**Title of Effort:** PDP – AGP (Add Grace Period) Limits Policy (also known as Domain Tasting)

**Start & End Dates:**  MAY 2007 – DEC 2009

**Link to Effort:** <http://gnso.icann.org/en/group-activities/inactive/2008/domain-tasting>

**Key Contributors:**  Chair (Mike Rodenbaugh); Staff (Liz Gasster)

| **Work Product** | **Question** | **Response** |
| --- | --- | --- |
| **NA** | Was this effort a PDP or non-PDP?  if a PDP, were Consensus Policy recommendations made and approved by the GNSO and ICANN Board? | Adhoc Group – initiated 27 June 2007; PDP initiated 31 OCT 2007  Yes, Consensus Policy recommendations were made |
| **NA** | What is the summary of issue/problem addressed by the Working Group? | The practice of domain tasting (using the add grace period to register domain names in order to test their profitability) escalated significantly at the time. ICANN community stakeholders were increasingly concerned about the negative effects of domain tasting and in the spring of 2007 the At Large Advisory Committee (ALAC) asked that the domain tasting issue be studied further by the GNSO Council.  The ALAC request enumerated five areas of potential concern for Internet users:  1. Potential destabilization of the domain name system through excessive operational load on registry systems;  2. Creation of consumer confusion as names quickly appear and disappear, or as users are redirected to advertising or otherwise confusing sites;  3. Potential increased costs and burdens of legitimate registrants and service providers;  4. Facilitation of trademark abuse, where existing dispute resolution mechanisms may not be sufficiently timely or cost-effective for trademark holders to use against short-term infringement; and  5. Facilitation of criminal activity including phishing and pharming.  It appears that the ALAC request was in response to the issue being identified by PIR and subsequent SSAC advisory on the issue. PIR created an RSEP for a 5 cent excess deletion fee with abuses of the AGP, but necessarily Domain Tasting.  Domain Tasting – Domain tasting is a monetization practice employed by registrants to use the add-grace period to register domain names in order to test their profitability. During this period, registrants conduct a cost-benefit analysis to determine if the tested domain names return enough traffic to offset the registration fee paid to the registry over the course of the registration period (e.g., currently $6 US for a .NAME domain name). |
| **Final Issue Report** | Was data readily available or specifically collected for this report? (i.e. was data identified, collected and analyzed during the WG deliberations)  If collected, how was it collected, how long did it take and how much did it cost (if any, considering the type of cost (direct bill vs. significant time/effort))? | Issue Report Link (14 JUN 2007): <http://gnso.icann.org/issues/domain-tasting/gnso-domain-tasting-report-14jun07.pdf>  The issue report does make limited reference to the quantity of deletions for .COM, .NET and .ORG via the monthly Registry reports submitted to ICANN. It was derived from the reports (top Registrars referenced) that a large percentage of the deletes for the defined period were indeed associated to Domain Tasting. This was only an initial analysis.  The report also recommended that if a PDP be launched that "the completion of concrete fact-finding and research will be critical in informing the community’s deliberations." Staff did recommend that a PDP be initiated |
| **Final Issue Report** | If collected, what were the primary sources of the data? (ICANN, Contracted Party, external)   * Did any data providers impose restrictions on use of data? | The report makes reference to monthly Registry performance reports for one month of 2007. |
| **Final Issue Report** | If not collected, what is the general conclusion as to why no data was used? (i.e. it was not needed, did not exist, lack of access, restrictions that prevented its use, confidential) | Data was collected, but not to the degree to fully understand the extent of the issue. The report cited the need for additional research. |
| **Charter** | Did the Charter establish a task for the WG to collect data, and if so, what types? Is there reference to costs associated with the request?  Does it refer to analysis to be performed? | Charter Link (XX MMM YYYY):  A charter was not created for this effort because the ad-hoc group was formed before the formal PDP-WG. However, the resolution to launch this effort did task the group with:   * To create a small, ad hoc group of GNSO representatives to direct and consider further research on domain tasting, including but not limited to examination of questions posed on page 30 of the issues report, and to draft terms of reference for a possible GNSO policy development process in a timely way; * **To direct the ICANN staff to work with the ad hoc group to gather further information and data about the domain tasting issue and make further recommendations on effectively scoping a PDP;** * To consider the further research and terms of reference, receive a status report on non-PDP mechanisms regarding domain tasting, and to consider whether to launch a policy development process on domain tasting at the September 2007 GNSO Council meeting. |
| **Outcomes Report** | Was data readily available or specifically collected for this report? (i.e. was data identified, collected and analyzed during the WG deliberations)  If collected, how was it collected, how long did it take and how much did it cost (if any, considering the type of cost (direct bill vs. significant time/effort))? | Outcomes Report Link (04 OCT 2007): <http://gnso.icann.org/drafts/gnso-domain-tasting-adhoc-outcomes-report-final.pdf>  Yes, a survey was deployed to request additional information and the group performed further analysis using monthly Registry performance reports. Information was also gathered from ccTLDs as well as UDRP providers. |
| **Outcomes Report** | If collected, what were the primary sources of the data? (ICANN, Contracted Party, external)   * Did any data providers impose restrictions on use of data? | * An RFI (Request for Info) via BigPulse survey was launched by the group. It garnered over 200 responses mostly from Intellectual Property and Registrants. It was noted that a number of respondents provided examples and some stats.   + Graphical representation of the results could have benefited user’s understanding along with the detailed descriptions. Full percentage results of the responses for each question are provided in Annex 1. * Extensive analysis of monthly Registry performance reports to quantify the domain tasting abuse. These reports are submitted to ICANN per contractual obligation. Section 4 of this report details an increased trend of deletes from Jul03 to Mar07. Another chart was developed to show the increased fluctuation in net adds/drops. Lastly, intel was gathered to show which Registrars were the most active in deletes. * Zonefile data study – did not occur due to unforeseen circumstances. * ccTLD Experiences were gathered by staff via direct contact interviews. 20 responses were received with comments available in Annex 3. * UDRP provider questionnaire with template and responses in Annex 4. * IPC conducted a supplemental RFI – 115 tabulated responses are listed in Annex 5   + As with the first RFI, graphical representation of the results could have benefited the detailed descriptions, but percentage responses are found in Annex 5. * Registrar submission on the impacts if AGP were eliminated for the group’s consideration. 38 non-identified responses were received. * Reference back to PIR RSEP that showed once implemented (after the Issue Report) 2.4M in May 2007 to 1.5K in June 2007. * Annex 6 contains a request to VRSN, but at time of report, the analysis was not performed. |
| **Outcomes Report** | If not collected, what is the general conclusion as to why no data was used? (i.e. it was not needed, did not exist, lack of access, restrictions that prevented its use, confidential) | NA: Much data was collected for this effort. |
| **WG Final Report** | Was data readily available or specifically collected for this report? (i.e. was data identified, collected and analyzed during the WG deliberations)  If collected, how was it collected, how long did it take and how much did it cost (if any, considering the type of cost (direct bill vs. significant time/effort))? | Final Report Link (08 FEB 2008): <http://www.gnso.icann.org/drafts/draft-final-report-domain-tasting-08feb08.pdf>  The Final Report makes many references to the data collected in the Outcomes Report with a few smaller metrics that were introduced for the first time, of which they were included in position statements. Note, that this Final Report is more focused in response to a draft motion and the opinion and impact to such implementation if it were to be approved by the GNSO Council.  Annex 1 contains the latest Constituency statements and their positions regarding the AGP and possible remedies for Domain Tasting; with reference to the proposed draft motion for the GNSO Council to consider. |
| **WG Final Report** | If collected, what were the primary sources of the data? (ICANN, Contracted Party, external)   * Did any data providers impose restrictions on use of data? | NA – references back to Outcomes Report |
| **WG Final Report** | If not collected, what is the general conclusion as to why no data was used? (i.e. it was not needed, did not exist, lack of access, restrictions that prevented its use, confidential) | A few positions stated that further research of the data should be performed, especially in regards to possible impacts to the market. However, WG members seemed satisfied with the data used thus far to identify with the problem. |
| **WG Final Report** | What types of data may have been useful that was not considered by the WG? If, possible make reference to data that was likely available at the time and did not appear to be used and also make a distinction of data available only today that could have been useful during the past effort. | One of the first charts (.com total reg + net add/del) used to identify the problem would have been useful to create the same charts for each gTLD. Much of the analysis used the same data sources as with .com, .net, and .org. |
| **WG Final Report** | What type of problems/difficulties faced during the collection of data, if collected? Any suggestion/proposals to resolve the issues to collect data next easily | Lack of consistency in presentation of the data across the gTLDs when referenced in the report. The short time of WG activity likely played a part in hindering report consistency and breadth.  Graphical representations of the survey data may have complimented the complex descriptions of the results for each question. |
| **WG Recommendations/**  **GNSO Council adoption** | List the Final outcomes (recommendations) of WG effort.  Did the recommendations refer to additional data collection to measure the effectiveness? | The GNSO Council adopted the following resolution 17 APR 2008. It also makes specific reference for staff to analyze and report on the implementation.  The GNSO Council recommends to the ICANN Board of Directors that:   1. The applicability of the Add Grace Period shall be restricted for any gTLD which has implemented an AGP ("Applicable gTLD Operator"). Specifically, for each Applicable gTLD Operator:    1. During any given month, an Applicable gTLD Operator may not offer any refund to a registrar for any domain names deleted during the AGP that exceed (i) 10% of that registrar's net new registrations in that month (defined as total new registrations less domains deleted during AGP), or (ii) fifty (50) domain names, whichever is greater.    2. A Registrar may seek an exemption from the application of such restriction in a specific month, upon the documented showing of extraordinary circumstances. For any Registrar requesting such an exemption, the Registrar must confirm in writing to the Registry Operator how, at the time the names were deleted, these extraordinary circumstances were not known, reasonably could not have been known, and were outside of the Registrar's control. Acceptance of any exemption will be at the sole reasonable discretion of the Registry Operator, however "extraordinary circumstances" which reoccur regularly will not be deemed extraordinary.    3. In addition to all other reporting requirements to ICANN, each Applicable gTLD Operator shall identify each Registrar that has sought an exemption, along with a brief descriptive identification of the type of extraordinary circumstance and the action (if any) that was taken by the Applicable gTLD Operator. 2. **Implementation and execution of these recommendations shall be monitored by the GNSO. Specifically;**    1. **ICANN Staff shall analyze and report to the GNSO at six month intervals for two years after implementation, until such time as the GNSO resolves otherwise, with the goal of determining;**       1. **How effectively and to what extent the policies have been implemented and followed by Registries and Registrars, and**       2. **Whether or not modifications to these policies should be considered by the GNSO as a result of the experiences gained during the implementation and monitoring stages,**    2. **The purpose of these monitoring and reporting requirements are to allow the GNSO to determine when, if ever, these recommendations and any ensuing policy require additional clarification or attention based on the results of the reports prepared by ICANN Staff.** |
| **ICANN Board adoption / staff implementation** | List the Final outcomes (recommendations) of the Board and ICANN staff.  Did the recommendations refer to additional data collection to measure the effectiveness? | The ICANN Board approved the GNSO CP recommendations on 26 JUN 2008. <https://www.icann.org/resources/board-material/resolutions-2008-06-26-en>  The formal Consensus Policy on AGP Limits Policy: <https://www.icann.org/resources/pages/agp-policy-2008-12-17-en>  Staff created a series of report on the Domain Tasting Issue, with the Monthly Registry performance reports being the primary source:   * Report showing compliance from all Registries: <http://www.icann.org/en/resources/registries/agp/agp-limits-policy-report-10jun09-en.pdf> * Trend charts showing the reduction of AGP deletion trends: <http://www.icann.org/en/resources/registries/agp/agp-status-report-12aug09-en.htm> * <http://www.icann.org/en/resources/registries/agp/agp-limits-policy-report-14dec09-en.pdf>   No other reports were found. |