# New gTLD Subsequent Procedures



13 August 2018

### **Agenda**

Welcome/Agenda Review/SOI Updates (5 mins)

Registrar Support
For New Registries
(50 minutes)

Process to Achieve Consensus (20 mins)

ICANN63 Session
Planning
(10 mins)

AOB (5 mins)



## Welcome/Agenda Review/SOI Updates



## Registrar Support for New Registries



#### **ICANN** Channel model

- Started in 1998 when Network Solutions, now Verisign, agreed with USG to build a registry-registrar model on what is now known as gTLDs
  - There were approximately 2 million gTLD domains at the time
  - After ICANN was created, it was tasked with overseeing the transition to the registry-registrar model
- Initial test-bed started April 1999; other registrars started December 1999
  - By July 1999 there were ~ 7 million gTLD domains
  - By Jan 2000 there were ~ 10 million gTLD domains
- No 2012 gTLD registry family has achieved 7 million DUM to date
- Besides economies of scale applying to registry infrastructure, it also applies to domain sales channels
- While Vertical Integration is allowed, cost and obligations for selling own-TLD are equal to selling all TLDs, without the scale of selling legacy gTLDs



#### **Foundational Questions**

- Policy issue x market forces
- "Product defect" x "Channel Defect"



#### **Angles of the issue**

- Registrants
  - Prefer concentrating in a single registrar
- Registrars
  - Favor registry standardization
  - Are less likely to onboard niche or differently-run TLDs
- Registries
  - With a few exceptions, most are trying to differentiate or focus on specific verticals or geographies



#### Possible solutions: not approved

- Registrars above a certain size would have "must-carry" obligations
  - Adopted in some industry/jurisdictions combinations (like Pay TV)
  - Group felt it would only be warranted if a "channel defect" could be demonstrated



### Possible solutions: to be considered (1/3)

- Wholesale registrar to carry all gTLDs that want it
  - Paid by ICANN to develop and support integration
  - Would allow jurisdictions or verticals with no or few accredited-registrars to have local / niche resellers



#### Possible solutions: to be considered (2/3)

- Increase self-allocation limit
  - Registries can currently manage up to 100 domains (with minor restrictions), and have to follow RAA on those registrations
  - That limit could be expanded to 5,000 or 10,000; after that, registrars would, in theory, have commercial interest
  - Different implementation of this idea would be for all registry contracts to include a registrar license



## **Self-allocation Impact Assessment**

- 44 registry families have more than 20,000 dd
- 11 between 10,000 and 20,000
- 16 between 5,000 and 10,000
- ⊙ 30+ launched non-brand less than 5,000
- Not launched TLDs might be awaiting better channel conditions or better overall demand/maturity



#### Possible solutions: to be considered (3/3)

- Registry-Registrar Clearinghouse
  - Would ease up requirement of pre-paid deposits or post-paid invoicing in different registries, by consolidating money flow
  - Would tackle currency conversion issues
    - Local currency would be used by both registry and registrar



#### **Process to Achieve Consensus**



#### **Consensus Call Process**

- Next steps and considerations:
  - Review and consider public comment in order to review, draft, or revise recommendations, based on WG deliberations, likely in sub teams.
  - The default position is generally understood to be the 2012 implementation. The WG should affirmatively recommend that default position where applicable, rather than remaining silent.
  - All recommendations, including those developed in sub teams, must go through a consensus call in the full Working Group.
  - Careful reconciliation between recommendations of this WG and existing 2007 recommendations needed.
  - Refinement of recommendations versus implementation guidance may be needed.



#### More on the Consensus Call Process

- Standard Methodology for Making Decisions is included in section 3.6 of the GNSO Working Group Guidelines: <a href="https://gnso.icann.org/sites/default/files/file/field-file-attach/annex-1-gnso-wg-guidelines-18jun18-en.pdf">https://gnso.icann.org/sites/default/files/file/field-file-attach/annex-1-gnso-wg-guidelines-18jun18-en.pdf</a>
- Standard steps of a consensus call:
  - i. After the group has discussed an issue long enough for all issues to have been raised, understood and discussed, the **Chair**, **or Co-Chairs**, make an evaluation of the **designation** and **publish it for the group to review**. Possible designations: **Full consensus, Consensus, Strong support but significant opposition, Divergence**. **Minority View** may occur in response to any designation except Full consensus.
  - ii. After the group has discussed the Chair's estimation of designation, the Chair, or Co-Chairs, should reevaluate and publish an updated evaluation.
  - Steps (i) and (ii) should continue until the Chair/Co-Chairs make an evaluation that is accepted by the group.
  - iv. Consensus calls are **not** votes, though in rare cases, the Chair may determine that the use of a poll may be reasonable.



#### More on the Consensus Call Process

- "Full consensus" exists when no one in the group speaks against the recommendation in its last readings.
- The designation "consensus" is a position where only a small minority disagrees, but most agree. It does not require full agreement by every individual.
- "Strong Support but significant opposition" is a position where most support a recommendation, but a significant number do not support.
- "Divergence" is a position where there is not strong support for any particular position, but many different points of view.
- "Minority view" refers to a proposal where a small number of people support the recommendation and can happen in response to all designations except Full consensus.



## **ICANN63 Session Planning**



## **Tentative ICANN63 Session Timing**

Day 1: Saturday, 20 Oct 2018:

Full WG: 09:00-13:15

Day 3: Monday, 22 Oct 2018:

Work Track 5: 09:00-12:00

Questions for the full WG session:

- Where do we envision we will be at this stage?
- What should the purpose/anticipated outcome be?



# AOB

