

▶ New gTLDs: Perspectives from ICANN

July 31, 2008

New gTLDs: Perspectives from ICANN

- Moderator

Matt Serlin
Director, Domain Operations
MarkMonitor

- Featured Presenters

Karla Valente
New gTLD Program Director
ICANN

Frederick Felman
Chief Marketing Officer
MarkMonitor

New GTLD Program An Overview

Karla Valente

Director, New gTLD Program

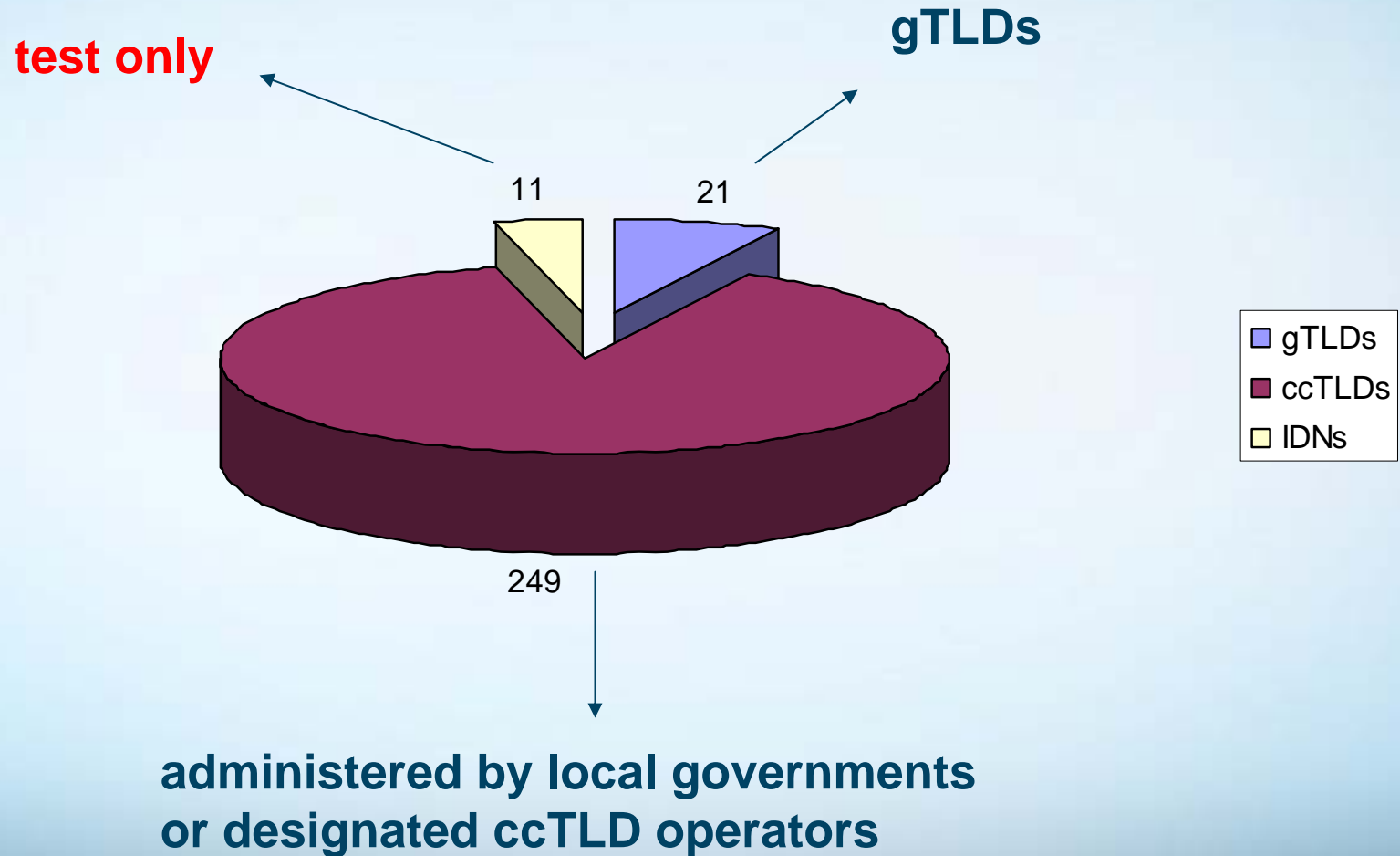
July 2008

Agenda

- Background information: ICANN and gTLDs
- Policy development
- Key elements for the upcoming application round
- Tentative timeline

Note: All information contained in this presentation is a implementation model. The actual implementation may vary from what is presented here

Top-Level Domains in the Root



ICANN and New gTLDs

- Topic of discussion since creation of ICANN
- White Paper in 1998:
 - The new corporation ultimately should have the authority to manage and perform a specific set of functions related to coordination of the domain name system, including the authority necessary to: 3) oversee policy for determining the circumstances under which new TLDs are added to the root system

Generic Top-Level Domains (gTLDs)

Before 1998 → .com .net .org

2000 Round → .aero .biz .coop .info
.museum .name .pro

2003 Round → .asia .cat .jobs .mobi
.travel .tel

Policy Outline

- GNSO development process initiated December 2005, completed September 2007
- ICANN Board approved Policy in June 2008
- Policy embodied in 19 separate recommendations
 - Set of principles, recommendations and implementation guidelines
- Open approach, "objection-based"
- Applicants to propose gTLD strings
- No pre-defined limit on number of gTLDs
- IDN gTLDs included, conditional on readiness
- Fees to recover costs
- Rounds initially, aiming at ongoing process later

Policy Themes

Enabling the introduction of new gTLDs → Overall objective

Allocation methods → Requirements for the process

Selection criteria → Requirements for the applications

Contractual conditions → Requirements to follow in operation

Key Benefits of New gTLDs

- To encourage and foster creativity, innovation, consumer choice, and competition in the domain name space
- Internationalized Domain Names (IDN) for a more globally and culturally inclusive internet
 - IDNs currently only of second level

New gTLD Program

- The development of the criteria, process and tools by which organizations around the world will be able to apply for new TLDs in the near future
- Follow the direction provided by ICANN's GNSO Policy recommendations, specifically provide a timely, clear roadmap for applicants describing the application and evaluation process
- Preserve DNS stability and security

The Application Process

- Open pre-determined application period
- Will be web-based
- The detailed guidelines for the applicant will be published in advance
 - Draft RFP
 - Final RFP

The Applicant

- Any public or private established entity from anywhere in the world
- Must follow all application steps and rules as pre-established and published
- Must demonstrate organizational, operational, technical and financial capability
- Must pay an application fee (tbd)
 - other fees may apply depending on application path

The Proposed gTLD

- Open: Names generally available to any type of registrant
- Community-based:
 - Addresses a clearly identified, organized and pre-established community
 - Is endorsed by that community
 - Nexus between the string and the community
 - Has a dedicated registration and use policy

Main Application Paths

Application
Period

Evaluation
Processes

Delegation and
Approval
Processes

Objection Period and
Dispute Resolution
Processes

Identical/Similar TLD
Strings Selection
Methods

- Auction
- Comparative Evaluation

The Application Period

- Expected to last at least 45 calendar days
- Will follow 4-month communications period
- Applications will be reviewed for completeness
- Information on all applications will be posted on ICANN's website at the same time

The Evaluation Processes

- Review of applicant's organizational, operational, technical and financial capability
- Check of the proposed TLD string
 - Must not lead to technical instability or unwanted/unexpected results in the DNS
 - Must not be a reserved name or existing TLD
 - Must not cause string confusion
- Evaluation panels and examiners
- Extended evaluation in some cases
 - Same baseline criteria

The Objection Processes

- Pre-defined objection filing period
- Processed by Dispute Resolution Provider(s)
- Potential grounds for objection
 - String Confusion (Rec 2)
 - Avoid user confusion
 - Infringement of Rights (Rec 3)
 - Protection of intellectual property and other pre-existing rights
 - Morality and Public Order (Rec 6)
 - Additional safeguards; interests of governments
 - Community Objection (Rec 20)
 - Protection of community interests (e.g., geographically based, indigenous, religious organizations)

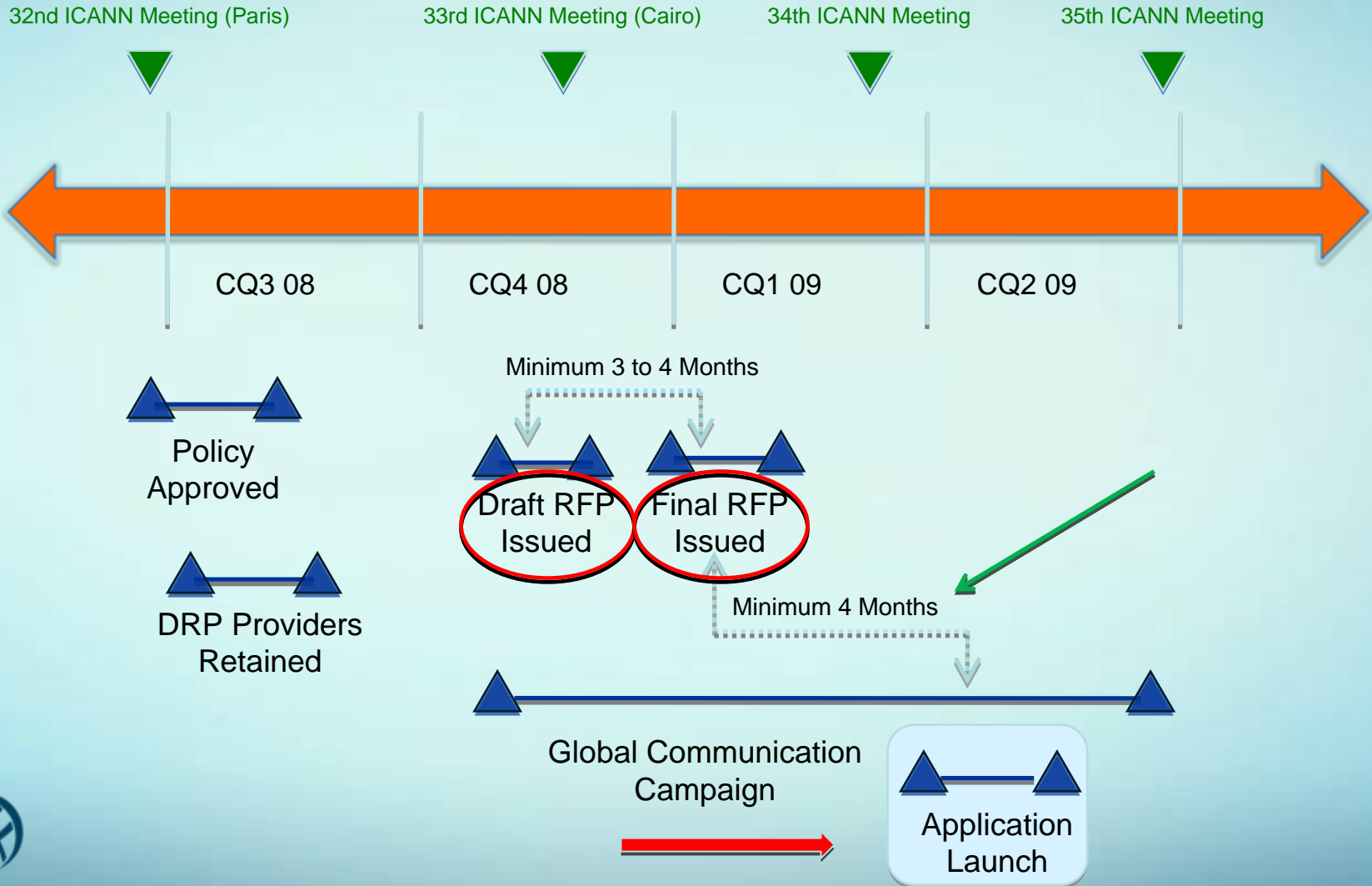
String Contention Processes

- Two or more qualified applicants for an identical or similar TLD that successfully passed evaluation process
- Applicants will be informed about the contention be given time to mutually resolve it
- Selection mechanisms under consideration
 - Comparative evaluation
 - Auction

Delegation

- Standard base agreement will be part of RFP
- Staff will recommend Board approval of applicants that have followed the standard process
- Actual delegation of a new gTLD to a successful applicant is contingent upon the applicant's demonstration, to the extent possible, that it has fulfilled the commitments required to meet the baseline criteria
- Pre-determined period of time to make all necessary structural arrangements for the pre-delegation phase
- IANA steps to add TLD to the root

Anticipated Timeline



More Information

- www.icann.org
- newgtd@icann.org
- ICANN Meetings
 - Cairo (Nov 2 to 7)
 - Mexico City (March 1 to 6)
- ICANN Staff

▶ ICANN Top-Level-Domain Expansion Plans

Frederick Felman
MarkMonitor
July 31, 2008

ICANN Top-Level-Domain Expansion Plans (The fine print)

- MarkMonitor is not recommending nor are we advising against a top-level-domain strategy for our clients
- Each company must make their own business decision based on their own strategy
- Much of the material in this presentation is based on future ICANN decisions therefore any dates, processes and policies discussed are speculative and subject to change
- It is unlikely that the decision to issue new TLDs will change
- There may be an opportunity to adjust policies, processes and dates based on community input

ICANN Top-Level-Domain Expansion Plans Agenda

- Business Opportunities
 - Marketing
 - Security
- Risks Involved
 - First-Come, First-Served Implications
 - User Adoption
 - Other Risks
- Budgetary Considerations
- Recommendations
- MarkMonitor TLD Advisory Services

Marketing Opportunities

- Marketing advantages to controlling “own island” on the Internet
 - Enhance brand, create positive user experience
 - More closely tie online brand to your brand
 - Signal industry leadership
 - Customize content for target audience, key executives
 - [ceo.markmonitor](#); [legal.markmonitor](#); [cmo.markmonitor](#); ...
 - Potentially improve ranking in search results (SEO)
 - Create a global online presence
- Build an online community of users, customers and partners
 - Customized domains for users, vendors, licensors
 - Customized email addresses
- Creating innovative online products
 - Products and services that are more easily found and identified by users: fred.sstuffonline, karla.email, robin.newservice

Security Advantages

- Provides single, secure space that brand owners own & control
 - Brand owners can set their own standards/rules
 - Domain name registration policy
 - Acceptable use policy
 - Domain name dispute resolution policy
 - Brand owners can monitor domains/content and take direct action
- Domainers, squatters can be excluded from private TLDs
- Mitigates fraud, IP infringement
- Provides opportunity to enhance security though DNS-SEC

Risks

- First-come, first-served process presents risk
 - Important: If not applied for in early round, may lose opportunity in later rounds if identical or confusingly similar TLDs have already been applied for
- User adoption / confusion
- Brand abuse still possible
 - Phishing threat still exists
 - Astute domainers will likely find way to abuse
- Potential need for increased defensive registrations
- Unforeseen legal exposure

Budgetary Considerations

- Upfront / acquisition costs
 - ICANN application fee
 - Application advocacy
 - Potential challenge fees
 - Registry / registrar fees
 - Legal fees
- Ongoing costs
 - ICANN annual fee + per domain fee
 - Registrar/Registry infrastructure provider fees
 - Registry administrative staff for policy and compliance
 - Other: accounting, registry constituency fees, litigation, IT, etc.
 - Operations, systems expenses

Recommendations to Brand Owners

- Establish cross-functional team to evaluate TLD opportunities and risks
- Express potential concerns with TLD application or process in conjunction with other brand owners
- Monitor ICANN for new TLD applications that may infringe on your rights or may pose a threat
- Devise strategy for potential defensive registrations
- Leverage industry experts where in-depth knowledge or resources are lacking

MarkMonitor TLD Advisory Services

Education & Advocacy

Strategy Development

- Assist client in assessing TLD opportunity / risk
- Identify steps required to implement and effectively use new TLD(s)
- Identify in-house capabilities, resources and gaps

TLD Application Process

- Draft and submit TLD application to ICANN
- Identify potential in-house registry functions
- Select registry for outsourced functions
- Assist in responding to potential objections

Pre-Launch / Launch Activities

- Develop registration, acceptable use and dispute resolution policies
- Define internal and inter-party processes and procedures
- Integrate with back-end registry operator
- Launch TLD

Ongoing TLD Operations

- Operate registrar for new domain registrations, transfers, modifications, expirations, etc.
- Maintain Whois records
- Facilitate dispute resolution process

Monitoring & Response

- Monitor for domain/content compliance on open TLDs
- Take effective action on policy non-compliance

Defensive Strategies

Q&A

- Moderator

Matt Serlin
Director, Domain Operations
MarkMonitor

- Featured Presenters

Karla Valente
New gTLD Program Director
ICANN

Frederick Felman
Chief Marketing Officer
MarkMonitor

Thank You!

- MarkMonitor will continue to provide the latest news and expert advice on the ICANN gTLD proposal
- Register to receive regular **TLD Updates** at www.markmonitor.com today!
- You'll receive an email with a link to view the recorded webinar. And, stay tuned for additional webinars, white papers, and much more as more information on the ICANN gTLD proposal becomes available.
- As always, if you have any questions, please don't hesitate to call us at **(800) 745-9229**