Supplemental Materials Book - Table of Contents

Table of Contents

[Supplemental Book includes 3 documents below Matrix, -006, and -013]

[other materials were provided in earlier books – marked as bolded and underlined below**]**

2010.09.24-012   Vertical Integration
                        A: Evaluation of Vertical Integration Options (Salop and Wright)
                        B: Redacted

Matrix of Issues and Recommendations - New gTLDs Overview

BRIEF OVERVIEW OF NEW gTLD ISSUES

Subject	Issue	Interested stakeholders	Recommendation
Consent Items			
Geographic names	1) Should translations of ISO 3166-2 names be protected? 2) Should the reference sources for continents/UN regions be modified in light of communications from ITU, League of Arab States?	GAC, ccNSO	1) Geographic names protection for ISO 3166-2 names should not be expanded to include translations. Community objection mechanism remains as an available means to protect against misappropriation of a label. 2) Reference sources for continents/UN regions in the guidebook should be expanded to include UNESCO's regional classification list as well as the current list.
New gTLD applicant support	Should any aspect of Guidebook be changed in response to WG recommendations (in particular, lower fees in certain, deserving circumstances)?	NCUC, ALAC, developing country stakeholders	Maintain current fee structure for Round 1. Offer non-financial means of support. Continue to support WG and other development activities.
Root scaling	Can this issue considered settled for Round 1 of gTLD process given that: (1) the introduction of new gTLDs has already been preceded by experience gained in implementing IPv6, DNSSEC, and IDNs; and (2) work indicating a reasonable delegation rate going forward?	Technical community, others	Declare root zone scalability issue resolved for Round 1. Recognize work by RSSAC/SSAC, continuing work and experience gained in implementing IPv6, DNSSEC, and IDNs. Develop monitoring regime in consultation with community partners. Establish effective communication channels with root-zone operators and RSSAC to ensure timely response to changes in environment.
String similarity	Should string similarity rules be changed in response to GNSO request to allow some similar strings to be delegated (e.g., if delegated to same or contractually related operators)?	Current registries, other potential applicants	Similar strings should not be delegated absent an in-depth policy examination of the issues relating to, for example, a clear, enforceable set of operating rules to avoid possible user confusion.
Trademark protection	1) For sunrise protection: Should "substantive examination" language (i.e., substantive/non-substantive review countries) be retained or changed to examination on absolute grounds? 2) For URS: should 20-day response period be reduced to address timing concerns?	IP stakeholders, registrant representatives	1) Provide a clear definition for "substantive evaluation" and retain the requirement for full substantive review as it relates to protection under sunrise services. 2) Change the response time from 20 days to 14 days as originally contemplated by IRT, with opportunity for extension on good faith basis. Consider that the registrant has a right to appeal in any case and that the remedy in URS is suspension (not transfer) of the name.
Variant management	(1) Establish a clear set of rules for the gTLD process to ensure variant TLDs are identified and provide certainty for applicants; (2) there are requests to delegate variant TLDs, should the Guidebook be altered to accommodate that request?.	Current registries, other potential applicants, particularly in Asia-Pacific and Middle-East regions.	(1) Couple a tailored definition of "variant TLD" with (2) the rules prohibiting delegation of similar strings to provide clear set of rules for applicants and protections against user confusion through the delegation of similar strings. Consider delegation of variants once technical and policy solutions are found for their delegation, in the mean time "reserve them."

Subject	Issue	Interested stakeholders	Recommendation
Discussion Items			
Board role	What should the Board approval process be for new gTLDs? The Board does not have sufficient bandwidth if current TLD delegation processes are used.	All applicants concerned with timeline	Board should grant default authorization to staff to proceed on applications where certain parameters are met. Board review can occur: 1) where an application falls outside the defined parameters for staff authorization, or 2) as a result of an accountability mechanism (e.g., independent review, reconsideration).
Mitigating malicious conduct	Can this issue be considered settled for Round 1 of gTLD process? (The final form of a potential HSTLD is not settled.) Provide more detail regarding the background check. Should "terrorism" be excluded from background check?	Banking/finance groups, IP stakeholders, GAC	Consider issue settled with solutions in place for Round 1. Background check has been further clarified. Continue to support HSTLD work.
Morality and public order	Should existing dispute resolution process be changed?	GAC, ALAC, USG	Retain current process for morality & public order objections. Consider working group's proposed changes in non-operational areas. Retain a model that meets the original goals to: (1) provide certainty to applicants (standards of review and time certain for resolution; and (2) reduces risk (process outside ICANN handled by dispute resolution experts.
New gTLD program budget	Approval of New gTLD budget	Gadflies	If Finance Committee so recommends, approve budget as updated to allow outlay of funds for timely deployment and operation of the TLD evaluation process.
Registry agreement	1) What notice and consent is required for registries charge increased or premium renewal prices? 2) Should registries be able to sue ICANN for more than one year of registry fees? 3) Should ICANN be able to collect a variable transaction fee from registries if registrars decline to pay ICANN directly? 4) Should ICANN require registries to offer "searchable" Whois? 5) Should registries have to indemnify ICANN against lawsuits arising out of delegation or operation of the registry?	Current registries, other potential applicants	Given that there have been many accommodations made in the proposed registry agreement to date: 1) Retain current notice and consent requirements to protect registrants against gouging; add language to Registry-Registrar Agreement to aid in compliance. 2) Retain current limitations on liability. 3) Retain current provision for the pass-through of fees as is in the current registry agreements. 4) Require Whois searchability and verify a technically feasible solution (web-based Whois). 5) Retain indemnification right but work with RySG on language defining exceptions.
Vertical integration	Should existing provisions in Guidebook draft v4 be changed?	Registries, registrars, other potential applicants.	Carefully review and consider working group's Initial Report. Choose one of four options: 1) strict separation, 2) limited cross-investment, 3) limited integration, 4) free trade.
Economic studies	Does work to date indicate that New gTLDs will result in net societal benefit? Does work to date indicate that applicant Guidebook should be amended to address economic concerns?	USG, GAC, IP interests with concerns about inadequate consideration of consumer impact, as well as external costs (e.g., trademark protection).	Due to uncertainty around predicting the benefits of innovation and the effectiveness of proposed trademark protections, the economic report will not quantitatively assert the net benefits of new TLDs. Additional enhancements to trademark protections and individual knockout of certain TLDs might be suggested.

2010.09.24006 Variant Management

Current environment:

Variant TLDs are TLD strings that contain equivalent characters, i.e., characters that are identified as equivalent in IDN tables. This is not a precise definition for variant TLDs because the determination of whether two strings are variants depends on the IDN tables furnished by the applicants. There will be disagreement in some cases as to whether any two characters and consequently any two strings are properly considered variants of one another. For example, two characters that may be considered variants in one language may not be considered variants in another.

TLD variant management has been a long-standing discussion. It is clear that in certain cases, variant TLDs should be delegated in order to fully serve the population that is the target market for the TLD. However, technical and policy requirements for variant TLD operators have not yet been developed by the community.

In the current version of the Guidebook, where two or more TLD strings are identified as variant TLDs, a maximum of one (primary) string will be delegated and the other(s) will be reserved until a variant management mechanism for the top level is accepted and tested. These "un-delegated" variant TLDs are reserved for potential delegation to the same applicant as the primary string, pending resolution of policy questions that allow a process for delegation of variants.

This conservative approach was taken to help ensure the continued stability of the DNS. Delegation of variants could cause detrimental user confusion and is not available until variant solutions are developed for the top level.

Recent developments:

I.   Delegation of variant TLDs: The GNSO and potential gTLD applicants have signaled a desire that certain variant TLDs be delegated in the gTLD process in order to serve the targeted population. They indicate that variant TLDs could be safely delegated to the same entity or to entities who have entered into an agreement.

Variant TLDs were delegated to CNNIC and TWNIC in July 2010. This was done under certain restrictions and in recognition that CNNIC and TWNIC organizations hold a high level of expertise in variant management.

II. Definition of variants and IDN Table requirements: It is important that the IDN Tables are constructed in order to detect all possible applied-for variants of a TLD. Different types of variants have been requested through the IDN ccTLD Fast Track

Process, helping to identify the various issues that need to be considered for the construction of IDN Tables that identify variant TLDs.

The experience has led to the identification of the following types of variants:

1. *Variant TLDs that are visually similar:*

    a. *Example: same language, same script:*

    السعودية vs. السعودية

    b. *Example: different language, same script:*

    پاکستان ک 06A9

    پاکستان ك 0643

    c. *Example: different language, different script:*

    "aaa" and "aaa" [Cyrillic and Latin]

2. *Variant TLDs that are not visually similar:*

    a. *Example: same language, same script:*

    "koeln" and "köln"

    b. *Example: same language, different script:*

    中国 vs. 中國

Through the public comment process and other community discussions, ICANN continues to receive statements from potential applicants in some regions that delegation of gTLD variants is needed, as well as calls from stakeholder groups that request recognition of certain "rights" to variant strings of various types.

A clear set of rules regarding delegation of strings and defining variant characters is needed before gTLD applications can be accepted.

Recommendation:

1. No variant TLDs will be delegated through the New gTLD Program until appropriate variant management solutions are developed.

2. To ensure all variant TLDs are identified in the evaluation process:

a. Where it has been stated that variants are characters that *can* be used interchangeably: this means if the characters *can, in some cases,* be used interchangeably. So, in the example of ".koeln" and ".köln," the œ and ö are variant characters in some languages but not others. Because they are variants in some languages, they will be considered variant characters for all TLDs.

b. The English translation field can be used to help identify variants being applied for. For example, if an applicant applies for ".koeln" and ".köln" and if the IDN Table supplied does not reference "oe" and "ö" as variants, then the English translation for the two strings, both "Cologne," will assist in flagging the two strings as possible variants.

c. A tool will be developed and made public, where applicants and evaluators can compare their IDN Tables across existing tables in the IANA repository, and also generate variants to the strings they intend to apply for.

Basis for Recommendation:

There are several reasons for not delegating variant gTLDs until an operating solution is found – even though some variant TLDs have been delegated as ccTLDs:

- While exceptions have been made for CNNIC and TWNIC, these were supported by the significant expertise of both these registry operators in this area – there is no guarantee that gTLD applicants hold the same expertise.

- There is a fundamental difference in the environments and considerations between the ccTLD and gTLD spaces in considering whether a variant should be delegated. For example, the delegation of ccTLDs is restricted to country and territory names.

- Another factor that may be considered, but is not dispositive, is that the Chinese language variants are not visually similar, differentiating them from many variants that might be requested

- The experiences gained with these exceptions have yet not been reviewed or discussed in the community. These implementations were intended to serve as a case-study for the global variant TLD management requirements. More time is necessary to conduct such studies, but indications are that the variant TLDs, such as the Chinese, are functioning adequately with the registry manager having appropriate registration rules in place, and running the variant TLD zones in a coordinated effort.
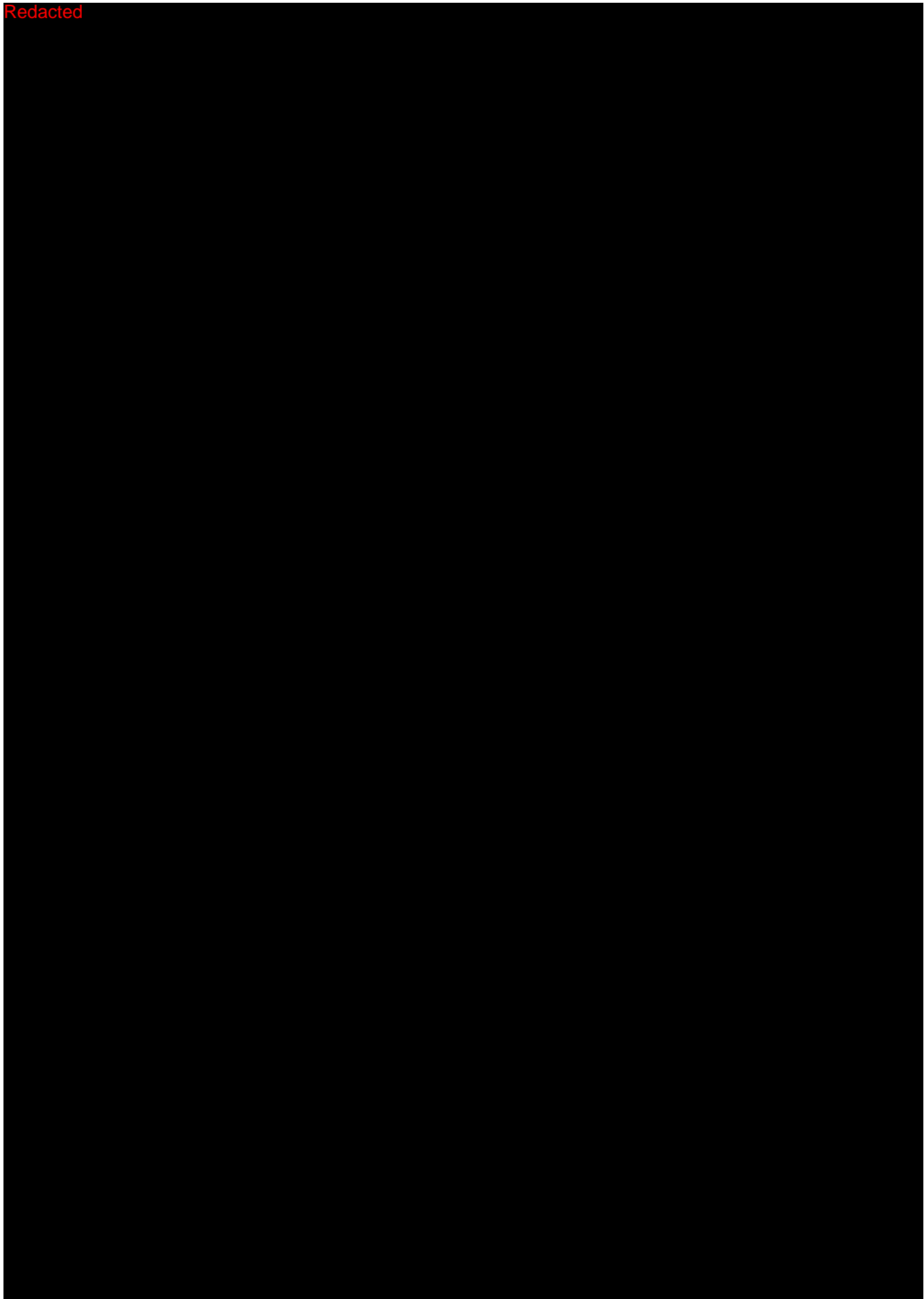
- Developing sets of effective and enforceable controls to ensure a good user experience is difficult, especially without the learning of the first variant delegations. Allowing for delegation of new gTLD variants without knowledge of possible outcomes and without additional protections in place increases the vulnerabilities to users and the risks to ICANN.

- In the event that a gTLD application does not pass due to a contention procedure caused by the existence of variant strings, the applicant would be eligible for the relevant refund amount as indicated in the Guidebook.

Definition and detection of variant TLDs and characters:

- The proposed broad definition of variant characters will provide a better protection mechanism for ensuring that no strings that could cause detrimental user confusion are delegated. Delegation of variants could cause detrimental user confusion and variants are recorded and reserved until solutions are developed. Remaining with the existing conservative approach is a measure to help ensure the continued stability of the DNS.

- There is adequate time for an evaluation for the existence of variant TLDs across all applications: the Initial Evaluation time period is 4-5 months. In this time period, ICANN will retain linguistic experts as deemed necessary by the relevant scripts and languages of the applied-for TLDs. Bandwidth, a rough calculation: say 500 gTLD applications; of those, say 100 IDN applications; of those 10 with potential variant issues that require analysis.

- In any case, it is expected that the String Similarity check will detect all visually similar variant TLDs.
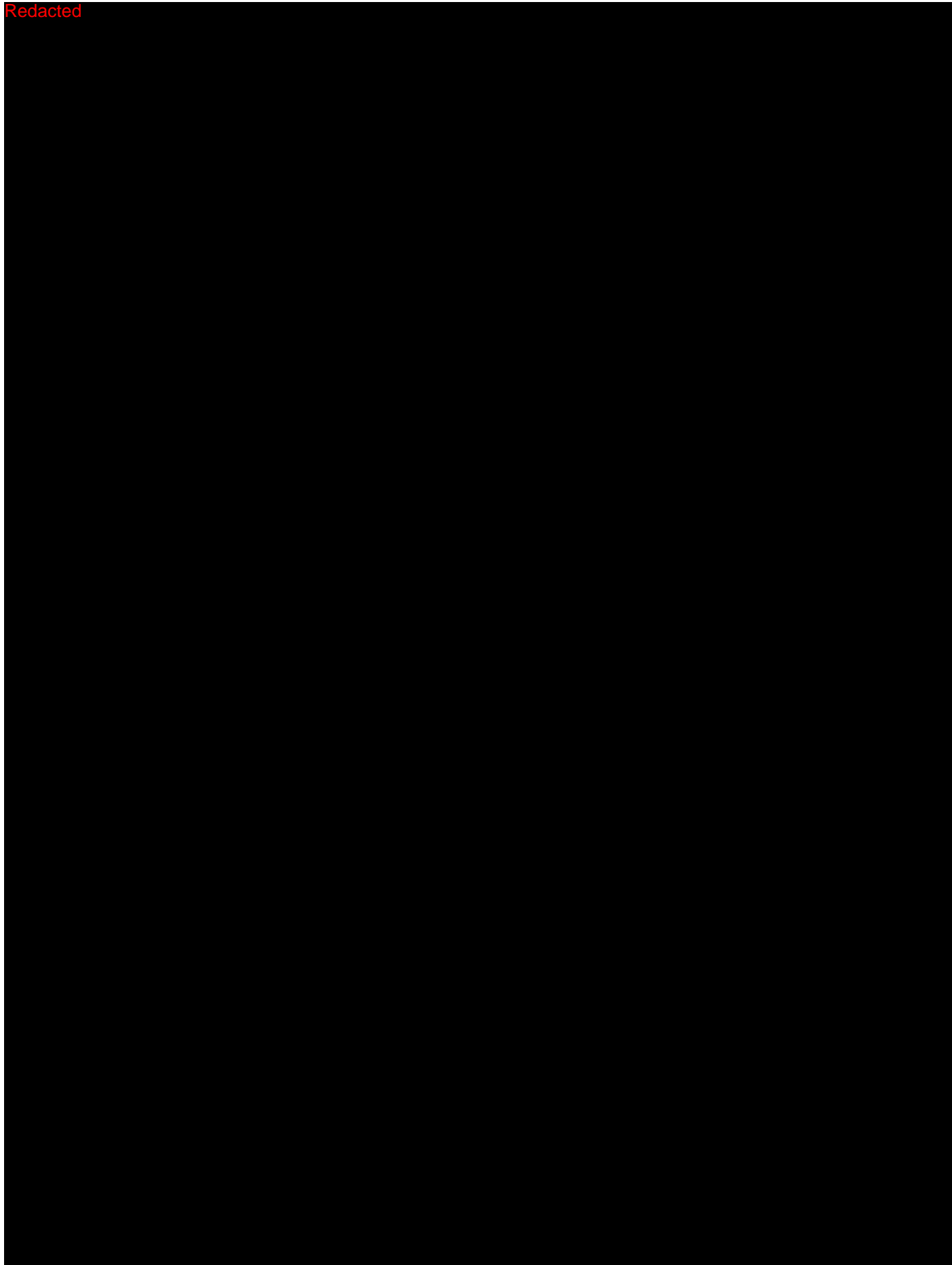
2010.09.24013 Economic Study