

NARALO Statement on gTLD Pre-registration; Proposed by NARALO Chair, Beau Brendler.

The NARALO observes that at least one ICANN-accredited registrar, United Domains, is offering what it calls "Free nTLD pre-registration" (see <https://www.uniteddomains.com/ntld/pre-register-new-domains>). United Domains began the offer in advance of ICANN's new gTLD decision in Singapore, and it continues afterwards, in expectation of greater availability in October 2012.

United Domains says the pre-registration service is free and non-binding. However, NARALO is concerned the offer of such a service might create consumer confusion and possibly present the opportunity for fraud. In support of this concern, we note that at least one registrar, Blacknight Solutions of Ireland, has issued a press release warning registrants to disregard any such pre-registration offers in new gTLDs, and states that the company "discovered that registrants interested in acquiring domains in rumoured new gTLDs had become confused by these offers, as they are not familiar with how the new TLD implementation might work. This sort of speculative offer is the equivalent of taking a down payment on a concept car that has not been approved for production. It is a false promise." (June 30, 2011, <http://www.prlog.org/11565814-blacknight-warn-consumers-against-new-gtld-pre-registration.html>).

The NARALO wishes to remind ICANN that approximately 10 years ago, the announcement of pre-registration for new top-level domains (such as .aero, .coop and so-on) prompted the U.S. Federal Trade Commission to issue a consumer alert (<http://www.ftc.gov/bcp/edu/pubs/consumer/alerts/alt084.pdf>) that said, in part, "Some registration services are guaranteeing new top level domain names or promising preferential treatment in the registration process...."

"But, the agency cautions, these offers may be misleading.

"The FTC advises consumers to protect themselves by: ...Avoiding any domain name pre-registration service that guarantees particular top level domain names or preferential treatment in the assignment of new top level domain names.."

The NARALO is aware the situation is different now than it was then, and that United Domains and others provide substantial disclosure information about the nature of the pre-registration program. The NARALO also recognizes the FTC action at the time was thought by some in the Internet community to be excessive and alarmist.

Therefore, the NARALO recommends that, through ALAC, ICANN undertake public communication that makes clear what, exactly, consumers and others might expect from "pre-registration." It should be the organization that administers the domain name system, not the agents of domain sale, who should be defining the nature of Internet "real estate" in the public interest.