

Summarized 2nd Draft of the gTLD Application Guidebook

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Part 1 : Background Information

What is ICANN?

The Internet Corporation for Assigned Names and Numbers (ICANN) was formed in 1998 as a not-for-profit public-benefit corporation with participants from all over the world, aiming to keep the Internet secure, stable and interoperable. Reaching another person on the Internet is done by typing into the computer a set of characters known as a unique address or identifier. ICANN coordinates these unique identifiers across the world. In its coordinating capacity, ICANN also promotes competition and develops policy on the Internet's unique identifiers.

Why is there an application process for new gTLDs?

More and more people are using the Internet all over the world. The Internet users are constantly seeking ways to uphold and promote names, brands, language, and ultimately, identity, in the Internet. This is one of the reasons why the ICANN Board of Directors approved in June 2008 a resolution that will pave the way for new Internet extensions otherwise known as generic Top Level Domains (gTLD). Currently, the Internet has 21 gTLDs, including .com, .biz, .info, etc. The new gTLDs would give the public a greater chance to promote and uphold their online identity, among other things.

What new gTLDs should be expected in the Internet?

Many institutions and corporations have expressed their interest in operating a new gTLD. ICANN has noted that it is open to the idea of approving hundreds of new gTLDs, including character-based namestrings, otherwise known as Internationalized Domain Name (IDN). In fact, news on possible new gTLDs such as .paris, .nyc, .sport, etc. have been in the news since June 2008, after the ICANN meeting in Paris, where the board resolution was announced.

In October 2008, ICANN published the first Draft Applicant Guidebook for public comment. This guidebook is effectively considered as the Request for Proposal (RFP). The first RFP met a lot of questions and criticisms, but ICANN was the first to admit that it was still incomplete and the intention was to gather public comment to make the RFP better and the application system more effective.

Part 2 : The new gTLD Application Round

What processes would an applicant go through to become a new gTLD registry?

Figure 1-1 below is lifted from the second draft RFP.

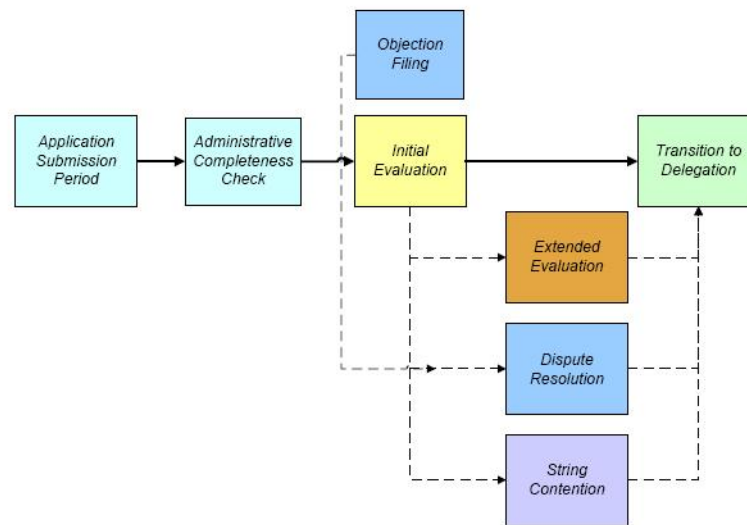


Figure 1-1 – Once submitted to ICANN, applications will pass through multiple stages of processing.

New gTLD applicants have to submit complete document requirements, pass the initial evaluation and hopefully skip the extended evaluation, overcome objections (if any), win in dispute resolutions (if any), and prevail over a string contention (if any). If it has successfully passed the stages above, then the new gTLD will be added into the root for public use. This entire process could take around a year or more, from the time of the opening of the application round. As of now, there is no set date as to when the application process for the new gTLD would start, but ICANN has estimated it to happen around Q3-Q4 2009. Hence, new gTLDs could be launched by 2010.

How much does it cost to apply for a new gTLD?

The applicant has to pay \$185,000 evaluation fee upon the submission of its application. If at any step during the evaluation process, the applicant withdraws their application, the application would receive a partial refund of the evaluation fee. An application will not be considered if the payment of evaluation fee has not been paid by the deadline. Meanwhile, the annual registry fee for the approved registry is \$25,000. However, this \$25,000 annual fee applies only to new registries that have registered less than 50,000 names. For those

with more than 50,000 registrations, they will pay \$25,000 and an additional \$0.25 for each transaction.

In case an applicant withdraws its application, would a refund of the evaluation fee be offered?

Yes. The table below shows how much of the evaluation fee could be refunded when an application is withdrawn at any stage in the application process.

Stage in the process when an application is withdrawn	% of Evaluation Fee	Amount of Refund
After posting of applications (end of administrative completeness check)	70%	\$130,000
After initial evaluation (for example, if it was determined that the gTLD has met a contention)	35%	\$ 65,000
After any later stage	20%	\$ 37,000

How would an application be reviewed?

The following elements make up **Initial Evaluation**:

- String Reviews (A review of the applied-for gTLD)
 - String confusion
 - Reserved names
 - DNS stability
 - Geographical names
- Applicant Reviews (A review of the applicant)
 - Demonstration of technical and operational capability
 - Demonstration of financial capability
 - Registry services

An extended evaluation may be applicable in case an applicant does not pass the initial evaluation. The extended application, however, would require extra fees. If an applicant would need an extended review based on its documents and initial evaluation, the applicant would need to pay "Registry Services Review Fee," which is estimated to be at least \$50,000.

ICANN will inform applicants who have not passed the Initial Evaluation at the end of the Initial Evaluation Procedures. This could be due to security or stability concerns about the

applied-for gTLD string. Applicants will have 15 calendar days to decide whether to proceed with Extended Evaluation.

NOTE: In case the applicant decides to withdraw at this point, the applicant would receive a refund amounting to \$65,000 or 35% of the prepaid evaluation fee.

How are objections to an application made?

There are four grounds that are allowed in filing objections to an application:

1. String confusion objection- This will occur if the gTLD that is being applied for is confusingly similar to an existing, or another applied for gTLD. This conflict is called string contention.
2. Legal rights objection – This will rise if the applied-for gTLD infringes the existing legal rights of the objector.
3. Morality and Public Order Objection- This will rise if the applied-for gTLD is contrary to generally accepted legal norms of morality based on international laws.
4. Community Objection –This will happen if there is substantial opposition to the gTLD application from a significant portion of the community to which the gTLD string may be explicitly or implicitly targeted.

Objectors need to meet certain requirements before they could file their objections. The following table shows an idea of who could object to an application. However, when it comes to the morality and public order ground, ICANN has not decided yet on who would be allowed to object using this ground.

Objection Ground	Who may object
String confusion	Existing TLD operator or gTLD applicant in current round
Legal rights	Rightholders
Morality and Public Order	To be determined
Community	Established institution

If anyone wants to object to a certain gTLD application, ICANN estimates that non-refundable objection filing fees could be around \$1,000 to \$5,000. After that, there will be an additional “Dispute Resolution Adjudication Fee,” which will be paid by both parties in advance. Whoever loses the dispute resolution will pay for the entire procedure, and the winning party can refund their advanced payment. (Therefore, only the objection filing fee is non-refundable in this case.) Adjudication Fees can be around \$2,000 to \$8,000 (or greater) for each proceeding.

What are string confusion and string contention ?

String confusion occurs when a string closely resembles another string visually, such that it is likely to cause confusion among users.

String contention occurs when two or more applicants propose identical strings or when two applied strings closely resemble each other, such that they will cause string confusion when they are both approved.

There are three methods by which a string contention is determined:

- By human judgment with a String Similarity Panel
- By algorithm provided by a string contention agency
- By complaint from another string applicant

There are three Contention Resolution Methods:

First, ICANN will post all the applications in the ICANN website for transparency. After that, the contentions will be determined. Then these possible resolutions may be adopted:

1. **Voluntary agreement** – Applicants in string contentions may discuss among themselves and talk about a possible resolution (i.e. string withdrawal).

2. **Comparative evaluation** - This method will only be used if at least one of the applicants is community-based and has agreed to undergo comparative evaluation. Please note that the scores received in technical and operational reviews will not affect comparative evaluation. All applicants in the string contention set may be asked to provide additional information of relevance. Community-based applications that have agreed to go through comparative evaluation will be reviewed according to:

- a. connection between proposed string and community
- b. dedicated registration policies
- c. community establishment (since when)
- d. community endorsement

3. **Auction**

The following scenarios will lead to auction:

- There is string contention and those who are in contention successfully pass all evaluations.

- Contending applicants elect not to use comparative evaluation, did not have comparative evaluation available, or comparative evaluation did not provide a clear winner, and
- Contending applicants have not resolved the contention among themselves.

Auction is the last resort to determine the rightful registry of a gTLD string from among a number of applicants who applied for the same string. ICANN will require a financial deposit from the applicants that will participate in the auction. The bid should not exceed the financial deposit, so if an applicant is willing to bid up to \$1M for a gTLD string, then this amount should be deposited to ICANN.

NOTE: This updated RFP is currently open for public comment. Changes to the draft or the release of the final RFP is expected around Q-Q4 2009.

* 본 자료는 ICANN 웹사이트에 공개된 Second Draft Applicant Guidebook 원문을 요약한 자료입니다.

* 원문출처 : <http://www.icann.org/en/topics/new-gtlds/draft-rfp-redline-18feb09-en.pdf>