

## New gTLDs: Timing of the Next Round

Several members of the Internet community have raised the issue as to whether and when there may be a round for new gTLD applications subsequent to the one opening on 12 January 2012.<sup>1</sup>

### Current Environment and Recent Developments

1. The current ICANN Policy, developed by the GNSO and approved by the ICANN Board in April 2008 states: “The Request for Proposals (RFP) for the first round will include scheduling information for the subsequent rounds to occur within one year.”
2. Subsequent to that, public comment often sought assurance that this policy would be followed and requested that ICANN would formally announce the timing of the second round when the initial round was approved. This assurance is currently sought by brand owners their representatives and others who prefer to pass on the first round if it is known when the second round will occur.
3. In 2010-11, discussions with ICANN’s Governmental Advisory Committee led to agreement on two prerequisites to a second round.
  - An assessment that the introduction of new gTLDs did not effect root zone operation.
  - An assessment as to whether trademark protection mechanisms require adjustment.
4. The [Affirmation of Commitments](#) states in part: “If and when new gTLDs ... have been in operation for one year, ICANN will organize a review that will examine the extent to which the introduction or expansion of gTLDs has promoted competition, consumer trust and consumer choice, as well as effectiveness of (a) the application and evaluation process, and (b) safeguards put in place to mitigate issues involved in the introduction or expansion.” Additional reviews are required after that. It is not certain whether these reviews are a pre-requisite to subsequent gTLD round.

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<sup>1</sup> We are careful to say “next” round of new gTLDs (rather than “second”), the first two rounds of new gTLD introduction occurred in 2000 and 2003-04.

## **ICANN Recommendation**

ICANN should publicly announce its intention to launch a subsequent round as soon as practicable after the one opening on 12 January 2012, i.e., after:

- Conduct the two assessments listed above, and
- Completing the first round evaluations (not necessarily all the dispute resolutions)
- Completion of processes for resolution of any additional contingencies that are identified.

In any case, the ICANN will work with trademark owners, the GAC and others during the first round evaluations to refine the timing.

## **Rational for Recommendation**

It is the Policy of ICANN that there be a second round and that a systemized manner of applying for new gTLDs be developed in the long term. The ICANN Board approved and agrees with this Policy.

There are several reasons for the Policy conclusion that a second round should follow the first round within a relatively short period of time:

- Those opting out of the first round should have the opportunity to enter into a subsequent round within a reasonable period of time. The new gTLD program was meant to be inclusive, not set up a new version of limited participation.
- A timely second round will relieve pressure on the first round, reducing demand and:
  - Reducing delegation rates, thereby relieving stability concern perceptions,
  - Addressing concerns of some trademark owners that are critical of the process, relieving the perception of need for “defensive registration” at the top-level,
  - Decreasing the number of applications relieves some pressure on specific operational issues such as the number of batches, instances of string contention, and the amount of time it will take to process all the applications. Fewer applications will increase the ability to process applications in an efficient manner.

## **Timeline Elements**

- 1) The Board committed to a second round when they approved GNSO policy.
- 2) The GAC recommended trademark study would commence one year after 75 gTLDs are in the root. Given current projections and published timelines, the study will commence in Feb 2013.
- 3) We cannot commit to when we get consensus on the conclusions of a Trademark study.
- 4) The other critical path is completion of the round 1 applications - this is uncertain because (a) we don't know the number of batches that are required and (b) if we could start the second round while we finish up the objections and stuff from the first round. However, if there are four batches, initial evaluations for them would finish in March 2013, and nearly all applications should clear in the second quarter of 2014.