RARE BIRDS

Draft Analysis Of Community-Designated Applications (CDAs) Submitted During ICANN's 2012 gTLD Application Round

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EXECUTIVE SUMMARY

- **4%** of all applications are **community-designated.**

- **58%** of CDAs are **business-oriented** and **25%** are **geographic.**

- **Conflicts** occur most in **industry sector** and **practice-oriented CDAs.**

- **12** extensions with CDAs **have many applicants** and/or CDA **contention.**

ICANN's 2012 application round for new generic top-level domains (gTLDs) had two-tracks: standard & community-designated. The community-priority designation was the subject of significant discussion within the ICANN community because, if successful, community-designated applicants (CDAs) are granted priority over non-community-designated ones. Importantly, CDAs must also be prepared to grant the designated community oversight of their applied for gTLD.

To prevent 'false-positives', ICANN has constructed a scoring system, whereby CDAs will be scored on a 'holistic basis' across four categories: community establishment, string nexus, registration policies, and endorsement/opposition[1]. The Economist Intelligence Unit, InterConnect, and University College of London have been contracted to perform the evaluations. CDAs must score 14 out of 16 possible points to be successful.

ICANN's community-priority process is a unique reflection of the multi-stakeholder community-driven policy environment that contributed to the flourishing of the Internet in the first place. In and of itself, the community designation is a 'rare bird'.

Therefore, it may be interesting for the Internet community to consider the initial results of community-designation and speculate on questions that could guide future decision-making.

COMMUNITY-DESIGNATIONS

Of the 1,930 applications for new gTLDs, ICANN received 84 that were community designated (see figure 1).

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[1] See Applicant Guidebook Section 4.2.3.

Fig 1. Applicants by Designation
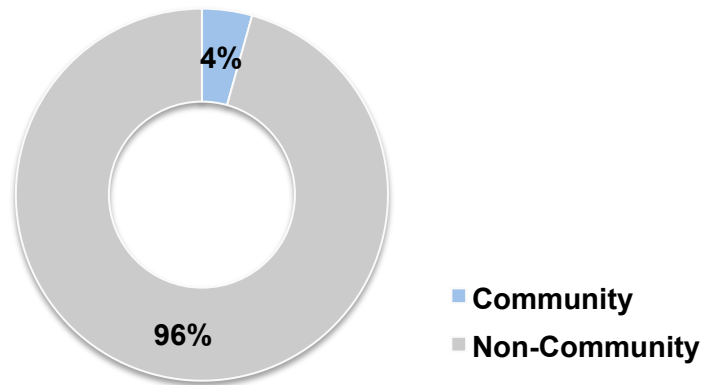
As figure 1 shows, only 4% of applicants chose to designate their gTLD as community, despite the opportunity to gain priority over open bids and gain oversight of an extension.

To better understand the nature of this minority, we first split them into two broad categories: commercial & cultural. We defined commercial as representing a company or corporate group (e.g. AUDI), a professional designation or industry abbreviation (e.g. CPA for certified public accountant or LLC for limited liability company) and/or an industry sector (e.g. BANK for the banking sector). We defined cultural as representing a geographic group or region (e.g. THAI for Thailand), a religious group (e.g. CATHOLIC), or as being practice and/or membership based (e.g. GAY or TENNIS).

Our analysis suggests that 39 applications, or just less than half of all CDAs, are non-commercial in nature. Eight of these are highly likely to also benefit from ICANN's geographic protections and so do not depend on the benefit that a CDA designation would confer. They are in fact geographic TLDs. (e.g. BERLIN). Therefore, we exclude them from our analysis.
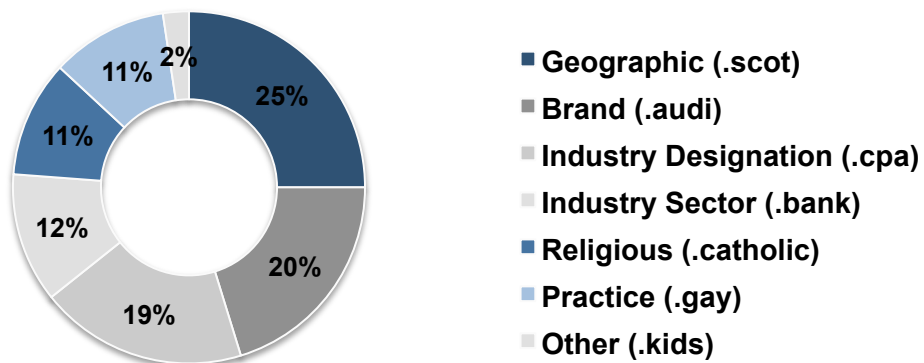
This leaves, as figure 3 shows, 42%, or 31 CDAs, that have a cultural mission/purpose; 1.6% of all gTLD applications submitted to ICANN.

Fig 2. Commercial vs. Cultural Community Applicants

■ **Commercial**

■ **Cultural**
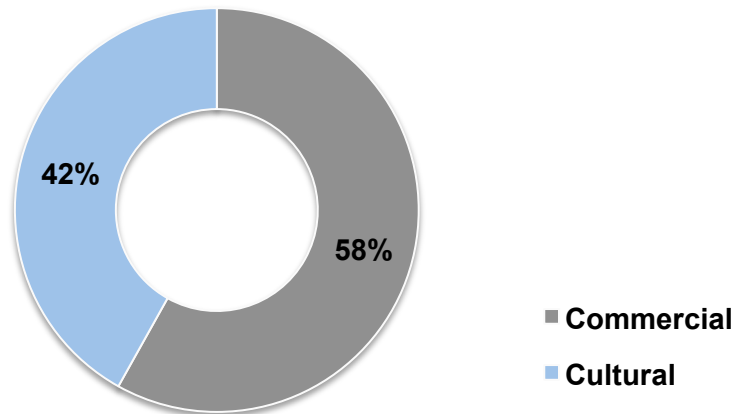
Because this grouping is broad, to better understand the nature of all CDAs, we next arranged them into seven more specific types, as follows:

Fig 3. Community Applicants by Type

■ **Geographic (.scot)**

■ **Brand (.audi)**

■ **Industry Designation (.cpa)**

■ **Industry Sector (.bank)**

■ **Religious (.catholic)**

■ **Practice (.gay)**

■ **Other (.kids)**

COMMUNITY CONTENTION-SETS

As figure 3 shows, Geographic makes up the largest type, constituting 24% or 20 CDAs. There are two contention sets, for OSAKA and SWISS. As the SWISS contention set is between the Swiss Confederation and Swiss Airlines, one could expect that to be resolved quickly, leaving only one contention set in this type: OSAKA. For OSAKA, ICANN has a separate suite geographic designation rules that can be used to resolve this issue. Therefore, one could anticipate little difficulty in resolving it. Most if not all of these will likely approved as 'community' and/or 'geographic'.

The second largest type is brands, constituting 20% or 17 CDAs. The brand CDAs have no contention sets and can therefore expect to all be approved with community-designations.

The third largest is industry designations, constituting 19% or 16 CDAs. For the purposes of our analysis, we defined 'industry designation' as being for a specific type of entity (e.g. INC) or for a professional/industry designation (e.g. CPA for certified public accountant). Four of these are contested and two have competing CDAs:

1. CPA (certified public accountant): 6 applicants of which 2 are community
2. GMBH: 6 applicants of which 1 is community
3. MLS: 3 applicants of which 1 is community
4. SHOP: 9 applicants of which 2 are community

The fourth largest group is industry sectors (e.g. BANK) with 12% or ten CDAs. Seven of these are contested and one has competing CDAs:

1. BANK: 3 applicants of which 1 is community
2. HOTEL: 7 applicants of which 1 is community
3. INSURANCE: 4 applicants of which 1 is community
4. MED: 4 applicants of which 2 are community
5. RADIO: 4 applicants of which 1 is community
6. SPA: 3 applicants of which 1 is community
7. TAXI: 3 applicants of which 1 is community

Based on this, one can identify 'difficult' strings, where two layers of contention and/or many applicants exist:

- CPA, SHOP & MED: multiple layers of contention & many applicants.
- HOTEL, INSURANCE, GMBH & RADIO: four or more applicants.

The next largest type is religious. 11% or nine religion-oriented CDAs were submitted. None of these are contested, so all can be expected to gain community-designation, barring objections.

There were also nine practice-oriented CDAs. We defined this type as relating to actions (e.g. membership) or orientations (e.g. sexual) that identify members, and/or that do not fit into the other types. Of these, seven are contested.

- ART: 10 applicants of which 2 are community
- ECO: 4 applicants of which 1 is community
- GAY: 4 applicants of which 1 is community
- MUSIC: 8 applicants of which 2 are community

- SKI: 2 applicants of which 1 is community
- SPORT: 2 applicants of which 1 is community
- TENNIS: 4 applicants of which 1 is community

Based on this, one can identify 'difficult' strings, where two layers of contention and/or many applicants exist:

- ART & MUSIC: multiple layers of contention & many applicants.
- ECO, GAY & TENNIS: 4 or more applicants.

We were unable to fit the two remaining CDAs, KIDS and WEBS, into our types and have thus classified them as 'other'. The KIDS application has two applicants, one is community. Both WEBS applications (one community and one non-community) are from the same applicant.

Based on this analysis we have identified a number of challenging strings where CDA quality & evaluation are likely to play a critical role. Other applications could of course prove challenging and further analysis of the specifics of each CDA to identify additional metrics would be useful.

However, simply in terms of competition, these 12 extensions (14% of CDAs), representing mostly the industry sector and practice oriented types, are likely to prove challenging for ICANN and are thus worthy of further study:

1. ART
2. CPA
3. ECO
4. GAY
5. GMBH
6. HOTEL
7. INSURANCE
8. MED
9. MUSIC
10. RADIO
11. SHOP
12. TENNIS

RESULTS

In summary, our preliminary analysis of community-designated applicants had the following results:

- 4% of all applications are community designated

- 58% of CDAs are business oriented and 25% are geographic.

- Conflicts occur most in industry sector and practice-oriented CDAs.

- 12 extensions with CDAs have many applicants and/or multiple CDAs.

FURTHER QUESTIONS

This analysis gives rise to a number of questions that may be interesting for ICANN stakeholders to consider in further detail:

1. Does the number and type of CDAs meet community expectations?

2. What implications does this CDA set have for evaluators and ICANN?

3. How have different CDA types approached string nexus, community establishment, and registration policies?

4. How have CDAs approached endorsement and how do endorsements compare?

5. Are there significant differences in approach between groups or types of CDAs? What common elements exist?