
8.2 Service Provider Coordination

8.2.1 Introduction

Service providers are strategic partners in the implementation of the New gTLD Program. This section of the Program Implementation Review Report discusses the following aspects of service provider coordination:

- Service Provider Selection Process
- Conflict of Interest Guidelines
- Service Provider Coordination Program

8.2.2 Relevant Guidance

The following guidance is relevant to the topic of Service Provider Coordination and will be discussed in further detail in Sections 8.2.3 and 8.2.4 of this report:

- GNSO Implementation Guideline H: “External dispute providers will give decisions on objections.”³⁸⁹
- Applicant Guidebook, Module 1: Introduction to the gTLD Application Process³⁹⁰
- Applicant Guidebook, Module 2: Evaluation Procedures
- Applicant Guidebook, Module 3: Objection Procedures
- Applicant Guidebook, Module 4: String Contention Procedures

8.1.3 Background

The AGB called for independent experts to perform certain Program activities such as evaluation, objection and dispute resolution proceeding, and auction management. In addition to the independent experts required by the AGB, ICANN engaged other service providers to execute other Program activities such as PDT and Quality Control.

ICANN selected all but two service providers for the Program through competitive, open processes, implemented the conflict of interest guidelines established in Section 2.4.3 of the AGB, and coordinated the service providers’ work to ensure timely and quality deliverables.

³⁸⁹ ICANN. (8 August 2007) ICANN Generic Names Supporting Organization Final Report Introduction of New Generic Top-Level Domains, Part A. Retrieved from <http://gns0.icann.org/en/issues/new-gtlds/pdp-dec05-fr-parta-08aug07.htm>

³⁹⁰ ICANN. (4 June 2012) gTLD Applicant Guidebook Version 2012-06-04. Retrieved from <http://newgtlds.icann.org/en/applicants/agb/guidebook-full-04jun12-en.pdf>

8.2.4 Assessment

8.2.4.1 SERVICE PROVIDER SELECTION PROCESS

Section 2.4.2 of the AGB called for service providers that were global, diverse, and that had the ability to scale quickly in order to meet the unknown demands of the New gTLD Program. Call for Expression of Interest, Requests for Proposals, and Requests for Information were issued to solicit qualified service providers to perform background screening, Financial Capability evaluation, Technical/Operational Capability evaluation, Geographic Names evaluation, String Similarity evaluation, Community Priority Evaluation, Auction, PDT, and to administer the Community, Limited Public Interest, Legal Rights, and String Confusion Objections.^{391, 392, 393, 394, 395, 396, 397} For DNS Stability and Registry Services, ICANN performed direct procurement, which is provided for under the ICANN Procurement Guidelines,³⁹⁸ due to the specific technical skills required for these evaluations.

Service provider selection criteria were provided in the EOIs, RFPs, and RFIs, and mapped to the criteria provided in Section 2.4.2 of the AGB. In addition to the criteria provided in the AGB, ICANN also considered the candidates' capacity to develop tools for evaluation, proposed internal processes to ensure the consistency of evaluation results, approach, experience, technical competency, commitment, and proposed costing model. Over the course of the New gTLD Program, ICANN developed best practices for sharing information with the community regarding the procurement process. To support transparency, in future application rounds, ICANN should continue to provide procurement information to the community in the form of timely updates. Such updates should include selection criteria and service provider process documentation where applicable.

Where it made sense, ICANN selected more than one service provider to perform a particular evaluation. This approach allowed ICANN to address any conflict of interest issues, increase

³⁹¹ ICANN. (21 December 2007) Announcement: ICANN Calls for Expressions of Interest from Potential Dispute Resolution Service Providers for the New gTLD Program. Retrieved from <https://www.icann.org/news/announcement-2007-12-21-en>

³⁹² ICANN. (25 February 2009) Announcement: New gTLDs – Call for Applicant Evaluation Panel Expressions of Interest. Retrieved from <https://www.icann.org/news/announcement-2009-02-25-en>

³⁹³ ICANN. (31 July 2009) Announcement: New gTLD Program - Update on Independent Evaluators Search <https://www.icann.org/news/announcement-2-2009-07-31-en>

³⁹⁴ ICANN. (30 August 2011) Announcement: Safe, Stable and Secure New gTLDs – ICANN Seeks Global Background Screening Services Provider. Retrieved from <https://www.icann.org/news/announcement-2011-08-30-en>

ICANN. (21 November 2011) Announcement: New gTLD Program – ICANN Seeks Independent Objector. Retrieved from <https://www.icann.org/news/announcement-3-2011-11-21-en>

³⁹⁵ ICANN. (21 November 2011) Announcement: New gTLD Program – ICANN Seeks Independent Objector. Retrieved from <https://www.icann.org/news/announcement-3-2011-11-21-en>

³⁹⁶ ICANN. Request for Proposal: Pre-Delegation Testing Provider for the New gTLD Program. Retrieved from <https://www.icann.org/en/system/files/files/pre-delegation-testing-30oct12-en.pdf>

³⁹⁷ ICANN. Summary of New gTLD Auctions Vendor Selection. Retrieved from <http://newgtlds.icann.org/en/applicants/auctions/summary-vendor-selection-10mar14-en.pdf>

³⁹⁸ ICANN. (21 February 2010) Procurement Guidelines. Retrieved from <https://www.icann.org/en/system/files/files/procurement-guidelines-21feb10-en.pdf>

capacity, and foster competition among service providers to increase quality and minimize cost. Table 8.2.i shows the selected service providers.

Table 8.2.i: Selected Service Providers

Evaluation Panel	Service Provider
Background Screening Panel	• PricewaterhouseCoopers (PwC)
String Similarity Panel	• Interconnect Communications (partnering with the University College London)
DNS Stability Panel	• Interisle Consulting Group
Registry Services	• Interisle Consulting Group
Geographic Names Panel	• The Economist Intelligence Unit (EIU) • Interconnect Communications (partnering with the University College London)
Financial and Technical Evaluation Panels	• Ernst & Young • KPMG • JAS Advisors
Community Priority Evaluation Panel	• The Economist Intelligence Unit (EIU) • Interconnect Communications
Dispute Resolution Service Providers	• The International Centre for Dispute Resolution (ICDR) • The Arbitration and Mediation Center of the World Intellectual Property Organization (WIPO) • The International Centre for Expertise of the International Chamber of Commerce (ICC)
Independent Objector	• Professor Alain Pellet
Auction Provider	• Power Auctions, LLC
Pre-Delegation Testing	• Stiftelsen för Internetinfrastruktur (IIS)

Background Screening Panel

ICANN selected PricewaterhouseCoopers (PwC) to perform background screening for its independence, expertise, and capacity to gather, analyze, assess, scrutinize, and report information. With more than 195,000 people in 157 countries, PwC had the global network and reach necessary to perform complete background research of applicants for the New gTLD Program as well as the ability to quickly scale to meet the demands of the Program.³⁹⁹

String Similarity Panel

ICANN selected one service provider to perform the String Similarity evaluation because all of the strings had to be evaluated against one another. InterConnect Communications, in partnership with the University College London (UCL), was selected as the String Similarity panel firm. InterConnect Communications had nearly 30 years of experience providing consulting services in

³⁹⁹ICANN. (25 February 2009) ICANN Call for Expression of Interest (EOIs) for a New gTLD Geographic Names Panel. Retrieved from <https://archive.icann.org/en/topics/new-gtlds/eoi-geonames-25feb09-en.pdf>

communications sector strategy, policy and associated regulatory frameworks.⁴⁰⁰ UCL came with internationally renowned researchers with “breadth and depth of expertise across the entire range of academic disciplines.”⁴⁰¹ Together, InterConnect and UCL firms brought diverse linguistics resources offering and subject matter expertise.⁴⁰²

DNS Stability Panel and Registry Services Panel

ICANN selected Interisle Consulting Group to perform the DNS Stability and Registry Services evaluations for its specific subject matter expertise in the DNS. Interisle convened separate independent panels for each of these evaluations. In 2009, Interisle was selected by ICANN to perform technical string requirement evaluations for requested IDN ccTLDs under the IDN ccTLD Fast Track Process.⁴⁰³ Within the Fast Track program, the Panel reviewed ccTLDs for confusability with two-letter codes, existing TLDs and other applied-for TLDs — this experience was valuable in determining, for instance, whether new gTLDs could cause instability based on non-compliance with ASCII/non-ASCII label requirements or ISO standards. Furthermore, Interisle had experience in ICANN’s Registry Services Evaluation Policy (RSEP) as part of the Registry Service Technical Evaluation Panel (RSTEP),⁴⁰⁴ experience which was leveraged in the Registry Services evaluation.

Financial Capability and Technical and Operational Capability Evaluation Panels

The AGB, Attachment to Module 2, Section III stated, “Given the requirement that technical and financial planning be well integrated, the panels [would] work together and coordinate information transfer where necessary.” To support this, ICANN selected the same panel firms for the Technical and Operational Capability Evaluation and the Financial Capability Evaluation, and allocated both sections of an application to the same panel firm.

ICANN selected three service providers to conduct Financial Capability and Technical and Operational Capability evaluations: Ernst & Young, KPMG, and JAS Global Advisors. Ernst & Young and KPMG were selected for their expertise in technology and finance. Both firms had large and global practices that provided technology advisory and evaluate financial transactions, making them well suited to perform Technical/Operational and Financial evaluations for the Program. Their large global footprints could also effectively scale to ensure timely processing of applications. JAS Global Advisors had a decade of experience in due diligence, Internet security, and global IT operations as well as an in-depth knowledge of ICANN.⁴⁰⁵

⁴⁰⁰InterConnect Communications. About InterConnect. Retrieved from http://www.icc-uk.com/index.php#tab_2

⁴⁰¹University College London. UCL Research. Retrieved from <http://www.ucl.ac.uk/research>

⁴⁰²M. Salazar, ICANN. (22 November 2011) Preparing Evaluators for the New gTLD Application Process. Retrieved from <https://newgtlds.icann.org/en/blog/preparing-evaluators-22nov11-en>

⁴⁰³ICANN. (9 September 2009) Announcement: Status Update: IDN ccTLD Fast Track Process Implementation. Retrieved from <https://www.icann.org/news/announcement-2-2009-09-09-en>

⁴⁰⁴ICANN. Registry Services Technical Evaluation Panel. Retrieved from <https://www.icann.org/resources/pages/technical-evaluation-panel-2012-02-25-en>

⁴⁰⁵M. Salazar, ICANN. (22 November 2011) Preparing Evaluators for the New gTLD Application Process. Retrieved from <https://newgtlds.icann.org/en/blog/preparing-evaluators-22nov11-en>

Geographic Names Panel

ICANN selected two service providers to conduct Geographic Names evaluations: the Economist Intelligence Unit (EIU) and Interconnect Communications. The EIU had more than six decades of experience and incorporated a solid understanding of global corporate and government processes. Additionally, the EIU had experience building evaluative frameworks and benchmarking models for its clients, including governments, corporations, academic institutions, and NGOs.⁴⁰⁶ InterConnect Communications (partnered with the University College London) brought experience in working with governments in the telecommunications and wireless industry. InterConnect Communications had nearly 30 years of experience providing consulting services in communications sector strategy, policy and associated regulatory frameworks.⁴⁰⁷ Both providers were able to convene globally diverse panels that could evaluate applications from all regions of the world. They were also able to quickly scale to meet the demands of the evaluation of an unknown application volume.

Community Priority Evaluation Panel

ICANN initially selected two service providers to conduct CPE, the EIU and InterConnect Communications. The decision to have only one service provider performing CPE was primarily due to the low volume of community-based applications in contention (34 in total) where additional capacity was not required and in order to ensure consistency in evaluation over this low volume. Ultimately, ICANN selected EIU to perform CPE because of its experience, expertise, and global network.⁴⁰⁸ Its network of more than 500 analysts and contributors in more than 200 countries helped executives, governments, and institutions by providing timely, reliable, and impartial analysis. Additionally, the EIU had more than six decades of experience building evaluative frameworks and benchmarking models for its clients, including governments, corporations, academic institutions, and NGOs. One of its core competencies was applying scoring systems to complex questions, which was a good fit for CPE due to the need to apply consistent analysis to a variety of applications during the CPE process.⁴⁰⁹

Dispute Resolution Service Providers

Each of the DRSPs selected by ICANN was a globally recognized firm with notable experience in dispute resolution:

- The International Centre for Dispute Resolution (ICDR) for String Confusion Objections:

Established in 1996 as the global component of the American Arbitration Association, the [ICDR] provide[d] conflict-management services in more than 80 countries with a staff fluent in 14 languages. Through a worldwide panel of hundreds of independent

⁴⁰⁶The Economist Intelligence Unit. Community Priority Evaluation Panel Process. Retrieved from <https://newgtlds.icann.org/en/applicants/cpe/panel-process-07aug14-en.pdf>

⁴⁰⁷InterConnect Communications. About InterConnect. Retrieved from http://www.icc-uk.com/index.php#tab_2

⁴⁰⁸M. Salazar, ICANN. (22 November 2011) Preparing Evaluators for the New gTLD Application Process. Retrieved from <https://newgtlds.icann.org/en/blog/preparing-evaluators-22nov11-en>

⁴⁰⁹The Economist Intelligence Unit. Community Priority Evaluation Panel Process. Retrieved from <https://newgtlds.icann.org/en/applicants/cpe/panel-process-07aug14-en.pdf>

*arbitrators and mediators and global cooperative agreements for hearing-room access, the ICDR provide[d] a flexible, party-centered process over a broad range of industries and geopolitical issues.*⁴¹⁰

- The Arbitration and Mediation Center of the World Intellectual Property Organization (WIPO) for Legal Rights Objections: “WIPO [was] the global forum for intellectual property services, policy, information and cooperation. [It was] a self-funding agency of the United Nations, with 188 member states.”⁴¹¹ The WIPO Arbitration and Mediation Center provided time- and cost-efficient mechanisms to resolve internet domain name disputes, without the need for court litigation. This service included the WIPO-initiated Uniform Domain Name Dispute Resolution Policy (UDRP), under which the WIPO Center processed over 30,000 cases (as of 2015).⁴¹² The WIPO Center described the Legal Rights Objection development, procedure, and substance in its End Report.⁴¹³
- The International Centre for Expertise of the International Chamber of Commerce (ICC) for Limited Public Interest and Community Objections: “ICC [was] a leading provider of dispute resolution services for individuals, business, states, state entities, and international organizations seeking alternatives to court litigation.”⁴¹⁴

Independent Objector

On 14 May 2012, Professor Alain Pellet was announced as the Independent Objector.⁴¹⁵ Professor Pellet's credentials and experience were suitable for the role. He was a highly regarded professor and practitioner of law and has represented governments as Counsel and Advocate in the International Court of Justice in many significant and well-known cases. He was widely published and held several significant honors.⁴¹⁶ The Independent Objector's role and process were discussed in Section 3.2: Objections & Dispute Resolution of this report.

Auction Service Provider

In June 2008 ICANN selected Power Auctions LLC to provide expertise as ICANN's auction design consultants as the ICANN community was considering if and how ICANN could use auctions to resolve contention sets.⁴¹⁷ This selection was based on an open Expression of Interest and

⁴¹⁰ International Centre for Dispute Resolution. About the American Arbitration Association (AAA) and the International Centre for Dispute Resolution (ICDR). Retrieved from <https://www.icdr.org/icdr/faces/s/about>

⁴¹¹ World Intellectual Property Organization. Inside WIPO. Retrieved from <http://www.wipo.int/about-wipo/en/index.html>

⁴¹² World Intellectual Property Organization. Domain Name Dispute Resolution. Retrieved from <http://www.wipo.int/about-wipo/en/index.html>, and <http://www.wipo.int/amc/en/domains/>

⁴¹³ World Intellectual Property Organization. WIPO Arbitration and Mediation Center End Report on Legal Rights Objection Procedure 2013. Retrieved from <http://www.wipo.int/export/sites/www/amc/en/docs/lroreport.pdf>

⁴¹⁴ International Chamber of Commerce. ICC Dispute Resolution Services. Retrieved from <http://www.iccwbo.org/about-icc/organization/dispute-resolution-services/>

⁴¹⁵ ICANN. (14 May 2012) Announcement: Independent Objector for New gTLD Program Selected. Retrieved from <https://www.icann.org/news/announcement-2012-05-14-en>.

⁴¹⁶ More information about Professor Pellet, including his curriculum vitae, can be found at: <http://www.alainpellet.eu>

⁴¹⁷ ICANN. Single-Character Second-Level Domain Name (SC SLD) Allocation Framework. Retrieved from <https://www.icann.org/resources/pages/proposed-scsld-allocation-framework-2008-06-13-en>

subsequent Request for Proposal process.⁴¹⁸ In support of this effort, Power Auctions LLC helped ICANN to define the Ascending Clock Auction process as the best choice for contention resolution auctions, and much of the text of Module 4.3.1 Auction Procedures is based on Power Auctions LLC’s work. Subsequently, in August 2009, Power Auctions LLC was selected to provide the implementation of auctions for the Program, based on an RFP issued earlier that year. In September 2013, ICANN updated the 2009 agreement with Power Auctions LLC to facilitate the auctions.⁴¹⁹ Power Auctions LLC was a leader on auction thought and design. It had an international team composed of noted experts in auction design and implementation with relevant experience in international high stakes auctions for public goods including telecommunications spectrum, natural resources, and public utility rights.⁴²⁰ Power Auctions LLC was also pivotal in the development and design of both the direct and indirect auction processes, as well as the implementation rules governing both types of auction.

Pre-Delegation Testing Service Provider

ICANN selected Stiftelsen för Internetinfrastruktur (IIS) as the PDT service provider in December 2012.⁴²¹ This selection was based on an open request for proposals conducted earlier in 2012.⁴²² IIS was the registry operator for the .se ccTLD (Sweden) and was selected for its proven track record of technical capability, operations excellence, and significant experience in the industry.⁴²³ IIS provided the expertise to help ICANN develop all PDT systems and requirements as well as perform testing. For example, IIS had demonstrated understanding of the critical registry functions (i.e., DNS, DNSSEC, EPP, Whois, Data Escrow), operational experience necessary to deliver the testing services, ability to scale up on request to meet the volume demand of the Program, and experience designing, building, and operating robust and secure systems. Furthermore, IIS’s pre-existing tools (e.g., DNS check) could be leveraged to meet the Program’s timelines. Over the course of the relationship, IIS provided invaluable assistance in continuous improvement of the PDT experience to the applicants.

8.2.4.2 CONFLICT OF INTEREST GUIDELINES

AGB Section 2.4.3.1 provided Conflict of Interest guidelines and procedures “to safeguard against the potential for inappropriate influence and ensure applications are evaluated in an objective and independent manner.” ICANN required the panels to contractually comply with these guidelines.

The Conflict of Interest guidelines defined the minimum standards with which panels and panelists --individuals associated with the review of an application--had to comply. Prior to allocating any

⁴¹⁸ ICANN. (18 January 2008) Announcement: ICANN Seeks Expressions of Interest from Auction Design Experts. Retrieved from <https://www.icann.org/news/announcement-2008-01-18-en>

⁴¹⁹ ICANN. Summary of New gTLD Auctions Vendor Selection. Retrieved from <http://newgtlds.icann.org/en/applicants/auctions/summary-vendor-selection-10mar14-en.pdf>

⁴²⁰ Power Auctions LLC. About Power Auctions LLC. Retrieved from <https://www.powerauctions.com/company>

⁴²¹ ICANN. (21 December 2012) Announcement: Pre-Delegation Testing Services for the New gTLD Program - Selection of Provider. Retrieved from <https://www.icann.org/news/announcement-2012-12-21-en>

⁴²² ICANN. (30 October 2012) Announcement: Pre-Delegation Testing Provider for New gTLDs – Request for Proposals. Retrieved from <https://www.icann.org/news/announcement-2012-10-30-en>

⁴²³ See more information on .SE at <https://www.icann.org/news/announcement-2012-12-21-en>

applications to the service providers, ICANN required that service providers perform conflict of interest checks for the panelists in accordance with the requirements of the AGB, and to provide ICANN with the results. ICANN allocated applications taking these results into account.

8.2.4.3 SERVICE PROVIDER COORDINATION

Program service providers provided recommendations to ICANN under their firms' names. ICANN worked in close coordination with them to ensure understanding of the AGB requirements, ICANN processes as well as timelines for delivery of deliverables. The service providers were responsible for defining their own processes and procedures and for training their staff.

DRSPs, on the other hand, assigned experts that administered the individual proceedings, and these experts provided their determinations directly to the parties of the objections under their own names. Attachment to Module 3, Article 10, of the AGB called for ICANN to monitor the progress of all objections and proceedings, as some applications might have been subject to objections filed with more than one DRSP. ICANN managed the DRSPs in a manner consistent with the AGB.

8.2.5 Conclusion

The AGB called for independent service providers to perform activities for many aspects of the New gTLD Program, including evaluation, dispute resolution, and auction. ICANN also engaged service providers as strategic partners to execute other Program activities such as PDT and quality control. In almost all cases, ICANN selected the providers through a public procurement process. ICANN worked with the providers to develop processes and procedures, and managed their work to ensure consistency and quality of results delivered.

Over the course of the New gTLD Program, ICANN developed best practices for sharing information with the community regarding the procurement process. To support transparency, in future application rounds, ICANN should continue to follow its procurement guidelines, and it should provide timely procurement information to the community.

In summary:

8.2.a Provide transparency and predictability to the procurement process following ICANN's procurement guidelines. Publish selection criteria, providers' process documents, and other relevant and non-confidential material in a timely manner.