

Chinese Domain Name Land-rush Imminent

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By Kevin Murphy

Companies hoping to establish a branded internet presence in China will get their first—and possibly last—change to register their .cn domain name this weekend, when previously stringent restrictions on .cn ownership are dropped.

Virginia-based NeuLevel Inc, in partnership with the China Internet Network Information Center (CNNIC), is making .cn domains available via a channel of initially about 55 registrars, some of which have already started accepting pre-registrations.

NeuLevel is hoping international companies with no actual presence in China will jump at the chance to create an early virtual presence there. China is potentially the largest market in the world, but currently has less than 60 million internet users.

“We’ve made it more accessible than many western country code domains,” Richard Tindal, VP of NeuLevel’s registry, told ComputerWire. “even in the US you need to meet certain requirements.”

Previously, to register a .cn, a company would need a presence in the country, and then would also have to complete a complex manual registration process. From March 16, the registration process is fully automated, and anyone anywhere can register a name.

But there are still rules in place that could catch some registrants out. In the event a company discovers its brand has been registered by a cybersquatter, a system based on the Uniform Dispute Resolution Process used in .com will apply.

Though NeuLevel is based in the US, the .cn dispute process will be subject to Chinese law—not known to be as strong on intellectual property as laws in the West—and must be carried out by approved China-based arbitration bodies.

CNNIC remains the rights of registry operator under its deal with NeuLevel. The US firm is acting as a “conduit”, connecting registrars to the registry via the same registration system used by the .biz and .us domains, but CNNIC manages the database.

This means that registrations are also subject to what could be referred to as ‘censorship’. CNNIC retains the right, under “Article 19” of its registration agreement, to delete any domain that it decides is unacceptable.

This could mean pornography or violence, but it could also mean political speech not in line with Chinese national interests. It could also mean those domains that “spread rumors” or “harm national honor”.

NeuLevel's Tindal pointed out that such rules are unusual only in their extent. Other registries have content restrictions. VeriSign Inc, which runs .com, banned seven curse words from its registry for years.

NeuLevel is a joint venture 90%-owned by NeuStar Inc, best known for its telephone numbering services in the US, and 10%-owned by Melbourne IT Ltd, the leading Australian domain name registry/registrar.

The company has been offering .cn at the third level (for example, computerwire.com.cn) for three months. From this weekend, second-level domains (computerwire.cn) will be available for the first time. Companies that already own the 3LD will have the first chance to buy the SLD, Tindal said.

It remains to be seen which will prove most popular, Tindal said. NeuLevel's market research in the US suggests second-level names will be popular, but CNNIC's research in China shows the opposite.

At first, only ASCII characters will be supported, but NeuLevel intends to launch Chinese-character registrations as soon as the standards are published. NeuLevel's wholesale price is \$22, but retail prices are expected to be between \$30 and \$50 per year.

[For more information, visit www.getmy.cn.]