Michele Jourdan:	Okay, it's 2:30 so I think we're going to go ahead and get ready and start. Welcome everyone. Welcome to San Francisco and welcome to ICANN if it's one of your first ICANN meetings. My name is Michele Jourdan and I'm the Manager of New gTLD Communications for ICANN. This is Karla Valente, Director, gTLD Registry Programs. She's going to be doing the remote participation and helping with Q&A at the end.
	I'm going to talk to you basically about "New gTLD Basics." I'm not going to go into the specifics of the program. There are several sessions going on this week that you can attend that I'll go over at the end of the presentation where you can get into the details of the program.
	In this session I'll give you an overview of domain names; we'll take a brief look at the history of new gTLDs, looking at the timeline; we'll talk about why ICANN is doing this; the potential impact to businesses and governments and to the end users; and look at the program who, what, when, where, and how; and then where to go if you want additional information.
	Let's first look at the internet as an evolving ecosystem because that's exactly what it is. In 1969 and 1972 is when we first started seeing the beginnings of the internet with the Arpanet and email. By 1991 we had the world wide web; and on a personal note, in 1994 my first experience

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with email. I had just joined my first high-tech company and I was on the phone and the person asked me to mail them my address. And I thought "Okay, I could just give it to you right now but sure." So I wrote it down on a piece of paper and I stuck it in an envelope, put a stamp on it and I mailed it to them and they got it yesterday. No.

So the '90s brought wireless connectivity. That's when search engines started coming into play. Yahoo was founded in 1995; Google was founded in 1998. It's when we first started seeing the first bits of social networking and blogs started coming on – sharing of music and images over the internet. Then by the 2000s, that's when social media is really kicking up with Facebook and Twitter. We're starting to see people be able to access the internet on their phones and Voice over IP, which are things like Skype.

So what's next? Well, we think new gTLDs are a big part of what's going to be next. Alright, since we're talking about domain names, let's look at the anatomy of a domain name. In the domain name www.meetings.icann.org, .meetings is defined as the third level of that domain name; .icann would be the second level and .org would be the first or the top level. When we talk about the New gTLD Program we're talking about the top level – TLD, top-level domain, so .net, .org, .com are all TLDs.

So what are the next dots? Let's go over a brief history of the new gTLD timeline. Before ICANN even came into existence there were already established gTLDs - .com, .edu, .gov – that were predating ICANN. ICANN came into existence in 1998 and in the year 2000 and 2004 we opened up rounds to introduce additional gTLDs into the domain name space. Out of those rounds came TLDs like .biz, .name, .jobs, .mobi. And in the year 2005 is when the GNSO – the Generic Names Supporting Organization who you just heard a little bit about if you were in the presentation right before this – started their policy development work on new gTLDs.

The GNSO basically laid the foundation for the implementation and the development work that we've done on the program today. Out of their work came a set of principles and recommendations on what should be considered when implementing the program, and at the ICANN Paris meeting in 2008 the ICANN Board approved that policy work.

Then staff got busy drafting Applicant Guidebooks. We're currently on the fifth version of the Applicant Guidebook. Each Guidebook has been posted to our site for public comment. Each revision of the Guidebook takes into account the public comments received.   And the last Guidebook was posted in November. Once the final Guidebook is posted and the Board approves that final Guidebook, a four-month communication campaign will launch which will lead up to the official program launch which is signaled by the application period opening.

Once the application period closes there will be ongoing status reporting on the website.

Okay, I want to take a moment to clarify some terminology before we get much further. We are at ICANN which means you will be navigating a sea of acronyms. So gTLD stands for Generic Top Level Domain. A TLD is also known by other names – sometimes you might hear it referred to as an "extension" or a "suffix" or a "string," and in fact when we post our reporting on the website we will refer to it as the 'applied-for string.'

ccTLDs are Country-code Top Level Domains. The New gTLD Program does not address the Country-code Top Level Domains, but some examples of Country-code Top Level Domains might be .co for Colombia or .br for Brazil, .us for the United States.

IDN stands for Internationalized Domain Names. IDNs are characters that represent local language characters. So for example, after the dot you might see Chinese characters or Arabic or Korean.

Alright, this slide illustrates the ecosystem of the domain name. You have registrants which could be me, it could be you. It's an individual or company that owns or registers a domain name. You have the resellers,

the registrars and the ccTLD registries – these are the entities which registrants can buy domain names from. And then registries are the organizations responsible for managing the top-level domain, such as .com, VeriSign is the registry for the .com top-level domain.

Alright, this is a high-level look at the root. In the root we have both gTLDs and ccTLDs. With the New gTLD Program we're hoping to see an increase in the number of TLDs that are applied to the left bubble there. There are currently about two dozen gTLDs in the root and with new gTLDs we may see new ones come in. So there could be a .city, so .sanfrancisco; or a brand name - .westin, we're in the Westin Hotel. It could be a generic TLD, so maybe .michele or other geographic names or generic IDN names as well.

The ccTLD bubble, we've already seen a change in the landscape over there with the IDN Fast Track Program. ccTLDs are always two characters. There's about 27 non-Latin ccTLDs through the Fast Track Program that are in the root currently. Altogether with gTLDs and ccTLDs we have I think just over 300 TLDs in the root.

Alright, so since applying for a gTLD means you will be applying to run a registry business, what is a registry? A registry is a business with very specific technical requirements and it will require a mandatory agreement with ICANN. A registry is the authoritative master database

of all names registered in each top-level domain. It keeps the master database and it also generates the zone file.   The zone file allows computers to route internet traffic to and from top-level domains anywhere in the world.

Currently registrants don't typically interact with registries. They go through ICANN-accredited registrars to get their domain names. With the New gTLD Program we may see some changes to that.

What is the program? The program is an initiative that will enable the introduction of unlimited generic top-level domains in both ASCII – which are Latin characters – and IDN – which are the local language characters – into the domain name space. Basically it's a platform for innovation that will bring about the new dots and it's managed by ICANN.

So why are we doing this? Well, one of ICANN's key commitments is to promote competition in the domain name space. So by doing this we are removing existing limitations to ASCII-only gTLDs.   ASCII-only characters really don't represent the growing internet reality. We are creating a platform to innovation in the industry and in the internet, and more gTLDs means increased competition at the registry level. Currently, most of the registries are US-based. We're hoping with the introduction of new gTLDs we'll begin to see more registries globally.

I think it's important to note that the whole idea of IDNs didn't start with the GNSO policy development process; it didn't start with the 2000 and 2004 rounds. It's something that's been around as a concept for quite some time and as mentioned previously, ICANN was founded in 1998 and one of our key commitments is to promote competition in the domain name market. So one of the reasons for introducing new gTLDs can be found in our founding documents, in our government agreements and most recently in the Affirmation of Commitments.

The decision to introduce new gTLDs has followed a detailed and lengthy consultation process with all constituencies of the global internet community represented by a wide variety of stakeholders, governments, individuals, civil society, business and intellectual property constituencies and the technology community. And also contributing to the policy work were ICANN's Governmental Advisory Committee, the At-Large Advisory Committee, the Country-code Names Supporting Organization and the Security & Stability Advisory Committee.

So by introducing this program, what impact is it going to have? For businesses, well, the total impact honestly we're not sure. It will be better determined and assessed over time and it really completely depends upon what's applied for and the various business models and

policies surrounding the applied-for TLDs and the ones being approved. But we do know some of the impact.

It is an opportunity for investment in a new business model. You could launch a new start-up business and be part of an exciting development in internet evolution. It will impact choice in the domain name space. Oftentimes someone will try to register a .com name only to find that what they want is already taken. I think Flickr.com is spelled F-L-I-C-K-R because F-L-I-C-K-E-R was already taken.

It will impact competition in the registry space. As I mentioned before, currently the great majority of the registries are US-based. I hope this program will bring more geographic diversity. And there are vast opportunities for innovation. This is an opportunity to create diverse business models pertaining specifically to the applied-for TLD. It could mean better brand control for trademark owners who can set the rules for their TLD themselves instead of another registry setting the rules.

And then it could impact different industry sectors, so experts in their specific areas could come together to discuss ways of forming a registry and apply for a new gTLD. Certain industries, for example the financial industry who are concerned with security, could apply for a high-security TLD which provides greater security to those registering a domain name in their TLD.

Businesses are also going to need to be sure that their systems are upgraded to be able to recognize the new gTLDs coming online as they come online. Many systems are hardcoded to only recognize the TLDs that are currently out there, so this is another impact of the program. And even if you're not applying businesses will be impacted. Brand owners still need to be aware of the program and how it could potentially affect them and their trademark and user behavior.

Impact to government and communities: with the program we will likely see an increase in online cultural, linguistic and geographic communities. IDNs will bring more global inclusivity. We'll see an increase in local ccTLDs and other geographic names.

Potential impact to internet users: the end user will start to see more choice. They too will have opportunities for innovation. Again, with the cultural, linguistic and geographic communities they may find that they're able to be a part of these new gTLDs that are coming online and new gTLDs could create new ways of finding information, products and services.

So who can apply? Entities from anywhere in the world so long as they meet the predefined criteria that is set out in the Applicant Guidebook,

and it's really important to note that this program is not for individual users. This is really a business commitment to run a registry business.

So how do you apply? Once the application period opens applicants will be able to submit their applications through an online system called the TLD Application System, TAS for short. It will be available through our website. It is a secure site and applicants will be required to register and pay an initial fee. The entire application process is going to be in English and that includes the registry agreement assuming your application is approved.

In the Application System applicants will be able to fill in textboxes to answer questions and you'll be able to upload supporting documents, and there will be access to customer service. TAS is designed to handle all aspects of the application process, and it is important to be aware of critical deadlines because these could significantly impact your application.

So when can you apply? The $100 million question. Once the Board approves the final Applicant Guidebook a four-month communication campaign will launch. At the end of that four-month communication campaign will be the official program launch when the application period will open. The application window will be open between 60 and 90 days and then that will be when you can apply.

So what do you need to do now to get ready?   Review the Applicant Guidebook, and after you've reviewed the Applicant Guidebook I suggest you review it again. It's online, available online on our website right now. It's going to be your authoritative resource for all things concerning your application.

Don't wait until the application period opens to start getting ready. Really identify and engage any strategic third parties early, start doing it now. And if you plan on applying for a geographic or community or an IDN TLD then that's going to require additional requirements, and again refer to the Applicant Guidebook. And then be sure that you review all the deadlines.

How much is it? The evaluation fee is $185,000. That fee is paid to ICANN. Upon registration in the TAS system you will be required to pay a $5000 registration fee which is applied towards that $185,000 amount. Refunds do apply in certain circumstances and again, refer to the Applicant Guidebook for those details. And other fees may apply that may not be paid to ICANN.

If your application is approved there will be a $25,000 annual registry fee and then once your TLD reaches a certain number of registrations a

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transaction fee will kick in which is about $0.25 per domain name registered. It's important to note that these are just the evaluation and registry fees only. You also really need to be sure to consider carefully the costs of running a registry business – the operations cost, the start-up costs, things like that.

Okay, say you apply, let's look at the evaluation path. So if your application is completely basic and straightforward this would be the quickest way you could make it through the evaluation path. The application period opens, it'll be open for between 60 and 90 days. After that application period closes there will be a one-month quiet period where ICANN will check for application completeness. Then you will move into an initial evaluation. This will last about five months.

During initial evaluation you complete a background check and the application makes its way through six panels. If you make it through all those panels smoothly you will move on to transition to delegation. This is where the contract is negotiated and executed and a pre-delegation check is done. From the time the application period closes until the time that everything is done, the quickest that you could make it through there is eight months. Once your TLD is delegated to the root it's up to the new registry to determine when to actually launch your new gTLD into the marketplace. ICANN, we don't have any part of that.

But your application may not be so straightforward. If during initial evaluation perhaps you don't pass one of the evaluation panels you can elect to go into extended evaluation, and on the next slide we'll go through in a little bit more detail these three extended evaluation objections, dispute resolution and string contention areas. Depending on what type of TLD you apply for it could be similar or the same as some other applied-for TLD, in which case you would end up in string contention in a contention set; or there's objections and dispute resolution if someone objects to your applied-for TLD.

It's possible that an application would have to go through multiple paths, and what path an application takes and the length of time it takes to make it through and the total cost is completely determined upon what is applied for; and unfortunately there's just no way to know until we start accepting applications. So the variables in the application path – extended evaluation, objections and dispute resolution, and string contention.

Extended evaluation: if you elect to go into there it basically means that we need to take a closer look at a certain area of your application. Objections and dispute resolution: there are four areas that someone can object to an applied-for gTLD and on the next slide we'll talk about those a little bit. And then string contention I mentioned is if your applied-for TLD is the same or similar to another applied-for TLD then you end up in a contention set. How that contention set is handled is

dependent upon if you've applied for a community gTLD or a standard gTLD.

So the grounds for objection: string confusion, legal rights, limited public interest, and community objection. We've talked about string confusion. Legal rights is basically if the applied-for gTLD takes unfair advantage of the distinctive character or the reputation of the objector's registered or unregistered trademark. For example, if you are a trademark owner you could object to the use of a specific name that someone has applied for.

Limited public interest – is the applied-for TLD string contrary to the general principles of international law for morality and public order? And community objection could be if there is substantial opposition from a significant portion of the community to which the string may be targeted.

Objection and dispute resolution is another area. ICANN will be contracting with expert outside organizations. If you want to object to a specific applied-for TLD you should refer to the Applicant Guidebook for how to object and if you qualify to object. You will file the objection directly with the organization handling that type of objection, and again, refer to the Applicant Guidebook for details.

So what do I do now? You should evaluate to see if the New gTLD Program is for you. Review the Applicant Guidebook; get really familiar with it. Get educated about the registry business and the DNS industry and in doing all these things it will help you understand what you need to do in order to get ready if you plan to apply. And if you don't apply you really should still be aware of what's going on with the program even if you're not applying and how it could potentially affect your brand or your trademark. You should be aware of how consumer behavior changes on the internet and how that may affect your business or your current marketing strategy.

Now where do you go for more information? If you need more information be sure to visit our website: www.icann.org. There are New gTLD Program pages where you can find the Applicant Guidebook, fact sheet, FAQs. You can peruse the past public comments, get status reports, and if your question is not answered in the posted FAQs feel free to email us – newgtld@icann.org – and you can follow us on Twitter.

So now I will open it up to questions and then I can tell you about the other sessions that are going on that you may want to attend. Is there a microphone? You guys want to go to the mic? There's one over here and over there.

Male: Hello. You said that if an application is straightforward one may expect it to take about eight months. I think if I'm right, I was reading the Applicant Guidebook and there was a figure of 19 months given basically if things go wrong. Is that a cap or is it only a typical length of time that may be required if things don't go particularly well?

Michele Jourdan: Well, that eight months is the best case scenario, that at the close of the application process if everything goes completely smoothly that's the best scenario. The longest time – I don't have an answer for that.

Male: Okay, perhaps I was reading that in rather an optimistic way. Okay, thank you.

Female: Okay, so I'm not very sure you have knowledge on this but I'm interested in how applications will use these new gTLDs. And especially, do we expect a company like GAP for instance, if they want to sell in China will they apply for new IDNs? That would be my first question, and then my second one: if you know what impact this will have on telecommunication companies especially on the zip protocols that (inaudible) on that. I work in that domain. How will that impact me? Will I have to protect myself against telecommunication companies in China? By that I mean they cannot drive me out of their market by

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using a specific domain name which I'm not supporting or an IDN like that?

Michele Jourdan: I'm going to let Karla answer that.

Karla Valente: So we are not really looking or speculating on what companies are going to register, where they are going to register, what governments are going to do with the TLD.

Female: Okay, but you're not talking about this at all. And are those companies aware of what's coming?

Karla Valente: They are aware of everything that we publish and they probably have their own strategies at hand on how to deal with the different scenarios, because not only the New gTLD Program but there are other different kinds of situations with how the governments allow the internet or not or what they do with the internet. But this is not an area that we specifically deal with in the New gTLD Program.

Female: Alright, thank you.

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Karla Valente: Thank you.

Michele Jourdan: Are there any remote? Okay.

Male 2:   Is there a whisper date or time when the final DAG will be out?

Michele Jourdan: Don't we wish.

Male 2:   Have all the major elements within the DAG – ambiguous points where for people there's a lack of clarity in the DAG, specific nuances that are important to the individual points within the DAG but aren't entirely clear – is there any kind of color you can provide as to a timeline for (crosstalk)?

Michele Jourdan: So the other sessions that are going on are the Board/GAC consultations on the outstanding issues that are identified there. And there's two sessions that we've scheduled on Monday and Wednesday, one on Monday, one on Wednesday where the public will actually be able to make comments about the issues; and then there's two other sessions that the Board and GAC, another consultation where the public will be able to observe but not ask questions.

Male 2:	Okay, thank you.

Karla Valente:	May I add to that? Kurt has a presentation after the GAC consultation on Monday that is for the general public, so Monday and Wednesday are the sessions that the public can participate; Tuesday and Thursday are not – it's between the GAC and the Board even though it's open to the public. But Monday after this GAC and Board session Kurt is going to be talking about the program update, and in this update he's going to be addressing what to expect in the next Applicant Guidebook. There are some revisions that are being done based on public comments, based on Recommendation 6 Working Group, based on the GAC advice. So all of this is still in the works.

Male 2:	And that next DAG, is that going to be a final DAG or is that just going to be the next DAG?

Karla Valente:	That is a perfect question for Kurt on Monday.

Male 2:	Okay, thank you.

Male 3:	Hi. I have a question regarding how will you prioritize if you get 200 that apply or if you get thousands?
Michele Jourdan:	Of applications? The applications will be processed in batches so it's not a first come, first served. I think they're processed in… Is it batches of 500?
Karla Valente:	Yes.
Michele Jourdan:	In batches of 500.
Male 3:	Okay, thank you. And regarding costs there will be or might be other cost involved. Can you be any more specific? When you go back in history for earlier rounds, how much did it cost at earlier status?
Karla Valente:	There were different fees for the 2000 and the 2004 rounds, but you have to take into account that those rounds were very different in terms of evaluation and what was required at this point. This is a much more complex evaluation process that was based on the policy developed by the GNSO. So now in terms of total cost there are different things that you can look at, so there's the cost of the application, the fees that are paid to ICANN or the fees that are paid to the dispute resolution

provider, or fees that you pay for consultants and legal and finance and whatever-

Male 3: I understand that, but there cannot be other costs in the relation between the registry and you?

Karla Valente: So there's ongoing costs. Assuming your TLD is successful and you become a registry, you sign the contract with ICANN – yes, in this contract which is the base agreement that you see, there is an ongoing cost. $25,000 I believe is the yearly fee and then after a certain volume of TLDs there is also a fee per transaction. So there's an ongoing cost, yes, so registries need to be prepared that once you go through this whole evaluation process it doesn't stop there. So in addition to be prepared for the fees for the evaluation and whatever start-up costs you have, you will have a contractual commitment with ICANN for the years to come.

Male 3: I understand that but no other?

Karla Valente: No.

Male 3: Okay, sorry.

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Karla Valente: Thank you.

Male 4:   Can I just ask quickly, I didn't get a couple pieces of information from the slides. Are any of those available on the website?

Michele Jourdan: They are, they're posted online. Go to the schedule that's posted for the San Francisco meeting and go to this session, and it should be posted there.

Male 4:   Okay, thank you.

Michele Jourdan: Any more questions? Alright, thank you guys very much.

[End of Transcript]