

Ticket ID: R2B8T-8S5N0
Registry Name: VeriSign, Inc, gTLD: .COM, .NET, .NAME
Status: ICANN Review

Status Date: 2010-04-05 09:18:12 Print Date: 2010-04-05 09:18:20

Proposed Service

Name of Proposed Service:

Domain Exchange - .NET

Technical description of Proposed Service:

Background:

Based on ongoing discussions with registrars who represent diverse business models and market segments, VeriSign has developed the concept for the Domain Name Exchange Service to allow a registrar to repurpose a domain name registration that has significant time remaining until expiration.

Today when a registrant terminates a package of services from a registrar after, for example, an introductory 1 or 3 month period, the registrar is forced to recoup the investment in the associated domain via monetization or the secondary market. The domain exchange will allow a registrar to offer another registrant a package that sits on top of that same registration using a new domain. Essentially, the domain exchange allows for a modification of a registration to include the second-level domain.

The Domain Name Exchange Service is an optional service that is designed to provide registrars and registrants with an effective and efficient way to manage domain name registration terms for domain names that are no longer needed.

By allowing exchanges of domain names, the service will expand consumer and registrar choice by allowing registrars to offer new and innovative services.

Consultation

Please describe with specificity your consultations with the community, experts and or others. What were the quantity, nature and content of the consultations?:



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a. If the registry is a sponsored TLD, what were the nature and content of these consultations with the sponsored TLD community?:

Not applicable.

b. Were consultations with gTLD registrars or the registrar constituency appropriate? Which registrars were consulted? What were the nature and content of the consultation?:

VeriSign developed the concept for the Domain Name Exchange Service based on discussions with registrars who represent diverse business models and market segments. VeriSign also discussed the concept with the Registrar constituency prior to the submission of this proposed service. VeriSign received positive feedback from these discussions. VeriSign also received feedback from certain registrars indicating that they would not use this service.

c. Were consultations with other constituency groups appropriate? Which groups were consulted? What were the nature and content of these consultations?:

VeriSign discussed this concept with members of the Intellectual Property constituency. The nature of these discussions has been to describe the service concept.

d. Were consultations with end users appropriate? Which groups were consulted? What were the nature and content of these consultations?:

Since the proposed service does not change the behavior, performance or understanding of a domain name, those discussions are not applicable.

e. Who would endorse the introduction of this service? What were the nature and content of these consultations?:

Registrars who have business models whereby packaged services are offered on a frequency less than an annual term are expected to endorse the Domain Name Exchange Service. In addition, registrars who may not have an immediate application



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for their current business may find new applications that would benefit their operations and, therefore, are expected to endorse the introduction of the Domain Name Exchange Service.

f. Who would object the introduction of this service? What were(or would be) the nature and content of these consultations?:

Some members of the Intellectual Property constituency and certain registrars whose primary business is brand management have raised concerns similar to those raised in the development of policy concerning the use of the Add Grace Period ("AGP").

To address those issues the Domain Name Exchange Service will:

- ? Allow domain names to be exchanged no sooner than thirty (30) days following initial registration or a prior exchange
- ? Not allow a grace period following an exchange.
- ? Publish a report that lists the domain names exchanged as part of a registration.
- ? Create a WHOIS/WHOWAS record for all domain names exchanged under the Domain Name Exchange Service.
- ? Deploy the WHOWAS Service that was approved by ICANN on July 16, 2009 that will further increase transparency by providing (i) domain name registration history; and (ii) domain name exchange activity.

Timeline

Please describe the timeline for implementation of the proposed new registry service:

VeriSign intends to implement the Domain Name Exchange Service in a measured and incremental process within 180 days of RSEP approval. During this time period, VeriSign would provide registrars with:

- o Service description documentation;
- o Technical implementation documentation;
- o Production deployment notification; and
- o Ability to test registrar systems in VeriSign's Operational Test and Evaluation environment prior to the deployment into production

Business Description



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Describe how the Proposed Service will be offered:

VeriSign will offer the Domain Name Exchange Service to all .ICANN accredited -registrars in good standing for the .net top level domain. In order to complete a Domain Name Exchange:

- ? Registrars shall process the transaction through their connections to the Shared Registration System ("SRS") via the Extensible Provisioning Protocol ("EPP").
- ? Registrars will provide the registry with the necessary data to process the exchange, including the outgoing domain name and the incoming domain name. This transaction will be processed as a modification or update to an existing registration
- ? The registry will validate that the exchange meets the following criteria:
- o Registrar must be the registrar-of-record for the outgoing domain name;
- o The outgoing and incoming domain name must be within the same Top Level Domain;
- o The outgoing domain name must have been registered for a minimum of 30 calendar days;
- o The outgoing domain has not been exchanged within the previous 30 calendar days; and
- o The incoming domain name must be available.
- ? When an exchange transaction has passed validation, the registry will execute the exchange by updating the registry database:
- o The registry will modify the domain name for the specified registration by deleting the outgoing registration and inserting the incoming domain name;
- o The outgoing domain name will have a pending delete status and be returned to the available pool following expiration of the pending delete period;
- o The incoming domain name will "inherit" all attributes of the registration including create date, expiration date, name servers, and statuses. Therefore, there is no Add Grace Period for incoming domain name; and
- o The incoming domain name will only be eligible for subsequent exchange after 30 calendar days.
- ? The registry will return a successful response through the EPP Interface.
- ? The registrar's account balance will be debited the exchange fee at the time of the initial exchange occurring within a one year term based upon initial registration date.
- ? The registry will propagate the change in DNS and Whois.

Registrars who wish to implement the optional Domain Name Exchange Service must update their EPP implementation and add the Domain Name Exchange Service operations required to provision the service. Registrars may also have to integrate their customer-facing website and internal systems in order to meet the needs of their services which will integrate and utilize the Domain Name Exchange Service capabilities.

The Domain Name Exchange Service will be an optional, value-add service. If a registrar chooses not to implement the Domain Name Exchange Service, then no modifications will be required.



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Describe quality assurance plan or testing of Proposed Service:

VeriSign has demonstrated the ability to deliver scalable and reliable registry services. The rigorous development processes, extensive suite of quality assurance tests, and performance testing will be applied to maintain the functionality, data integrity and data accuracy of the Service.

Testing the Domain Name Exchange service will include the internal testing of the SRS, zone generation, DNS and Whois that are part of VeriSign's software development lifecycle process. VeriSign has also considered implementation of an initial beta phase that would be open to all registrars.

Please list any relevant RFCs or White Papers on the proposed service and explain how those papers are relevant.:

Not Applicable.

Contractual Provisions

List the relevant contractual provisions impacted by the Proposed Service:

No contract provisions will be impacted.

What effect, if any, will the Proposed Service have on the reporting of data to ICANN:

None.

What effect, if any, will the Proposed Service have on the Whois?:



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None.

The Domain Name Exchange Service will not require changes to the registry Whois service. When a registration exchange is completed, the outgoing name will be removed from Whois and the incoming name will be added to Whois. Therefore, Whois will reflect the updated Domain Name and the Update Date will reflect the date of the exchange while all registration data will remain unchanged, subject to any other modifications processed by the registrar.

In addition to Whois, VeriSign will maintain an exchange history capability based on the registration identification tag in order to list the domain names and exchange dates for the domain names that have been active within a registration. This capability is intended to provide registrars, intellectual property constituents and others with an authoritative source of domain names that were in use during a registration term.

Contract Amendments

Please describe or provide the necessary contractual amendments for the proposed service:

No contract amendments will be required.

Benefits of Service

Describe the benefits of the Proposed Service:

The Domain Name Exchange Service would enable registrars to offer new services, more efficiently manage and service their existing customers, and alleviate issues such as registrant cancelation of hosting/value added packages and services prior to expiration of the domain name registration term.

Competition

Do you believe your proposed new Registry Service would have any positive or negative effects on competition? If so, please explain.:

The Domain Name Exchange Service would have no negative effects on competition. To the contrary, VeriSign believes that



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this service will have a positive effect on competition by allowing registrars to market a new, innovative service related to domain name registrations, better enabling registrars to differentiate their services and compete more effectively, and give consumers more choices.

How would you define the markets in which your proposed Registry Service would compete?:

The market for the Domain Name Exchange Service is the registrar community and their customers.

What companies/entities provide services or products that are similar in substance or effect to your proposed Registry Service?:

Other gTLD registry operators may choose to offer a similar service.

In view of your status as a registry operator, would the introduction of your proposed Registry Service potentially impair the ability of other companies/entities that provide similar products or services to compete?:

No. The Domain Name Exchange Service will be available to all .net ICANN-accredited registrars. Registrars may continue to develop their own service which is similar to the Domain Name Exchange Service.

In addition, other gTLD registry operators may choose to offer a similar service.

Do you propose to work with a vendor or contractor to provide the proposed Registry Service? If so, what is the name of the vendor/contractor, and describe the nature of the services the vendor/contractor would provide.:

No.

Have you communicated with any of the entities whose products or services might be affected by the introduction of your proposed Registry Service? If so, please describe the communications.:



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Not applicable

Do you have any documents that address the possible effects on competition of your proposed Registry Service? If so, please submit them with your application. (ICANN will keep the documents confidential).:

VeriSign has no additional documents to submit.

Security and Stability

Does the proposed service alter the storage and input of Registry Data?:

No. There is no material impact to the data storage requirements. The requirements for input of registry data will be defined within the technical specification documents that will be provided to registrars.

Please explain how the proposed service will affect the throughput, response time, consistency or coherence of reponses to Internet servers or end systems:

The Domain Name Exchange Service will have no impact on throughput, response time, consistency or coherence of the responses to Internet servers or end systems.

Have technical concerns been raised about the proposed service, and if so, how do you intend to address those concerns?:

No technical concerns have been raised.

Other Issues

Are there any Intellectual Property considerations raised by the Proposed Service:



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Does the proposed service contain intellectual property exclusive to your qTLD registry?:

(1) Trademark or similar rights may exist or arise with respect to trade names or terminology used in connection with the proposed Service. (2) Copyright protection may exist or arise in connection with code written or materials created in connection with the proposed service. (3) Certain information or processes related to the service may be confidential to VeriSign and/or subject to trade secret protection. (4) VeriSign is not aware of the issuance of any patents by any party with respect to the service.

List Disclaimers provided to potential customers regarding the Proposed Service:

VeriSign intends to include certain industry standard disclaimers, such as a disclaimer of all warranties, in the service agreement.

Any other relevant information to include with this request:

None