

New gTLD Applicant Guidebook Version 2 Comments by NIC Mexico

Dear Paul, Kurt
and all members of ICANN Staff

In response to the ICANN call for comments on the 2nd draft of the New gTLD Applicant Guidebook, we submit some observations and recommendations in an effort to collaborate on having a fair and successful round for the introduction of new gTLDs.

First of all, we would like to acknowledge the effort of all involved in the Guidebook development and the new gTLD process. We know it's been a lot of hard work.

But again, in this second version of the Guidebook there's something that needs more attention:

1. Openness, Change, Innovation

We're missing the foundations for a really diverse and innovative showcase of new gTLD proposals. You need a lot of funding in addition to the start-up capital, in order to follow the application process, with the application fees and all associated costs. Your business model must not be too far from .COM

2. Fees

As we said in the first comment period the fee structures must be revised in order to allow for small communities not only participate in the process with an application, but also have a well balanced and sustainable business without excessive or unjustified burdens.

ICANN must be sure to provide the rules for a game everybody can play. Those rules should be flexible enough to allow game variations according to the strengths of each player.

- If the gTLD is going to be a success, it is fair and straightforward that ICANN would participate of the success, taking its share of the revenue.
- If the business have some problems, or the proceeds are not as planned, or cannot reach a sustainable level, ICANN shouldn't collect its share from the benefits, as these could be inexistent.
- Furthermore, in the case of business failure ICANN must not be the cause.

The policy-development-cost-recovery component should be removed from the fee (26K) and the risk component (60k) as both are not justified. The first one because of the very nature of ICANN: policy development should not be conducted in a recovery-based fashion. The risk component should be removed because of fairness with the non-contentious applications. We suggest a reduced application fee and a pay-as-you-go scheme. Extended evaluation and contention costs would be covered by extended and contentious applications.

3. Timeline

In order to participate in the next round of the new gTLD process it is necessary to do a very intense strategic and business planning, resources must be committed and alliances and partnerships must be signed. The uncertainty of the timeline puts an extra burden to business planning and makes it very risky for investors and contracted parties.