Applicant Decisions and Milestones RySG Input to ICANN

February 2024

At the request of the ICANN Board, via ICANN Org, the Registries Stakeholder Group (RySG) has developed a list of the decisions that potential new gTLD applicants need to make in determining whether or not to apply for a new gTLD.

During the 2012 new gTLD round, many applicants began preparing their applications well in advance of the January 2012 window. Some started sincere preparations in 2009 and 2010. The amount of preparation for each applicant, and for each application, was likely different, but there were a number of commonalities shared.

- <u>Feasibility</u>. The first decision made by an Applicant is whether or not it wishes to apply for a particular string. For most, the decision to apply is based on the following criteria:
 - a) <u>Cost of an Application</u>: For the 2012 round, ICANN determined the cost of an application in October 2008 (over 3 years prior to the opening of the window) at \$185,000; Although we have less time than that remaining before the next window opens, a set fee for each phase of the process is needed ASAP. At a minimum, applicants will need to know the following:
 - 1. Application fees for:
 - i. A TLD string using a pre-evaluated RSP
 - ii. A TLD string that includes the price of the RSP evaluation
 - iii. A variant of an existing TLD string or for an applied-for string and whether or not this fee will vary if the existing or applied for string is operated by the same or different entity as the current applicant
 - 2. The total costs for each of the other evaluations that are not included in fees above, including:
 - i. Costs of a Community Priority Evaluation
 - ii. Costs of an extended evaluation (if any)
 - iii. Ongoing annual Registration Fees
 - iv. Costs of an application change process (if any)
 - v. Costs (if any) for application queuing process
 - 3. Refund schedule (if any)
 - 4. Requirements for a COI such as a Letter of Credit
 - 5. Costs for TMCH and other vendors
- 2. Requirements: According to the latest information provided by the SubPro IRT, we expect the "final Applicant Guidebook" to be completed in April 2025, (1 year prior to the Window opening). The RySG believes that the following elements must also be finalised (either within the AGB itself), or published separately, but at the same time:

- a) The actual dates in which the Applicant Window opens and closes; including any milestones such as payment deposits, expected reveal date, opening of comment and objection periods, etc.
- b) The final Registry Agreement for the New gTLDs
- c) The final Escrow Agreement and requirements
- d) Final rules of Private Resolution of Contention sets / Mechanism of last resort / timing of process and placing bids
- e) Any unique Registry / Registrar requirements / Code of Conduct
- f) Must include Background Check Requirements and all Disclosure Requirements
- g) Need to know what the Name Collision Mitigation Framework will look like to plan launch schedules.

3. Other Important Timeline Information

- a) RSP Pre-Evaluation Program
 - 1. Date final requirements will be set
 - 2. Opening of RSP Pre-Evaluation Program Window
 - 3. Closing date of RSP Pre-Evaluation Program Window
 - 4. Dates in which results will be posted
 - 5. Timing of Appeals Process (if any)
- b) Applicant Support Program
 - 1. Date final requirements will be set
 - 2. Opening of Applicant Support Program window
 - 3. Closing of Applicant Support window
 - 4. Dates in which results will be posted / Timing for unsuccessful ASP applicants to pay full application fee if they want to stay in.
 - 5. Timing of Appeals Process (if any)
- c) Timeline after Application Window through Delegation (and everything in between)
 - 1. Timing of Reveal Day
 - 2. Setting of contention sets
 - 3. Timing of date in which application queue will be known (and whether in person will be required)
 - 4. Application Comment Period
 - 5. Objection Period / Independent Objection / GAC Early Warnings Date
 - 6. Release of Initial Evaluation Results
 - 7. Extended Evaluation timing
 - 8. Name Collision Framework / timing
 - 9. Process / Timing of initiating the contract process / contract signature
 - 10. Pre-delegation testing timeline
 - 11. Delegation timing / Intersection between RZ Delegation Rate

Why is Timing Important?

In the next round, we expect that there will be a wide variety of different types of applications ranging from completely generic TLD applications, brands, communities, IDN and Variant

applications, geographic TLD applications, and applications for TLDs which we have yet to categorise.

- 1. <u>Budgeting Cycles</u>: All entities are on a particular budgeting cycle and must include the costs of the new gTLD Program in the applicable budgets. This includes not only the total costs for the applicant in the program, but also budgeting funds for the preparation, writing and submission of applications and the funds necessary to secure third party vendors for each of the required services. Budgeting cycles are dependent on the timing of fiscal years of the applicant.
 - Ex. 1. If the Application Window opens in April 2026, and the applicant is on a calendar fiscal year, a brand must have funds budgeted for the application itself by approximately September 2025 to include in its FY 2026 budget. However, it will also need to budget money for preparation of the application. Therefore, these funds may need to be included in a FY 2025 budget and therefore need to be known by September 2024.
 - Ex. 2. If the applicant's fiscal year begins in July, and application fees are due in April 2026, that applicant must know all of the fees by March 2025 so it can be included in its July 2025/June 2026 FY. For any prep work that may need to be done prior to that, it would need to include prep fees in its 2024/2025 budget, which is usually developed in March 2024. That is next month.
- 2. <u>Community / Geographic TLDs</u>. These TLDs typically require much more preparatory work than those for completely generic TLDs. Communities need to be organised and support within those communities need to be developed and cultivated. For geographic TLDs, support must be obtained by the applicable governmental entity and that takes considerable time. Some governmental entities require that there is their own RFP process to determine who can be the applicant for such a TLD. This was the case for .nyc in the last round where the New York City Government's procurement for the vendor to operate the .nyc registry happened in October 2009¹.

For the 2012 new gTLD round, some community and geographic TLD applicants were working on their community applications and organising the community as far back as 2009 / 2010. This would mean that if we were to launch in April 2026, we are already behind that schedule. Therefore, we need all requirements for community and geographic TLDs to be finalised ASAP in order to give these applicants enough time to get community / governmental support.

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¹ See https://isoc-ny.org/902 and https://www.nyc.gov/assets/forward/documents/dotnyc/Neustar-TLD-Signed%20Agreement Redacted.pdf.