of a string is not feasible. Tight deadlines and turnaround times for various steps of the process disregard the complexities involved in the evaluation of labels in scripts that may require extensive study and analysis prior to any conclusions being reached.

The primary goal appears to be swift approval of whatever string is proposed by an applicant, rather than conservative evaluation of the security and stability consequences to the global DNS root and its users—not just the applicant's national or linguistic community—of approving the string as a top-level domain name label. The SSAC finds this to be diametrically opposed to ICANN's mission to "facilitate the openness, interoperability, resilience, security and stability of the DNS."

Recommendation: The SSAC recommends that the ICANN Board not accept the proposed guidelines for the EPSRP, as those

2	Harmonisation of approach would be ideal, perhaps an opportunity to work on policy between the ccNSO and GNSO.	Nominet	
3	Afilias concurs with the opinions of the RySG and defers to that response.	Afilias	
4	The RySG has not reviewed the ccTLD Fast Track Process for the purpose of this comment.	RySG	
5	Yes. See response to 3.1.1.	ALAC	
3.4.3 - The WG and the wider community have raised concerns specifically related to singles and plurals of the same word. Do you have suggestions on how to develop guidance on singles and plurals that will lead to predictable outcomes? Would providing for more predictability of outcomes unfairly prejudice the rights of applicants or others?			
1	It is the opinion of NABP that the singular and plural forms of the same word (including translations thereof) should not be allowed to coexist in the domain name system to avoid confusion resulting from such similar strings. Applications for single/plural variations of the same string should be placed in a contention set, and applications for a single/plural variation of an existing string should not be accepted. Allowing plural or singular versions of strings, in the next round, that have already been delegated would severely reduce the value of the existing TLD and erode the trust of consumers. The avoidance of such confusingly similar strings is especially important when an existing string represents a verified gTLD, such as .pharmacy, with policies in place to ensure the eligibility of registrants to buy and maintain domains within the gTLD. A plural version of the same string, eg, .pharmacies, would confuse consumers. Such confusion could be dangerous if the existing string is a verified TLD, imparting a level of consumer trust, and the new one is not. Consumers may mistakenly believe that the new string is as trustworthy as the original when it is not.	NABP	
2	Please see response in 3.4.1.	INTA	
3	It is the opinion of the Consortium that the singular and plural forms of the same word, in the same language, should not be permitted to be approved in subsequent procedures for new gTLDs to avoid confusion resulting from such similar strings. Applications for singular/plural variations of the same string should be placed in a contention set, and applications for single/plural variations of an existing string should not be accepted. The Consortium recommends, at a minimum, that ICANN define the term "confusingly similar." It is difficult to understand how singular and plural strings are not confusingly similar. In addition, the Consortium encourages learning from the experiences of the 2012 round relating to providing clarity and predictability with regards to dispute and contention sets. Allowing plural or singular versions of strings in the next round that have already been delegated would severely reduce the value of the existing gTLDs, erode the trust of consumers, and may expose ICANN to litigation.	vTLD Consortium	
4	The BRG concurs with the RySG comments: We believe that in subsequent application procedures the string similarity process should be updated to consolidate single-plural pairs by default. The String Similarity Review played a limited role in the 2012 Round. Of the 1,400 unique applications submitted and the 232 contention sets formed, only two contention sets were identified by way of this review: .hotels and .hoteis and .unicorn and .unicom. Many applicants and community members expected the String Similarity Review to identify a broader set of contentions and weed out potential instances of user confusion, particularly with respect to applications for single and plural string pairs. This is evidenced in the fact that no applicant applied for both the single and plural variant of a particular string, as well as in the number of String Confusion Objections filed to address single and plural string pairs. The scope of the String Similarity Review should be broadened to encompass single/plurals of TLDs on a per-language basis in addition to the existing visual similarity standard. Contention sets would be formed on a per-language basis. A dictionary should be the tool used to determine the singular and/or plural version of the string for the specific language. In this expanded process, applications for single/plural variations of each string would be placed in a contention set and applications for a single/plural variations of an existing string would not be permitted. By way of example, if applications were submitted for the strings .gâteau, .gâteaux, .cake, and .cakes, then the strings .gâteau and .gâteux (French) would be placed in contention with one another, but not with the corresponding translations .cake and .cakes (English), which would comprise a separate contention set. Additional contention sets could continue to be formed through the String Confusion Objection Process.	BRG	
5	Afilias concurs with the opinions of the RySG and defers to that response.	Afilias	
6	Singular and plural versions of the same domain name extension should be prohibited in the next round of the ICANN new gTLd program: they confuse end users and increase the level of threat for trademarks.	Jean Guillon	
7	**Apply a clearer standard for string similarity determinations.** We support several of the recommendations made by the RySG to bring greater clarity and rigor to the String Similarity Review Process including eliminating the SWORD tool and consolidating single-plural pairs as part of the String Similarity Review process, including the recommendations for how consolidation could occur. We continue to believe that consolidation of single-plural pairs would generally decrease the probability of user confusion. However, in the event that the Working Group adopted this approach, we would recommend that a process be introduced to review exceptions wherein the single and plurals strings were likely to evoke different meanings for users. By way of example, a hypothetical .cats TLD that was devoted to videos and other content about the household pet could potentially be differentiated from the existing .cat TLD, which is used to highlight Catalan language and culture. The process could rely upon market research on the user expectations and the likelihood of confusion to determine whether exceptions should be granted.	Google	
8	We believe that in subsequent application procedures the string similarity process should be updated to consolidate single-plural pairs by default. The String Similarity Review played a limited role in the 2012 Round. Of the 1,400 unique applications submitted and the 232 contention sets formed, only two contention sets were identified by way of this review: .hotels and .hoteis and .unicorn and .unicom. Many applicants and community members expected the String Similarity Review to identify a broader set of contentions and weed out potential instances of user confusion, particularly with respect to applications for single and plural string pairs. This is evidenced in the fact that no applicant applied for both the single and plural variant of a particular string, as well as in the number of String Confusion Objections filed to address single and plural string pairs. The scope of the String Similarity Review should be broadened to encompass single/plurals of TLDs on a per-language basis in addition to the existing visual similarity standard. Contention sets would be formed on a per-language basis. A dictionary should be the tool used to determine the singular and/or plural version of the string for the specific language. In this expanded process, applications for single/plural variations of each string would be placed in a contention set and applications for a single/plural variations of an existing string would not be permitted. By way of example, if applications were submitted for the strings .gâteau, .gâteaux, .cake, and .cakes, then the strings .gâteau and .gâteux (French) would be placed in contention with one another, but not with the corresponding translations .cake and .cakes (English), which would comprise a separate contention set. Additional contention sets could continue to be formed through the String Confusion Objection Process.	RySG	
9	See response to 3.1.1. Additional criteria could impact some applications but user confusion must be considered as a higher priority. Mitigation could lessen any negative impact on applications.	ALAC	
10	We support the proposal put forward by the RySG.	Valideus	

11	Consolidate single-plural pairs into a contention set through the String Similarity Review Issue: The String Similarity Review played a limited role in the 2012 Round. Of the 1,400 unique applications submitted and the 232 contention sets formed, only two contention sets were identified by way of this review: .hotels and .hoteis and .unicorn and .unicom. Many applicants and community members expected the String Similarity Review to identify a broader set of contentions and weed out potential instances of user confusion, particularly with respect to applications for single and plural string pairs. This is evidenced in the fact that no applicant applied for both the single and plural variant of a particular string, as well as in the number of String Confusion Objections filed to address single and plural string pairs. Recommendation: The scope of the String Similarity Review should be broadened to encompass single/plurals of TLDs on a per-language basis in addition to the existing visual similarity standard. Contention sets would be formed on a per-language basis. A dictionary should be the tool used to determine the singular and/or plural version of the string for the specific language. In this expanded process, applications for single/plural variations of each string would be placed in a contention set and applications for a single/plural variations of an existing string would not be permitted. By way of example, if applications were submitted for the strings .gâteau, .gâteaux, .cake, and .cakes, then the strings .gâteau and .gâteux (French) would be placed in contention with one another, but not with the corresponding translations .cake and .cakes (English), which would comprise a separate contention set. Additional contention sets could continue to be formed through the String Confusion Objection Process.	RySG letter **Note: this document was not submitted as part of CC2	

3.4.4 - Do you believe that there should be some sort of mechanism to allow for a change of applied-for TLD when it is determined to be in contention with one or more other strings? If so, do you have suggestions on a workable mechanism?

1	The BRG concurs with the RySG comments: In the event ICANN accepts fees for applications of an allowable string at time of application but later restricts the string from being able to achieve delegation through no fault of the applicant, ICANN should consider a mechanism to allow the applicant to change the originally applied-for string (examples from the 2012 round include but not limited to .HOME, .MAIL and .CORP). We do not support the ability of an applicant to change the applied-for TLD simply due to the fact that it is in contention with another applicant.	BRG	
2	Afilias concurs with the opinions of the RySG and defers to that response.	Afilias	
3	**Provide options for registries that apply for strings that are subsequently determined to be ineligible at the outset of the application process.** ICANN or the Working Group should establish at the outset what happens when an applicant applies for a string that is subsequently determined to be ineligible or indefinitely blocked from delegation. These affected applicants should be presented the option of having their full application fees refunded. The failure to consider how "ineligible" strings would be handled as part of the 2012 Round has left several applicants for the .home, .mail, and .corp TLDs in limbo, with no clear path toward resolution nearly five years from the closure of the application window. [Comment may be applicable to Name Collisions or other areas]	Google	
4	In the event ICANN accepts fees for applications of an allowable string at time of application but later restricts the string from being able to achieve delegation through no fault of the applicant, ICANN should consider a mechanism to allow the applicant to change the originally applied-for string (examples from the 2012 round include but not limited to .HOME, .MAIL and .CORP). We do not support the ability of an applicant to change the applied-for TLD simply due to the fact that it is in contention with another applicant.	RySG	
5	No.	ALAC	
6	ICANN should explore the possibility of providing applicants – at an additional cost – with the option of naming an alternative string at the time of the application, which must be in a related sector to the primary applied-for string. If the primary applied-for string is in contention with another application, the applicant may elect to proceed with the alternative string. This would help to reduce cases of contention.	Valideus	

3.4.5 - Do you feel that the contention resolution mechanisms from the 2012 round (i.e., CPE and last- resort auctions) met the needs of the community in a sufficient manner? Please explain.

1	We believe that CPE and last resort auctions are generally a reasonable approach for contention resolution.	BRG	
2	Afilias concurs with the opinions of the RySG and defers to that response.	Afilias	
3	We believe that CPE and last resort auctions are generally a reasonable approach for contention resolution. As previously noted, however, we believe that CPE as a decontention process could benefit from the introduction of models that were not all or nothing. We would not support replacement of these mechanisms with a decontention process that was based upon speculative evaluation of the applications in question.	RySG	
4	Yes.	ALAC	

3.4.6 – Do you believe that private auctions (i.e., NOT the auctions of last resort provided by ICANN) resulted in any harm? Could they lead to speculative applications seeking to participate in a private auction in future application processes? Should they be allowed or otherwise restricted in the future?

1	The business model of losing private auctions was extremely profitable for some entities. That is widely known. As a result, we can expect to see applications submitted in future procedures that attempt to replicate this behavior. The only value of private auctions may have been it ended some contention sets. That's it.	Jim Prendergast	
2	Afilias concurs with the opinions of the RySG and defers to that response.	Afilias	
3	We believe that there was likely some applications that engaged in speculation as part of auction or other private settlement arrangements, and that this trend will likely continue in future rounds, particularly now that the scale of interest is better-known. However, we believe that this does not justify a prohibition on applicants arriving at private settlements and that these types of prohibitions are, generally, outside scope for the Working Group. We welcome further consideration of other mechanisms to address potential speculative applications that are more narrowly tailored and do not unduly prevent registry operators' private commercial agreements with respect to their commercial assets.	RySG	
4	Yes, private auctions could lead to speculative applications. They should not be allowed.	ALAC	