

Trademark Protection

ALERT
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ICANN Counts 1900-plus gTLD Applications; Announces Revised Schedule for Near-Term Program Milestones But Leaves Key Questions Unanswered

ICANN's gTLD application period closed May 30, 2012. With over 1900 applications and \$350 million in application fees – and despite a 38-day shutdown of the TLD Application System (TAS) (read our <u>alert</u> on the TAS shutdown and its impact) - ICANN certainly can claim its gTLD program is off to a successful start. How the next stages of the process will proceed is still somewhat of a mystery, however, especially with ICANN releasing limited – and sometimes contradictory – information.

ICANN has set only a few new dates for upcoming milestones in the application evaluation process, including when it will reveal all the applicants and applied-for gTLDs, when it will put the applications into batches for evaluation and when it will begin its "Initial Evaluation" of applications.

Despite ICANN's reserve, some additional parameters can be deduced from the revised dates and from ICANN's January 11, 2012 Guidebook. (ICANN released an update to the Guidebook June 3, 2012, but the amendments appear largely administrative.) ICANN is likely to conduct its Initial Evaluation of the applications in five sequential batches (one batch of 500 and subsequent batches of 400). Based on ICANN's announced timeline, Initial Evaluation of the first batch is not likely to be completed until late December 2012 or early January 2013. Given ICANN's expectation that that Initial Evaluation is approximately a five-month process, and that batches will be processed sequentially, Initial Evaluation of the later batches may take the better part of the next two years, with the Initial Evaluation of the gTLD applications in the last batch is not likely to completed until at least late 2014 or early 2015. This will make success in the batching process (getting into the first couple of batches) key to applicants that believe an early launch is important to their success.

Open questions exist as to exactly how ICANN will run the batching process. The agency issued a "Batching Basics" statement March 30, 2012, prior to the TAS shutdown, but the statement provides only the very general parameters of the process. And despite the fact that ICANN previously announced June 8, 2012, as the date for the start of the batching process, it only just published <u>instructions</u> on exactly how the process will work on a step-by-step basis, leaving participants less than two days to learn the complicated process and plan their strategies.

Whether ICANN can meet the few deadlines it has set for itself and whether it truly has a good enough grasp on its own process to conduct the next phases effectively and efficiently remains a question for everyone – except perhaps for ICANN. Given the embarrassment of its technical glitch, ICANN likely wouldn't announce dates it didn't expect or intend to be able to meet. Yet the information it has published is somewhat vague and, at times, contradictory. For example, in its "What to Expect Next?" statement, published May 31, 2012, the day after TAS closed and ICANN announced its new near-term timeline, the agency projected that Initial Evaluations will end in late December 2012 or early January 2013. While this is consistent with the five-month timeline projected in the Guidebook, it is inconsistent with the batching process and the likelihood that five separate, sequential batches of applications will need to be processed. Perhaps ICANN intends the first batch to be completed on that timeline, but the announcement does not say so. The announcement also didn't mention the batching process at all – the next important step in the process – and one in which applicants must actively participate. In addition, the "What to Expect Next?" statement says that "Initial

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Evaluation" – now scheduled for July 12, 2012 will include "string reviews" (i.e., "whether an applied-for TLD string is too similar to another TLD"). However, ICANN previously determined (and stated in the Guidebook and "Batching Basics") that confusingly similar gTLD strings must be processed in the same batch and that it will complete string confusion evaluations for all of the more than 1900 applied-for gTLDs before it begins any Initial Evaluations.

Based on ICANN's announced dates and the Applicant Guidebook, the upcoming milestones – as best as they can be determined – are as follows:

TARGET DATE **EVENT** Application window closes 30 May 2012 **ICANN Starts Administrative** Completeness check 8 June 2012 Batching process begins Announcement of applied-for domain names ("Reveal Day") Formal objection period opens 13 June 2012 Application comment period GAC Early Warning period opens 28 June 2012 Batching process ends Batching results announced 11 July 2012 String similarity for all gTLDs determined Initial Evaluations begin Admin Completeness check 12 July 2012 completed Background screening begins Application comment period closes 12 August 2012 GAC Early Warning period closes ICANN projects Initial Evaluation December 2012/ period for first 500 applicants January 2013 ends

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