

The Internet Service Providers and Connectivity Providers (ISPCP) Constituency appreciates the opportunity to comment on the Phase II Assessment of the Competitive Effects Associated with the New gTLDs Economic Analysis. We support and appreciate the time and effort put into the analysis and welcome its comprehensive examination of this developing market. We believe that the analysis presents an accurate picture of this market.

If there is anything that the ISPCP Constituency would like to emphasize for public comment, it would be the following points:

- We support the idea that it will take time to see changes in the marketplace as the awareness of new gTLDs grows in awareness and use;
- There is the possibility that our initial expectations were more optimistic with regards to the adoption of new gTLDs, but perhaps the emergence of such a huge quantity of new strings caused an effect of "superabundance" which conspired against the individual initial success of many of them;
- There is significant impact of registrars not offering new gTLDs, i.e., four registrars account for >50% of all registrations and those cherry-pick which new TLDs they will offer - these four companies also have most of the resellers of TLDs;
 - o There is a new "gaming" move for domainers. They discontinued the practice of avidly buying all attractive names that became available for resale purposes, and some invested instead in registry concessions. A second round may augment this practice.
 - o Now a new secondary market is developing with gTLDs themselves (not the names).
 - o The report did not factor in the impact which the effects of the retail chain have on the acceptance of new gTLDs;
- Given the imbalance in the market share that the existing registries hold, it would improve the analysis if competition between existing players was separated from an analysis of new market players; and,
- The GNSO should do an analysis of trends identified in the report to see if there are impacts on policy matters.