

# Overarching Themes of Registry Position

- Registries welcome competition incl. registrars becoming registries.
- Continue longstanding, beneficial and proven policy.
- Policy has applied to backend registry service providers as an implementation matter.
- Address loopholes currently in existing language, but not exploited by existing registries; this will prevent gaming.

# Registry Position

- **Neither Registries, back-end registry operators nor their affiliates should distribute domain names in their TLDs.**
- **Exception for Single Registrant TLDs (as outlined in CRA Report).**
- **Possible Exception for Community-based TLDs if so desired by ICANN community.**

# Risks of Vertical Integration

- Integrated registry/registrar provides incentive to discriminate against unaffiliated registrars (See Register.com's comments to DAG v. 1)
- Integrated registry/registrar provides incentives and data to engage in "insider trading"
- Registrar gets access to sensitive registry data regarding lookups and traffic that increases risk of abuse and increased domain name prices
- Harms to consumers not analyzed by ICANN economist
- Compliance and enforcement not sufficiently analyzed to prevent harms to registrants

# Forward Path

- CRA Report recommended that ICANN proceed cautiously and identified two narrow “carve out” models for initial experimentation.
- Proposal from Network Solutions with 100,000 registration allowance reverses policy and goes beyond CRA report.
- Without adequate analysis of benefits and *harms*, ICANN should maintain policy and follow CRA recommendations.