

## INFORMATION PAPER: NEW GTLD UPDATE (TORONTO SESSION)

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### Executive Summary

This paper is for information only and provides an update since the September 6 webinar.

A summary of application statistics (withdrawals, objections, change requests, application comments) is provided. There is also a progress report on the work that each panel is performing.

The clarifying question pilot concluded on September 17 with 36 participants providing responses. A summary and analysis of the survey responses are included in this paper.

The application comment period closed on September 26. There were 8956 comments that were directed to the evaluation panels. The panels will be performing due diligence on these comments and will issue clarifying questions if a comment has the potential to change the score of an application.

The customer service center has received 128 requests from applicants to change certain parts of their applications. These requests are being processed and will be posted soon.

Customer service has implemented some changes based on feedback received.

The communications team has focused on providing applicants with updates during the evaluation process, and has plans to educating Internet users about the new gTLD program.

The Support Applicant Review Panel (SARP) has been convened to review applications from applicants seeking financial assistance.

Work on EBERO is continuing to progress forward. The goal is to select 3-4 service providers. We expect to have the contracted EBEROs announced and onboard by May 2013.

### **Application Statistics**

As of 8 October 2012, there are 7 requests for withdrawal of applications. Six of these 7 requests have completed processing and now officially reflect a status of withdrawn:

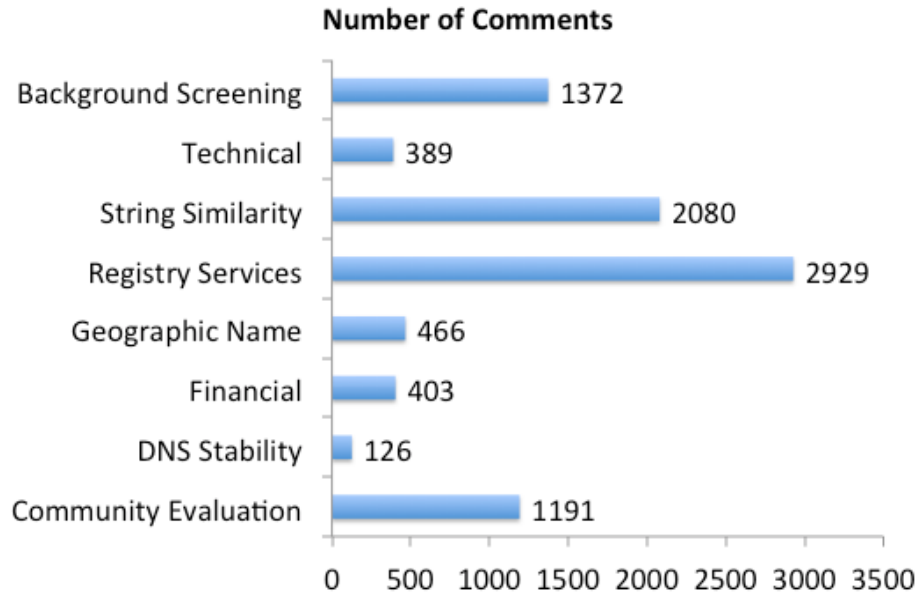
- AND
- ARE
- EST
- CHATR
- KSB
- CIALIS

There are no objections filed as of the date of this paper.

Applicants have submitted 128 application change requests. Of these:

- 33 have completed the review process and have all been approved. These changes are being made and will be posted soon.
- 73 are in the process of being reviewed.
- 22 require follow-up with applicants.

The application comment closed on September 26 with a total of 8956 submitted for panel consideration. The breakdown of the application comments is provided in the chart below:



The evaluation panels will consider those comments that were directed to them for the TLD designated.

There will be no response period following the close of the application comment window. However, clarifying questions will be issued to the applicant if a comment has the potential to impact scoring.

### **Progress Report by Panel**

The Geographic Name, String Similarity, DNS Stability, Registry Services, Financial, and Technical panels are continuing their work. The following table provides application processing progress to-date:

Panel	Target Completion	Apps Assigned	Apps in Evaluation	Preliminary App Results <sup>1</sup>
Financial	Jun-13	864	636	228
Technical and Operations	Jun-13	864	630	234
Geographic Names	Nov-12 <sup>2</sup>	1916	159	1757
String Similarity <sup>3</sup>	Nov-1 <sup>4</sup>	1407	588	819
Registry Services	Jan-13	all	1865	59
DNS Stability	Oct-12	all	all	0

<sup>1</sup> These numbers represent completed applications or applications with queued clarifying questions. They are subject to change due to application comments and/or change requests.

<sup>2</sup> Geographic Name evaluation is targeted to be completed by Nov-12, but applicants will receive more time to supply the letters of support.

<sup>3</sup> String Similarity statistics are based on unique string counts, not total applications.

<sup>4</sup> Revised date provided by panel from previous date of Oct-12

As previously mentioned, applications are being allocated to evaluators in a way that takes advantage of similarities such as those coming from the same applicant, or having the same “back-end provider.”

Price Waterhouse Cooper is performing the background screening review. It is expected to complete work in February or March. Review will be performed on:

- The applying entity
- Officers
- Directors
- Major shareholders (15% or more)

If during the review process, this panel determines that additional information is required to complete a meaningful background check, the applicant will be contacted via the clarifying question process. This panel may also reach out to applicants if consent from the applicant is required in order to obtain the necessary information to perform background review.

InterConnect Communications (ICC) is the firm performing string similarity review. Per the Applicant Guidebook, string confusion exists where a string so nearly resembles another visually that it is likely to deceive or cause confusion. Performed by expert linguistics, the test is whether a commoner would find a string confusing similar to another. ICC is targeting a completion date of November 1. A second evaluator will then confirm TLDs that are put in a contention set. Publication will follow.

Areas of string similarity review include:

- Applied-for TLDs against existing TLDs, reserved names, and TLDs ineligible for delegation
- Applied-for TLDs against other applied-for TLDs
- Applied-for TLDs against TLDs requested as IDN ccTLDs
- Applied-for 2-character IDN strings against every other single-character and any other 2-character ASCII TLDs

There are 2 possible outcomes of string similarity review:

- Fail if the applied-for TLD is found to be:
  - Confusingly similar to an existing TLD, to one requested as IDN ccTLD, to one-character label in any script, to any possible 2-character ASCII combination
  - On the reserved name or TLD ineligible for delegation list
- Put in a content set if it is found to be confusingly similar to another applied-for TLD

Interisle is the firm performing DNS stability review on the strings themselves and also on proposed registry services. The string review checks to ensure that the applied-for TLD will not cause security and stability issues. (There is a low probability that issues would arise for any applied-for TLD that fully complies with the string requirements in section 2.2.1.3.2 of the Applicant Guidebook. However, in certain instances, extended review of the TLD during Initial Evaluation may be necessary.)

The registry services reviews are performed on the applicant's proposed registry services against criteria in section 2.2.3 of the Applicant Guidebook.

Geographic names review is performed by both ICC and the Economist Intelligence Unit (EIU). This review is performed on all applications to determine whether the applied-for TLD is a geographic name according to section 2.2.1.4.2 of the Applicant Guidebook. In cases where the applied-for TLD is determined to be a geographic name, this panel will determine whether sufficient support is provided.

Support or non-objection letters must express government's support or non-objection to the application and demonstrate the government's understanding of the intended use of the TLD. The letters should demonstrate the government's understanding that the TLD is being sought through the new gTLD process and that the applicant accepts the conditions associated with the new gTLD program.

This panel will begin issuing questions in November to those applicants that have not furnished the requisite documentation. Applicants will have until the end of

Initial Evaluation (June 2013) to provide or amend deficient documentation. If support documentation is not provided or amended by this time, or if revised documentation provided is still deficient, applicants will be notified and given an additional 90 days to comply.

Technical and financial review is performed by three firms: KPMG, Ernst & Young, and JAS Global Advisors. These panels, which represent the most complex evaluations, are preparing to ramp up to a processing rate of 300 applications per month. We anticipate that these panels will reach this processing capacity by January of 2013.

Work is continuing to ensure consistency and quality. These firms are also working on implementing improvements to clarifying questions based on feedback received from the clarifying question pilot.

### **Clarifying Question Pilot**

As previously mentioned, a large number of applications will receive clarifying questions. A clarifying question pilot was held to ensure questions developed by the evaluators are clear, concise and consistent. Clarifying questions and a survey were sent to participants on August 31. Participants were given 2 weeks (until September 17) to provide responses. There were a total of 41 participants that opted to participate in the pilot. Of this number, 36 participants provided responses. Applicants should note that participation or non-participation in the pilot has no impact on the processing of their application.

Applicants were asked to respond to survey questions to help ICANN and evaluators identify areas for improvements. The survey questions were:

1. Is 6000 characters sufficient space for CQ responses?
2. Are CQs clear? If not, which questions were unclear?
3. Suggestions for improvements to structure of CQs?
4. Is 2 weeks sufficient time to respond to CQs? If not, how much time is needed and why?
5. Other comments about the CQ pilot?

Regarding the first question: Is 6000 characters enough space?

- 72% responded that 6000 is sufficient space
- 28% responded that is not enough and requested on average 12000 characters

Regarding the second question: Are CQs clear? If not, which questions were unclear?

- 61% said the CQs were clear

- 19% said the CQs were not clear
- 19% said some of the CQs were clear and some were not

Of the 19% that said the CQs were not clear, the questions that were identified as most unclear were associated with application questions:

- Q49: 56%
- Q50: 37%
- Q44: 71%
- Q30: 67%
- Q35: 67%

Regarding the third question: Suggestions for improving the structure of CQs, the most common responses were:

- Use bullets instead of paragraph form
- Be more specific
- Allow applicants to correspond with evaluators
- Disclose current scores
- For question 50, provide sample LOC and answers that meet requirements

Regarding the fourth question: Is 2 weeks sufficient time to respond? If not, how much time is needed and why?

- 11% said 2 weeks is sufficient time
- 33% said 2 weeks is sufficient time, but depends on some factors
- 56% said 2 weeks is not enough time

“No” responders request on average 4 weeks to respond to CQs.

Those that responded “depends” cited volume of CQs and external dependencies such as banks as potential factors impacting their ability to respond within the 2 weeks timeframe.

Regarding the fifth question: Other comments about the CQ pilot?

- Allow applicants to correspond with evaluators
- Provide sample LOC and answers that meet requirements
- Some requested information are confidential and cannot be provided by applicants
- Some requested information are not applicable to certain business models

These suggestions are being considered and will be incorporated if in alignment with the Guidebook and our goals of consistency and timeliness.

ICANN is also working on developing advisories that will provide applicants with specific examples of answers that meet or do not meet requirements. These advisories are will be published in the next couple of weeks. Additionally, ICANN is contemplating a notification process to enable applicants to better plan for responding to CQs. There are some areas of feedback that will not be accommodated such as the request for applicants to correspond with evaluators during the CQ process.

CQs are currently scheduled for issuance on November 26 through TAS. Additional information regarding how to respond to CQs will be provided prior to this date.

## **Objections**

Request to clarify the conclusion of the objection period are being considered and a recommendation will be published shortly.

Outreach efforts are currently underway to inform the community and those outside of the community of this process. Some of these activities include:

- Regional outreach
- Enlisting assistance of the community, including the supporting organizations (SOs) and advisory committees (ACs)
- Webinar planned for early November
- Microsite (blog, FAQs, video, fact sheet)

## **Customer Service Update**

Several efforts have been made and are currently underway to improve the delivery of customer service:

- Completed move of SugarCRM behind Citrix to enhance security
- New email templates targeted for roll-out week after Toronto
- Additional work underway to improve user experience of CSC portal with a target roll-out date of early December
- Recruiting efforts underway to expand reach of support

ICANN has received a total of 128 requests from applicants to change certain information in their applications. To expedite processing of these types of requests, please be sure to submit the request from the primary contact's email address through the CSC portal. Include with the request the completed Change Request Form (<http://newgtlds.icann.org/en/applicants/customer-service/change-requests/form-05sep12-en.docx>) and the redline document of the changes being requested. Requests will be reviewed against the 7 criteria posted at <http://newgtlds.icann.org/en/applicants/customer-service/change-requests>.



Applications with approved change requests will be held for 30 days to allow comments on the changes.

The first set of approved changes will be posted the week after Toronto.

## **Communications**

Since Prague, multiple communications efforts have taken place with the goal of keeping applicants informed during the application evaluation process. These efforts include:

- A monthly webinar where updates on evaluation progress is provided to applicants.
- Weekly updates that are posted on the microsite summarizing application statistics and any other new gTLD activities.
- Video updates where information regarding certain new gTLD program processes are provided.

In addition to these efforts, an Applicant's Corner will be rolled-out to applicants soon. This is a new area on the microsite that will provide applicants with access to all of the information that will be useful to them.

Advisories will also be provided to applicants on the microsite soon. These advisories will provide specific examples of answers that meet or do not meet requirements. The purpose of these advisories is so applicants can prepare in advance for clarifying questions.

Efforts are also being made to reach out to Internet users beyond the ICANN community.

Regional outreach efforts include:

- outreach to various gov't officials in Latin America & the Caribbean regarding application comments, objections, GAC Early Warning, and
- presentations on new gTLDs to at MENOG 11 (Jordan), PacNOG 11 (Fiji), Asia Pacific Telecommunity (Fiji), European Union HLIG, Digital Europe EU ICT Business Group

Media efforts resulted in over 150 news articles since Prague.

The microsite will be getting a new look. Navigation will be improved as well. We will also begin increased communications to inform Internet users about the objection and dispute resolution mechanisms.

## **Applicant Support Update**

The applicant support program was created to provide financial and non-financial assistance to qualifying new gTLD applicants. For non-financial assistance, an applicant support directory was created to connect potential applicants who wish to establish a new public interest gTLD registry in their community with organizations that offer either financial or non-financial assistance. The directory is at <http://newgtlds.icann.org/applicants/candidate-support/non-financial-support>. To-date, there are 19 service providers and 24 service seekers in the directory.

The program also provides financial assistance in the form of a reduced application fee, USD47000 instead of USD185000 for qualifying applicants. ICANN received 3 applications through the applicant support program.

A Support Applicant Review Panel (SARP) was convened to review applicant support applications. SARP members were selected with the goal of reflecting diversity and balance in expertise, nationality, gender and profession. SARP consists of senior individuals with direct experience in the developing world managing registries, awarding grants, running small businesses and serving the public interest. These individuals came from the non-profit, private and government sectors with a dedication to serving the global public interest, promoting worldwide Internet access and competition, and supporting new gTLD applicants from developing economies.

Applicant support applications are being reviewed by a 5-member SARP. The SARP has self-selected a chairperson to lead the panel sessions and to serve as the main point of contact. Panel members have completed training.

SARP is slated to deliver results to applicants on November 30.

## **EBERO**

During the past few months ICANN staff has listened to oral presentations from selected RFI respondents and is drafting the contract terms. Based on the new gTLD applicants and potential volume and geographic distribution of the future registries, the goal is to have three to four EBERO providers. If EBERO services are required, the fee for their service will be paid from the Continuity Operations Instrument (COI) required for all new gTLDs. Next steps are:

- Finalize the contract terms
- Publish selected providers
- Finalize the process design
- Conduct emergency simulations and training

We expect to have the contracted EBEROs announced and onboard by May 2013.