

# 2 DECEMBER 2015 BOARD MEETING

## Reference Materials

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03 November 2015

To: ICANN Board  
From: The SSAC Chair  
Via: The SSAC Liaison to the ICANN Board

The purpose of this letter is to bring you up-to-date on proposed changes to the membership of the Security and Stability Advisory Committee (SSAC) and to provide an explanation for the attached requests for Board actions. These changes are the result of the annual membership evaluation process instituted by the SSAC and completed by the SSAC Membership Committee in October 2015.

The SSAC Membership Committee considers new member candidates and makes its recommendations to the SSAC. It also evaluates SSAC members whose terms are ending with the calendar year. The Membership Committee is comprised of the SSAC Chair, the SSAC Vice Chair, the SSAC Board Liaison, and other SSAC member volunteers. At the conclusion of the 2015 evaluation process, the SSAC agreed with the Membership Committee's recommendation to reappoint the following SSAC members to three-year terms ending 31 December 2018: Jaap Akkerhuis, Patrik Fältström, Ondrej Filip, Jim Galvin, Robert Guerra, Julie Hammer, Ram Mohan, Doron Shikmoni, and Suzanne Woolf. The SSAC respectfully requests that the ICANN Board should reappoint the above-mentioned members to three-year terms. The biographical information and disclosures of interest for members for which the SSAC is requesting reappointment are attached for your reference.

In addition, the SSAC asks the Board to join it in acknowledging with gratitude the deep and lasting contributions made by these departing members, whose terms will end on 31 December 2015: Alain Aina, Narayan Gangalaramsamy, Doug Maughan and Rick Wesson.

Finally, the SSAC asks the Board to thank Roy Arends for his contributions as an SSAC member. He departed the SSAC on 14 July 2015 when he joined ICANN staff.

The SSAC welcomes comments from the Board concerning these requests.

Patrik Fältström, SSAC Chair

Attachment: Biographical Information and Disclosures of Interest

## **Jaap Akkerhuis**

Jaap Akkerhuis has served in the SSAC since its inception. He is a research engineer at NLnet Labs, a small research and development group that focuses on those developments in Internet technology where bridges between theory and practical deployment need to be built and areas where engineering and standardization takes place.

He is co-chair of the RIPE DNS working group and served as a co-chair for the IETF ProvReg WG and the IETF nominating committee (nomcom 2011).

Jaap has been instrumental in the development of the Internet in the Netherlands and in Europe in the early 1980s. After a period of seven years in the US where he was active at the Information Technology Center from CMU (Pittsburgh PA), mt Xinu (Berkeley, CA) and AT&T Bell Labs (Murray Hill, NJ), he returned to the Netherlands where he joined the first independent ISP. Later he worked as a Technical Advisor for SIDN, the registry of the .NL TLD.

He has been a trainer at technical workshops for country code top level domain (ccTLD) organised by ISOC. He served in the first Permanent Stakeholder Group (PSG) of ENISA from 2004 until 2007.

He is ICANN's member of the ISO 3166 Maintenance Agency and is the liaison to ISO Technical Committee 46/WG 2 "Coding of country names and related entities.

Disclosure of Interest:

1. Please identify your current employer(s) and position(s): Research Engineer, NLnet Labs, a not for profit Foundation
2. Please identify the type(s) of work performed at #1 above: Open standards and open software development. We sometimes are consulted by a range of companies and organisations.
3. Please list any financial or other material relationship beyond de minimus stock ownership that you or your employer has with any individual, company, or other entity that to your knowledge has a financial or other material relationship with ICANN: NLnet Labs does the occasional consultant job for ICANN and its stakeholders. I personally am involved in representing ICANN at the ISO 3166 Maintenance agency. We collaborate with and are sponsored by various parties in the industry; see our annual reports for details [1].
4. Is your participation as an SSAC member the subject of any arrangements or agreements between you and any other group, constituency, or person(s)? Please answer "yes" or "no." If the answer is "yes," please describe the arrangements or agreements and the name of the group, constituency, or person(s): No.

## **Patrik Fältström (SSAC Chair)**

Patrik Fältström is Head of Research and Development at Netnod. Previously, Fältström was a distinguished engineer at Cisco, technical specialist at Tele2, systems manager at the Royal Institute of Technology, researcher at Bunyip Information Systems in Montreal and a programmer in the Royal Swedish Navy. He has been working with UNIX since 1985, DNS since 1987, and been involved in Internet-related standardization since 1989, both in Sweden and worldwide. Fältström is one of the editors of the standards of Internationalized Domain Names (IDN) and E.164 number mapping in DNS (ENUM) created in the Internet Engineering Task Force (IETF), and was one of two area directors of the applications area for five years, followed by being a member of the Internet Architecture Board (IAB) for three years and member of ISOC Board of Trustees 2006-2009. He has been an appointed advisor to the Swedish IT Minister 2003-2014, member of ICANN Security and Stability Committee since 2005 and its chair since 2011. He is or has been a member of numerous other advisory groups and investigations related

to Internet during the years, both public and private sector including ICANN, Packet Clearing House, Telio, HotSIP, Yubico, Swedish Regulator PTS, Telia-Sonera International Carrier, Tele2, .SE, Swedish Government and the European Commission. Fältström holds an M.Sc. degree in mathematics from the University of Stockholm and is chairman of the board of Frobbit! that he is partly owner of. He was inducted to The Royal Swedish Academy of Engineering Sciences, IVA, in October 2013 and holds the title LIVA. In January 2011, Fältström received The Order of the Cross of Terra Mariana, V class, from the President of Estonia.

Disclosure of Interest:

1. Please identify your current employer(s) and position(s): Employer: Netnod AB. Position: Head of Research and Development. For more information about Netnod see <http://www.netnod.se/>
2. Please identify the type(s) of work performed at #1 above: I am responsible for the overall project management and longer-term development of products and services at Netnod.
3. Please list any financial or other material relationship beyond de minimus stock ownership that you or your employer has with any individual, company, or other entity that to your knowledge has a financial or other material relationship with ICANN: Netnod do have TLD registries as customers that also are applicants in the new gTLD process. I own 50%, and is chairman of the board, of Frobbit AB that is for some ccTLDs an accredited registrar, and reseller for domain names in other TLDs (including gTLDs). I am one of the experts available for RSTEP evaluation.
4. Is your participation as an SSAC member the subject of any arrangements or agreements between you and any other group, constituency, or person(s)? Please answer "yes" or "no." If the answer is "yes," please describe the arrangements or agreements and the name of the group, constituency, or person(s): No.

## Ondřej Filip

Ondřej studied Computer Science at the Faculty of Mathematics and Physics at Charles University and University of Pittsburgh – Joseph M. Katz Graduate School of Business (MBA). During his studies at Charles University he started to work in company IPEX a.s. Later he became Technical director and member of board there. Ondřej has been CEO of the CZ.NIC association since December 2004. Herewith his duties in CZ.NIC Ondřej acts in boards of the association NIX.CZ (Neutral Internet Exchange), associations Euro-IX (European Internet Exchange Association) and DNS OARC (The Domain Name System Operations Analysis and Research Center). He is a member of Multistakeholder Advisory Group, which assist the Secretary General of United Nations in convening the Internet Governance Forum. He was a member of ccNSO council at ICANN. In his free time Ondřej likes playing basketball, travelling or programming of open source software. He speaks English fluently and German.

Disclosure of Interest:

1. Please identify your current employer(s) and position(s): CZ.NIC z.s.p.o. – CEO; NIX.CZ z.s.p.o. – board member; Czech Telecommunication Office – member of council.
2. Please identify the type(s) of work performed at #1 above:
  - o CZ.NIC – as CEO responsible for all aspect of the Czech domain name registry (.cz).
  - o NIX.CZ – Internet Exchange Point in Prague – association of ISP, responsible for company strategy, budget etc.
  - o Czech Telecommunication Office – government agency, national telecommunication regulator. Council members are appointed by the Czech Government. Responsible for all office measures
3. Please list any financial or other material relationship beyond de minimus stock ownership that you or your employer has with any individual, company, or other entity that to your knowledge has a financial or other material relationship with ICANN: None of the companies I work for has any such relationship with ICANN. I am also chairman of DNS-OARC that received some donation of hardware from ICANN.



4. Is your participation as an SSAC member the subject of any arrangements or agreements between you and any other group, constituency, or person(s)? Please answer "yes" or "no." If the answer is "yes," please describe the arrangements or agreements and the name of the group, constituency, or person(s): No.

## **James Galvin (SSAC Vice Chair)**

Dr. James Galvin is Director of Strategic Relationships and Technical Standards at Afilias, supporting and managing the company's relationships within Internet and IT communities. As an active, long-time member of these communities, Dr. Galvin participates in the development of the founding technical standards and policies upon which Internet applications and services are developed.

He was an integral participant in the initial development of Internet standards for secure email, domain name system security (DNSSEC), and Simple Network Management Protocol (SNMP) security. He has chaired working groups, served as document editor, and managed public domain implementations of security protocols. Currently, Dr. Galvin serves as the Vice-Chair of ICANN's Security and Stability Advisory Committee (SSAC).

His many years of technical consulting experience include critical infrastructure design and analysis, risk management and project management at, among others, IETF, ICANN, Afilias, Navy Research Labs, Sun Microsystems, Drummond Group, and U.S. Treasury Inspector General for Tax Administration. He has also held positions at CommerceNet and Trusted Information Systems, and is the Founder and Principal at eList eXpress, an email list management service provider.

Dr. Galvin has a Bachelor of Science degree from Moravian College with a double major in Computer Science and Mathematics. He holds a Masters in Computer Science and Information Systems from the University of Delaware where he also earned his Doctorate with a dissertation entitled, *Distributed Cryptographic Key Management System*.

### Disclosure of Interest:

1. Please identify your current employer(s) and position(s). Employer: Afilias <<http://afilias.info>>. Position: Director of Strategic Relationships and Technical Standards.
2. Please identify the type(s) of work performed at #1 above: Afilias is a registry service and DNS service provider, among other things. We actively engage with organizations whose activities include the design and development of policies and technical standards that directly effect our operation and business. I am responsible for Afilias's technical relationship with these organizations.
3. Please list any financial or other material relationship beyond de minimus stock ownership that you or your employer has with any individual, company, or other entity that to your knowledge has a financial or other material relationship with ICANN: Afilias is the registry service provider (in a few cases also the registry operator) for a number of TLDs that are contracted parties to ICANN. Afilias has a material interest in a number of new TLD applications.
4. Is your participation as an SSAC member the subject of any arrangements or agreements between you and any other group, constituency, or person(s)? Please answer "yes" or "no." If the answer is "yes," please describe the arrangements or agreements and the name of the group, constituency, or person(s): No.

## **Robert Guerra**

Robert Guerra is a civil society expert specializing in issues of internet governance, cyber security, social networking, multi-stakeholder participation, internet freedom and human rights. Robert is a co-founder of Privaterra, a Canadian based initiative that works with private industry and nongovernmental organizations

to assist them with issues of data privacy, secure communications, information security, internet governance and internet freedom. Robert also works as special adviser to the [Citizen Lab](#) at the [Munk School of Global Affairs](#) at the [University of Toronto](#).

In addition to serving as a member of ICANN's Security and Stability Advisory Committee (SSAC), Robert is also a member of the [US IGF Steering Committee](#). Additionally he has participated as a member of the [official Canadian delegation](#) at two [UN World Summits on the Information Society](#) (WSIS).

Robert has given numerous [media interviews](#) and often is invited to share his views on the challenges being faced by social justice organizations in regards to surveillance, censorship and privacy. He advises numerous non-profits, foundations, governments and international organizations, including [Taking IT Global](#), Diplo Foundation's Internet Governance and Policy Capacity Building Program ([IGPCBP](#)), and [The Open Net Initiative](#).

Disclosure of Interest:

1. Please identify your current employer(s) and position(s): I am a senior advisor at the Citizen Lab and Canada Centre for Global Security Studies, Munk School of Global Affairs, University of Toronto. The Citizen Lab is an interdisciplinary laboratory based at the Munk School of Global Affairs, University of Toronto, Canada focusing on advanced research and development at the intersection of Information and Communication Technologies (ICTs), human rights, and global security. Further details on the Citizen Lab & Canada Centre for Global Security Studies are available at the URL's below:
  - <http://www.citizenlab.org>
  - I am also the owner of Privaterra, LLC, that provides Internet Governance/Policy and Cybersecurity consulting services.
2. Please identify the type(s) of work performed at #1 above: Citizen Lab: Fulfill a variety of roles and functions. They are as follows:
  - Senior advisor / researcher / consultant
  - Outreach : Speak at International conferences, events as well as engage key stakeholders on Cyber, and Internet Freedom issues.
  - Support Internet Freedom projects: Support projects that aim to improve resiliency, contingency planning and engagement of non-governmental practitioners in developing countries in Cyber (cyber security & internet governance) policy discussions.
3. Please list any financial or other material relationship beyond de minimus stock ownership that you or your employer has with any individual, company, or other entity that to your knowledge has a financial or other material relationship with ICANN: The Citizen Lab nor Privaterra currently has no financial or material relationship with ICANN.

Is your participation as an SSAC member the subject of any arrangements or agreements between you and any other group, constituency, or person(s)? Please answer "yes" or "no." If the answer is "yes," please describe the arrangements or agreements and the name of the group, constituency, or person(s): NO.

## **Julie Hammer**

Julie Hammer is an independent director on the Board of auDA, the Australian ccTLD. She was appointed to the Board in 2007 after retiring from the Royal Australian Air Force in 2005 with the rank of Air Vice-Marshall. She was the first woman to achieve one star and two star rank in the history of the Australian Defence Force. Throughout her 28 year Air Force career, Julie worked in the fields of aircraft maintenance, technical intelligence, electronic warfare, and information and communications technology systems. Her roles included Commanding Officer of the Electronic Warfare Squadron, delivering operational support to all Air Force aircraft; Director General Information Services, responsible for the day-to-day operations of Defence's strategic communications and Restricted and Secret computer networks; and Commandant of the Australian Defence Force Academy, Australia's tri-service military university. For the year prior to her retirement, she acted as the Chief Information Officer for Defence. She holds a Bachelor of Science with

Honours in Physics, a Masters degree in Aerosystems Engineering, a Graduate Diploma in Strategic Studies and a Doctor of Engineering Honoris Causa. In 2008, she was National President of Engineers Australia, the professional association for over 90,000 engineers in Australia.

## **Ram Mohan (SSAC Liaison to the ICANN Board)**

Ram Mohan is Executive Vice President, & Chief Technology Officer of Afilias Limited. Ram oversees key strategic, management and technology choices for the company in support of the company's various lines of business. These include fifteen generic top-level domains (gTLDs) including .INFO and .ORG. Ram has led the strategic growth of the company in registry services and security as well as new product sectors such as Managed DNS, RFID/Auto-ID, and Internationalized Domain Names (IDNs).

Before joining Afilias in September 2001, Ram held various leadership positions at Infonautics Corp., a pioneering online database and content distribution company. Ram is the founder of the award-winning CompanySleuth product, and helped architect Electric Library, a widely used reference database, and Encyclopedia.com. Ram is also founder of the technology behind TurnTide, an anti-spam company acquired by Symantec.

Ram joined the ICANN Board of Directors in November 2008 as a non-voting liaison from the Security and Stability Advisory Committee (of which he is a founding member). He has authored numerous global internet-industry standards, has led the GNSO IDN Working Group, and is a co-founder of the Arabic Script IDN Working Group.

Ram has a Bachelor's degree in Electrical Engineering from the University of Mangalore and an MBA in Entrepreneurial Management from Bharathidasan University.

Disclosure of Interest:

1. Please identify your current employer(s) and position(s): Afilias, Executive Vice President & CTO.
2. Please identify the type(s) of work performed at #1 above: Executive role, including managing various aspects of the company.
3. Please list any financial or other material relationship beyond *de minimus* stock ownership that you or your employer has with any individual, company, or other entity that to your knowledge has a financial or other material relationship with ICANN.: My sister-in-law is the CEO of a small, boutique registrar with operations in India. My employer has contracts with most registrars and many prospective gTLD operators, and some ccTLD operators.
4. Is your participation as an SSAC member the subject of any arrangements or agreements between you and any other group, constituency, or person(s)? Please answer "yes" or "no." If the answer is "yes," please describe the arrangements or agreements and the name of the group, constituency, or person(s): No.

## **Doron Shikmoni**

Doron Shikmoni is co-founder of ForeScout Technologies, Inc., a privately-held company providing Continuous Monitoring and Mitigation and Network Access Control solutions. He is co-founder and former president of ISOC-IL, the Israeli Internet Association, which, among other things, is the domain name registry for the .il ccTLD and founder and operator of IIX – the Israeli Internet Exchange.

Doron has been involved in systems security and networking for over 35 years. He has spent many years in the academic networking arena, and was one of the networking pioneers in Israel (BITNet/EARN, ARPAnet/Internet) since the early 1980s. In his public service, he directs the .il domain name registry and the Israeli Internet Exchange. He is also co-founder of the recently established IL-CERT – the Israeli CERT.

Shikmoni has been providing security and networking consulting for numerous government and private sector entities. He was the architect of the Israeli government's Internet operation and secure gateways, is instrumental in the Israeli eID scheme, and has been assisting the Ministry of Justice and the Knesset (parliament) in legislation (e.g. Electronic Signature Law) and various committees. He is a member of various committees in the SII – the Standards Institute of Israel.

Doron has been involved in the ICANN process and has been a member of SSAC since its inception.

Disclosure of Interest:

4. Please identify your current employer(s) and position(s): ForeScout Technologies, Inc. – Co-Founder; Director (day job); Israel Internet Association (ISOC-IL) – Co-Founder; Adviser to registry and IIX staff (informal, volunteer).
5. Please identify the type(s) of work performed at #1 above: ForeScout – Executive management, BoD; ISOC-IL – Guidance / consultation relating to the .il ccTLD registry and the Israeli Internet Exchange.
6. Please list any financial or other material relationship beyond de minimus stock ownership that you or your employer has with any individual, company, or other entity that to your knowledge has a financial or other material relationship with ICANN: None. ISOC-IL is the registry for the ccTLD for Israel. It makes an annual contribution to ICANN.

Is your participation as an SSAC member the subject of any arrangements or agreements between you and any other group, constituency, or person(s)? Please answer "yes" or "no." If the answer is "yes," please describe the arrangements or agreements and the name of the group, constituency, or person(s): No

## **Suzanne Woolf**

Suzanne Woolf is experienced in both the technical and policy aspects of the evolution of the Internet, particularly DNS and other network operations. She has held a variety of roles for the Internet Systems Consortium since 2002, currently including product management, strategic considerations for ISC's software and protocol development projects, and participation in Internet technical policy activities with ICANN, ARIN, and others.

As Technical operations manager for ICANN, Suzanne worked on the initial design and implementation of ICANN's internal network and providing operational support for ICANN's root nameserver. Earlier, she performed programming and systems administration for USC Information Sciences Institute. Her projects included programming and systems support, network engineering, and nameserver management.

Suzanne's current networking interests center on large scale infrastructure, DNSSEC deployment, promoting the operational use of IPv6, and IETF participation in related working groups such as DNSEXT and V6OPS. She is especially interested in securing the DNS and the global routing system, implications of the growing adoption of IPv6 in areas such as multi-homing, and global policy issues for the IP address registries to consider together.

Suzanne is a Member, ICANN Security and Stability Advisory Committee, Root Server System Advisory Committee, and ARIN Advisory Council; she actively participates in NANOG and IETF.

Board liaison terms end (subject to possible re-appointment) after the conclusion of ICANN's annual meeting each year. Suzanne has served as the Root Server System Advisory Committee Liaison since 2004.

Disclosure of Interest:

1. Please identify your current employer(s) and position(s): Internet Systems Consortium (ISC) / DNSCo (Director, Strategic Partnerships); DNS-OARC (not exactly an employer, but I serve as a Director).
2. Please identify the type(s) of work performed at #1 above: ISC is a not-for-profit whose mission is open source reference implementations of Internet infrastructure protocols such as DNS and DHCP, and other activities in support of the growth and usefulness of the global Internet. Its activities include open source software development, targeted Research & Development projects, operation of the F-root name server, and no-fee best-effort operation of DNS and web hosting services for non-profits. DNSCo is a private company owned in its entirety by ISC (above). It is a commercial provider of software support contracts, DNS hosting, consulting, training, and custom development to commercial clients. DNS-OARC is an independent non-profit membership organization that provides communication among, and information to, DNS operators of various sizes and types in regards to "operations, analysis, and research". I serve as a member of the Board of Directors of the organization and the manager of a contract between ISC and OARC for ISC to provide bookkeeping and other secretariat functions to OARC.
3. Please list any financial or other material relationship beyond de minimus stock ownership that you or your employer has with any individual, company, or other entity that to your knowledge has a financial or other material relationship with ICANN.
4. ICANN has, from time to time, funded ISC research projects. ISC has in the past held a contract with ICANN for software support services of BIND; there is no such contract currently.
5. ISC and DNSCo customers include many participants in the ICANN community, both contracted parties and not. ISC and DNSCo services are provided on commercially standard terms, which under the ICANN Board of Directors disclosure guidelines do not therefore have to be fully disclosed (as such customers are not getting special treatment from ISC). ICANN is a member of DNS-OARC. DNS-OARC has performed various tasks under contract to ICANN, and has received donations of equipment and other in-kind support from ICANN. ISC donates some of my time to the community in the form of serving as the Root Server System Advisory Committee (RSSAC) liaison to the ICANN Board, so ICANN pays my expenses to attend ICANN meetings and occasionally for other travel related to that role.

Is your participation as an SSAC member the subject of any arrangements or agreements between you and any other group, constituency, or person(s)? Please answer "yes" or "no." If the answer is "yes," please describe the arrangements or agreements and the name of the group, constituency, or person(s): No.

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# **ICANN GEOGRAPHICAL REGIONS**

**Final Report by the  
Geographic Regions Review Working Group**

**October 2015**

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### Executive Summary

1. In this Final Report, the Geographic Regions Review Working Group (hereinafter the “Working Group”) reviews its efforts and makes a number of recommendations to the ICANN Board for modifications to the application of the ICANN Geographic Regions Framework.
2. The Working Group was formed by the Board to (1) identify the different purposes for which ICANN’s Geographic Regions are used; (2) determine whether the uses of ICANN’s Geographic Regions (as currently defined, or at all) continue to meet the requirements of the relevant stakeholders; and (3) submit proposals for community and Board consideration relating to the current and future uses and definition of the ICANN Geographic Regions.
3. The Working Group finds that the ICANN principle of geographic diversity remains important and relevant to ICANN’s mission. Over the course of its deliberations, the Working Group has (1) reviewed the underlying history, objectives and general principles of ICANN’s Geographic Regions Framework, (2) identified the various applications and functions to which the regions framework has been applied by existing structures and the ICANN staff; and (3) engaged the community in an extensive collaborative dialogue about issues and potential solutions to maintain and potentially expand the value of the geographic regions framework for the entire community.
4. In 2000, the ICANN Board directed Staff to assign countries and territories to geographic regions on the basis of the United Nations Statistics Division’s existing classifications. However, the Working Group has found that in mapping the UN Statistics’ categorization into ICANN’s pre-defined Regions, the Staff apparently deviated significantly from the UN allocations.
5. Despite these deviations from the Board’s original objective, the Working Group concludes that over the past decade, ICANN has largely applied geographic diversity principles consistent with the organization’s diversity goals.
6. The Working Group attempted to identify an alternative consistent or standard geographic categorization model with international recognition that would better meet ICANN’s requirements. Unfortunately, no such model has been found.
7. The Working Group concludes that wholesale modifications to the original geographic regions framework is not merited, and recommends that ICANN adopt its own Geographic Regions Framework based upon the current assignment of countries to regions. This new framework system should govern the make-up of the ICANN Board. However, to provide flexibility to individual communities and structures within ICANN, it is recommended that for the time being they be



permitted to:

- a. follow the same framework as the Board, or
  - b. develop their own mechanisms (with Board oversight) for ensuring geographic diversity within their own organizations.
8. The Working Group recommends that the Board should direct Staff to prepare and maintain ICANN's own unique organizational table that clearly shows the allocation of countries and territories (as defined by ISO 3166) to its existing five Geographic Regions.<sup>1</sup> The initial allocation should reflect the *status quo* of the current assignments. However, Staff should also develop and implement a process to permit stakeholder communities in countries or territories to pursue, if they wish, re-assignment to a geographic region that they consider to be more appropriate for their jurisdiction.
9. Just as the Internet has evolved technically, structurally and geographically over the past decade, ICANN should manage its own evolution to ensure opportunities and make potential allowances for cultural and language diversity. In that context, the Working Group recommends that ICANN seek ways to recognize and accommodate Special Interest Groups to promote the interests and unique attributes of stakeholder communities that may not clearly fit into the formal top-down regional structures. These "bottom-up" groupings would be complementary to the formal regional framework, and would not replace it. They would not form any part of ICANN's decision-making structure but would be free to lobby for the support of elected representatives.
10. Finally, the Working Group recommends that the Board maintain oversight over the existing geographic regions framework at all levels within the ICANN organization and review the effectiveness of its application at regular five-year intervals.

## I. Introduction

### A. Background

11. The ICANN Bylaws provide that a core value of the organization is "seeking and supporting broad, informed participation reflecting the functional, **geographic**, and cultural diversity of the Internet at all levels of policy development and decision-making." See ICANN ByLaws - [Article 1, Section 2, paragraph 4](#).

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<sup>1</sup> The Working Group also examined whether or not the number of ICANN Geographic Regions should be increased (or decreased) from the present five. It concluded that a change at this time would not be cost-effective but that the question should be reviewed at regular intervals in the future.

## WGGR – Final Report

12. The ICANN Bylaws define five geographic regions<sup>2</sup>:
  - Africa;
  - North America;
  - Latin America/Caribbean;
  - Asia/Australia/Pacific; and
  - Europe.
13. The ICANN Geographic Regions were originally created as a means of attaining geographical diversity in the composition of the ICANN Board. By an ICANN Board resolution in 2000<sup>3</sup>, Staff was instructed to assign countries to geographic regions on the basis of the United Nations Statistics Division's (UNSD) current classifications<sup>4</sup>. It also introduced the concept of "citizenship" in relation to the use of ICANN Geographic Regions.
14. Subsequently, the ICANN Geographic Regions framework was applied in various ways when defining the organizational structures for the ALAC, GNSO, and ccNSO.
15. In a September 2007 Report to the ICANN Board<sup>5</sup>, the ccNSO highlighted a number of concerns about the current definition and use of Geographic Regions and recommended the appointment of a community-wide working group to study these issues. At its meeting in Los Angeles, November 2007<sup>6</sup>, the ICANN Board requested the ICANN Community, including the GNSO, ccNSO, ASO, GAC, and ALAC, to provide ICANN Staff with input on the ccNSO's recommendation.
16. Following input and support from the GNSO, ALAC, and GAC, the ICANN Board at its Public Meeting in Cairo (November 2008)<sup>7</sup>, authorized the formation of the proposed working group. The Board subsequently approved the Working Group's Charter on 26 June 2009.<sup>8</sup>
17. The Working Group Charter outlined a three-stage process to include a thorough review of the geographic regions framework, effective community collaboration

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<sup>2</sup> [www.icann.org/en/general/bylaws.htm#VI-5](http://www.icann.org/en/general/bylaws.htm#VI-5)

<sup>3</sup> [www.icann.org/en/minutes/minutes-16jul00.htm](http://www.icann.org/en/minutes/minutes-16jul00.htm)

<sup>4</sup> <http://unstats.un.org/unsd/methods/m49/m49regin.htm>

<sup>5</sup> <http://ccnso.icann.org/workinggroups/ccnso-final-report-regions-wg-240907.pdf>

<sup>6</sup> [www.icann.org/en/minutes/resolutions-02nov07.htm#\\_Toc55609368](http://www.icann.org/en/minutes/resolutions-02nov07.htm#_Toc55609368)

<sup>7</sup> [www.icann.org/en/minutes/resolutions-07nov08.htm#\\_Toc87682556](http://www.icann.org/en/minutes/resolutions-07nov08.htm#_Toc87682556)

<sup>8</sup> Copies of the Charter, in all six UN languages, are posted in the Public Comment Forum Box on the ICANN Public Comments web page (see - <http://www.icann.org/en/public-comment/public-comment-200909.html#geo-regions-review>).

between various supporting organizations and advisory committees, and production of final recommendations that had community support.<sup>9</sup>

### **B. Part I: The Initial Report**

18. The Working Group first prepared an Initial Report outlining the current applications of ICANN's geographic regions within various ICANN structures and processes, and confirming the issues the Working Group planned to address during its deliberations. That Initial Report was published in all six official UN languages on 31 July 2009 and was made available for community review and comment for a 35-day public comment period (see <http://www.icann.org/en/news/public-comment/geo-regions-review-31jul09-en.htm>).
19. The Initial Report included three questions for which the Working Group wanted feedback from the community. First, notwithstanding its own research, the WG was particularly interested to learn if it may have missed any specific uses or applications of the geographic regions framework in ICANN's organizational structures. The WG also asked the community to confirm that the scope of its work should not be extended into other specific operational applications where geographic considerations were being used by ICANN Staff.
20. Second, the Initial Report identified Representation, Participation and Operations as the three primary "usage categories" for which geographic regions are currently being applied within the ICANN community. Those categories were to become an important component of the Working Group's analytical framework. The Working Group wanted community confirmation that the "usage categories" it identified were sufficient and appropriate.
21. Finally, the Initial Report set forth a list of 25 potential "Matters To Be Taken Into Consideration" and asked for community feedback on whether any issues should be deleted or others added to the list.

### **C. Part II: The Interim Report**

22. The Interim Report built on the foundation of the Working Group's Initial Report and focused on general principles, specific considerations and some of the critical issues that the Working Group intended to address in its Final Report document. The report offered (a) a review of the underlying history, objectives and general principles of ICANN's Geographic Regions Framework; (b) it raised a number of

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<sup>9</sup> This operational structure manifested itself in the expected publication of three separate but related reports – an initial report, an interim report and a final report. This document reflects the third step in that process.

fundamental strategic questions for further community consideration; and (c) it expanded on a number of specific matters identified in the Initial Report that were likely to be addressed in the Final Report. That Interim Report was published in all six UN languages on November 12, 2010 and was made available for community review and comment for 80 days (see <http://www.icann.org/en/news/public-comment/geo-regions-interim-report-12nov10-en.htm>).

23. The Interim Report thoroughly reviewed the historical applications of the ICANN Geographic Regions Framework from its origins in the “Green Paper”<sup>10</sup> until the present day. It examined the history of ICANN’s principle of “geographic diversity” and the evolution of the Geographic Regions Framework.
24. From that research, the Working Group concluded that:
  - a. Geographic Regions were first defined as an aid to ensuring “broad international representation” on the ICANN Board. Initially they had no other purpose.
  - b. The U.S. Department of Commerce/NTIA and other stakeholders expected that the make-up of the ICANN Board should “reflect the geographical and functional diversity of the Internet”. As they anticipated that the Internet would change over time, they believed that the procedures for appointing Board Members should be “sufficiently flexible to permit evolution to reflect changes in the constituency of Internet stakeholders”. Opinions on this issue were sufficiently strong at the time that ICANN felt bound to amend its initial Bylaws to add “language making it clear that any consideration of changes in the countries included in geographic regions or other matters relating to geographic diversity will take into account the evolution of the Internet.”
  - c. The three-year review cycle of the then Section 6 of the Bylaws (International Representation) was intended to cover the Regions themselves as well as the allocation of countries to each Region.
  - d. There is nothing in the public record that definitively explains how the original five geographic regions were selected. One hypothesis is that because the Green and White Papers both suggested that representatives of APNIC (Asia/Australia/Pacific), ARIN (North America) and RIPE (Europe) should be on the ICANN Board, these three RIRs helped to determine the first three official

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<sup>10</sup> On 30 January 1998, the U.S. Department of Commerce issued a discussion document entitled, “A Proposal to Improve Technical Management of Internet Names and Addresses.” This document was called the “Green Paper”. After a period of public consultation, the Green Paper was followed on 5 June 1998, by a Statement of Policy issued by the U.S. National Telecommunications and Information Administration (“NTIA”). The second document was dubbed the “White Paper”.

Regions with Latin America/Caribbean and Africa being projected as the next most likely RIRs to be established.

- e. Notwithstanding the origin of ICANN’s five geographic regions, the Working Group concluded that the framework did not reflect any commonly recognized division of the world such as “continents”<sup>11</sup>, nor was it derived from any framework used by any other internationally recognized organizations. This Regional construct appears to be uniquely applicable within ICANN.
  - f. As a consequence of paragraph (e) above, the Working Group found that subsequent attempts to strictly allocate countries to Regions “in accordance with international norms”<sup>12</sup> or to adopt “some independently prepared and authoritative list”<sup>13</sup> were destined to be unsuccessful.
  - g. The Working Group was unable to find any resolution of the ICANN Board authorizing the current allocation of countries to geographic regions.
25. In the Interim Report, the Working Group built on its understanding of the historical underpinnings and evolution of the Geographic Regions Framework and addressed a series of fundamental questions including: (1) has the Framework produced its desired effect?; (2) are the five regions still relevant, reasonable and defensible [in the present day]?; and (3) are the regions, in fact, consistent with the international norms of today?
26. Additionally, the Working Group addressed each of the 25 “Matters To Be Taken Into Consideration” introduced in the Initial Report and grouped them into 17 general principles and specific issues including, for example, “Application and Evaluation of Geographic Diversity in a Wider Context”, “The Evolving Needs of Regions and Future Users”, “Importance of Flexible Application/Implementation and “Number of Regions”, etc. For each topic, the Working Group provided discussion of the principle or issue, and listed options and potential community impacts.

### **D. Part III: This Final Report**

27. Building off the discussion of general principles and specific issues in the Interim Report, this Final Report provides specific recommendations from the Working Group to the ICANN Board that are intended to ensure that the organizational

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<sup>11</sup> [http://en.wikipedia.org/wiki/Continent#Number\\_of\\_continents](http://en.wikipedia.org/wiki/Continent#Number_of_continents)

<sup>12</sup> [www.icann.org/en/committees/gac/communique-14jul00.htm#D](http://www.icann.org/en/committees/gac/communique-14jul00.htm#D)

<sup>13</sup> [www.icann.org/en/minutes/minutes-16jul00.htm](http://www.icann.org/en/minutes/minutes-16jul00.htm)

principles of geographic and cultural diversity are honored and maintained.<sup>14</sup> Those recommendations are based upon (a) the Working Group’s own thorough research, (b) extensive community consultation, and (c) assimilation of various viewpoints representing a broad cross-section of the ICANN community.

28. A draft version of this Final Report was circulated to the community for review and comment before it was finalized into this “final” Final Report. The draft document was posted for community comment for an 80-day period (see <http://www.icann.org/en/news/public-comment/geo-regions-draft-final-report-30sep11-en.htm>). Community feedback on that draft report prompted further Working Group discussion and resulted in several significant adjustments to its initial draft recommendations that are fully explained beginning at paragraph 39 below. A tracking checklist of community comments and Working Group responses has been prepared and can be found on the Working Group’s Confluence Community wiki page at – <https://community.icann.org/display/georegionwg/Final+Report+Draft+Issues+Matrix>. This document reflects the results of all those discussions and adjustments and reflects the final recommendations of the Geographic Regions Review Working Group to the community and the Board.
29. According to the Working Group Charter approved by the Board, each community Supporting Organization and Advisory Committee that contributed members to the Working Group had the opportunity to review and comment on this document before its submission to the Board.<sup>15</sup> Briefings were made available to all SO-AC

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<sup>14</sup> The ASO/NRO (RIR) representatives kept a neutral position throughout the WG proceedings and have not proposed, supported or endorsed the WG final recommendations.

<sup>15</sup> Feedback was received from the ALAC, ccNSO and GNSO communities and copies of those transmissions are included in this Final Report document as appendices to this report. The ASO ultimately did not submit final feedback. The GAC Chair also provided feedback that is integrated into footnote 21 of this Final Report document.

The SO-AC review and comment process is governed by the Working Group Charter Sections 4 “Processes and Working Methodology”. Specifically:

**“d. Working Group methodology**

...The Final Report shall be published within fourteen (14) days after adoption of the Report by the GEO WG and conveyed to the chairs of the SOs and ACs participating in the WG.

**e. Support for GEO WG Final Report**

Following its submission, the ACs and SOs who have contributed representatives to the WG shall discuss the GEO WG Final Report and decide whether they support the recommendations. The Chairs of the SOs and ACs shall notify the Chair of the GEO WG in writing of the result of their deliberations.

**f. GEO WG Supplemental Final Report**

In the event that any SO or AC who has contributed representatives to the WG does not support the recommendations, it will inform the GEO WG in writing of its reasons. The GEO WG may, at its discretion, reconsider its report and submit a re-drafted Final Report to seek support.

**g. GEO WG Board Recommendations**

leadership during the ICANN Public Meeting in Durban, South Africa.

## II. Community Participation-in and Reaction-to the Working Group Effort

### A. Extensive Participation Opportunities

30. In fashioning its recommendations, Working Group members have taken into consideration the importance, political sensitivity and operational repercussions of the geographic regions framework within various segments of the ICANN community.
31. The Working Group was challenged by the Board to ensure multiple opportunities for community input. ICANN's SOs and ACs were given the opportunity to comment on the community-wide working group concept and each community was invited to send participants to be involved with the working group (all but the RSSAC have contributed members). The public and the entire ICANN community had the opportunity to comment on the proposed charter of the Working Group before it was approved by the Board (see <http://www.icann.org/en/news/public-comment/regions-charter-18feb09-en.htm>).
32. Every written report generated by the Working Group has been published in all six UN languages and each has been subjected to extended community review and comment opportunities. Working Group members individually reported on the group's progress to their respective communities. Seeking another form of community input, the Working Group also sponsored a community survey (in the six UN languages and Portuguese) regarding community member understanding of and attitudes toward the geographic regions framework.
33. Additionally, public workshops and community discussion sessions and forums were conducted during six ICANN Public Meetings in [Brussels](#) (June 2010),

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In the event the GEO WG Final Report or GEO WG Supplemental Final Report is supported by the SOs and ACs who have contributed representatives to the WG, the GEO WG shall, within 5 days, submit to the ICANN Board its recommendations. This will include:

- (i) The (Supplemental) GEO WG Final Report;
- (ii) The written confirmations of support from the SOs and ACs who have contributed representatives to the WG.

In the event the GEO WG (Supplemental) Final Report is not supported by all the participating SOs and ACs, the GEO WG may submit the (Supplemental) Final Report, and the statements of support and disagreement to the ICANN Board."



[Cartagena](#) (December 2010), [San Francisco](#) (March 2011), [Singapore](#) (June 2011), [Dakar](#) (October 2011) and [Costa Rica](#) (March 2012) to gather community perspectives on this matter.

### B. Reactions To The Interim Report

34. Understanding the historical underpinnings and evolution of ICANN’s Geographic Regions Framework prompted the Working Group to ask several fundamental questions of the ICANN community in its Interim Report.
  - a. Has the existing geographic regions framework produced its desired effect?
  - b. Are the five regions still relevant, reasonable and defensible in the present day?
  - c. Are the regions, in fact, consistent with the international norms of today?
  
35. The community response to the Interim Report was diverse but limited<sup>16</sup>, Written and verbal comments on the Interim Report addressed a variety of topics.<sup>17</sup> One category of comments addressed the scope of the Working Group’s potential recommendations. A number of comments said the Working Group should not feel constrained to recommend adjustments to the geographic regions framework. A second category of comments focused on the types of adjustments the Working Group should recommend. The full list of issues and matters raised by the commenters include:
  - a. The Scope of Potential Recommendations Available to the Working Group;
  - b. A Caution About Unintended Consequences;
  - c. Opinions Regarding the Existing Geographic Regions Framework;
  - d. How To Classify Regions – Options for Working Group Recommendations;
  - e. Option - Considering the Creation of New Regions - A New Region for “Small Island Developing States”;

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<sup>16</sup> Four (4) substantive and relevant written community submissions were submitted regarding the Interim Report. The Working Group also collected comments from the community at a Workshop held on 9 December 2010 during the ICANN Public Meeting in Cartagena, Columbia (see <http://cartagena39.icann.org/node/15465>). Combined substantive comments (both written forum comments and verbal workshop contributors totaled 19.

<sup>17</sup> Some topic areas unavoidably and necessarily overlapped.



- f. Option - Relocating Specific States to More Appropriate Regions;
- g. Considering the Purpose of Geographic Diversity in ICANN Processes;
- h. Culture, Language and Other Measures of Diversity; and
- i. The Need to Regularly Review The Geographic Regions Framework<sup>18</sup>

### C. Production of a Draft Final Report

36. The Working Group analyzed the community feedback to the Interim Report and produced a draft Final Report incorporating a number of potential recommendations. Given the extensive consultative nature of this effort and mindful of the potential implications even small changes to the framework could have on the wider community, the Working Group decided to make the draft document available to the community for review and comment before the Working Group formally published its Final Report.
37. As explained in paragraph 29 above, a Draft Final Report was published to the community in all six UN languages on 30 September 2011 for community review and comment. That comment period concluded on 19 December 2011. A total of nine different entities submitted ten comments in the forum regarding the Draft Final Report. The Working Group also collected comments from the community at a workshop hosted on 27 October 2011 at the ICANN Public Meeting in Dakar, Senegal (see <http://dakar42.icann.org/node/27021>). In addition to the normal Public Comment Meeting Report, the Working Group also produced a Public Comment Issue Tracking Checklist to help it capture and track the treatment of various substantive community comments. (see <https://community.icann.org/display/georegionwg/Final+Report+Draft+Issues+Matrix>).
38. The community comments regarding the Draft Final Report prompted the Working Group to hold another Community Workshop during the ICANN Public Meeting in San Jose, Costa Rica (see - <http://costarica43.icann.org/node/29703>). That workshop session and the written community comments caused the Working Group to reconsider a number of its proposed recommendations.<sup>19</sup>

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<sup>18</sup> The Staff produced a report of all the community comments (see - <https://community.icann.org/download/attachments/11141619/Report+of+Public+Comments+on+Geo+Regions+Review+WG+Draft+Final+Report+%28Feb2012%29%28FINAL%29.pdf?version=1&modificationDate=1367861580000>)

<sup>19</sup> A significant community point was the concern that potential changes proposed by the Working Group were taking place at the same time that ICANN was implementing the new gTLD program.

### III. Final Working Group Recommendations

39. After much consideration of the community feedback to its Draft Final Report, the Working Group has concluded its deliberations. This section reflects the final recommendations from the Working Group to the Board. It is the product of substantial community input and Working Group reflections over a substantial period of time.<sup>20</sup>
40. Set forth below, the Working Group outlines a number of specific conclusions and recommendations regarding the ICANN Geographic Regions Framework. The conclusions and recommendations include:
- a) The Working Group concludes that the general principle of geographic diversity is valuable and should be preserved.
  - b) Application of the geographic diversity principles must be more rigorous, clear and consistent.
  - c) Adjusting the number of ICANN geographic regions is not currently practical.
  - d) No other International Regional Structures offer useful options for ICANN.
  - e) ICANN must formally adopt and maintain its own unique Geographic Regions Framework.
  - f) The Community wants to minimize any changes to the current structure.
  - g) ICANN must acknowledge the sovereignty and right of self-determination of states to let them choose their region of allocation.
  - h) ICANN communities have flexibly applied geographic diversity principles over the years. While the Board should remain strictly subject to the current framework, flexibility should be preserved for other structures.
  - i) “Special Interest Groups” or “Cross-Regional Sub-Groups” offer new diversity opportunities.
  - j) Implementation mechanisms and processes must be developed by Staff.
  - k) The Board must preserve its oversight and future review opportunities.
  - l) In view of the substantial period of time taken to present this Final Report to

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<sup>20</sup> The Working Group is aware that Section 4 of its charter document holds the potential prospect of another round of community consideration. See Footnote 17 above.

the ICANN Board, the Working Group recommends that the Board direct staff to manage a public comment period of at least 120 days to give the community an opportunity to thoroughly review the proposals and provide any additional comments on its recommendations. Given other community workload demands associated, requests for additional time for review and comment from any communities should be honored.

### **A. The General Principle of Geographic Diversity is Valuable and Should Be Preserved**

41. ICANN Bylaws Article 1, Section 2 details ICANN’s Core Values. These include, at paragraph 4, the goal of:

*“Seeking and supporting broad, informed participation reflecting the functional, geographic, and cultural diversity of the Internet at all levels of policy development and decision-making.”*

42. The Working Group’s research reveals that the ICANN community has done a good job of incorporating functional and geographic diversity into the operations of its various communities - if not as part of a clearly delineated strategy, at least in spirit on a community-by-community basis.
43. Because Bylaws Article 1, Section 2 uses the distinct terms “functional”, “geographic” and “cultural” diversity, one could argue that each category should have its own operational principles, framework or system. The Working Group concludes that honoring the spirit of Article 1 Section 2 does not require such comprehensive action but it does obligate the organization to employ a framework that allows those principles to be considered by every ICANN community.
44. The Working Group believes that the general principle of Geographic Diversity is valuable and should be preserved. No dissenting opinions have been received.

### **B. Application of the Geographic Diversity Principles Must Be More Rigorous, Clear and Consistent**

45. In 2000, the ICANN Board directed Staff to assign countries to geographic regions on the basis of the United Nations Statistics Division’s (UNSD) current classifications. The Working Group agrees with the September 2007 ccNSO report to the Board that, as currently comprised, the five ICANN geographic regions are significantly different from those defined by the UNSD. The Working Group has found that over time, since the year 2000, any connection to the UNSD classifications has eroded as the concept of geographic diversity has been expanded beyond application to the ICANN Board and has been extended to include other organizational structures (primarily Supporting Organization and

Advisory Committees – “SOs and ACs”) within the ICANN community.

46. The application and evolution of the geographic regions structure beyond the Board to more ICANN communities and structures over the past decade appears to have been largely on a community-by-community basis, primarily at the time the Bylaws for each community were originally drafted, and has not been driven by a consistent strategic application of the geographic regions framework.
47. The present ICANN geographic regions do not equate to any internationally recognized method of defining the regions of the world, nor do they reflect the current make-up of the Internet community (and it is questionable that they have ever done so).
48. Despite this departure from the original framework, the Working Group has found that extending the principles of geographic diversity beyond the Board to other structures and communities has been largely positive. However, it has also created a large number of organizational anomalies that should be resolved. As the ICANN organization continues to mature, the Working Group believes it is critical for the organization to adopt a more rigorous approach by re-defining a clear and consistent classification framework that assigns countries and territories to regions.

### **C. Adjusting the Number of ICANN Geographic Regions is Not Currently Practical**

49. Based on its research and exchanges with the community, the Working Group concludes that reducing the number of ICANN regions is neither a desired nor a viable option. For example, community members have expressed concern that the size and allocation of the current regions already requires some community members to travel large distances to participate in regional events. Reducing the number of regions would exacerbate this problem. As no one advocated for fewer regions, this option was not considered further.
50. In addition to promoting geographic diversity, ICANN’s structures and processes should lower barriers for participation and engagement by community members as much as practicable. The sizes of the current regions do create circumstances where some individuals must travel long distances for face-to-face meetings. Smaller (more) regions could address this concern. There have also been calls for the creation of new regions (e.g., Arab states and small island nations).
51. However, increasing the number of regions at this time would have a substantial impact on the organizational structure, resources, processes and practices of ICANN. The addition of even one region to the framework would almost certainly require the Board and ICANN communities to adjust or expand their management and administrative structures in some substantial ways.

52. For example, in the At-Large community there are currently five Regional At-Large Organizations (RALOs) that are designed to reflect the five ICANN Geographic Regions. In addition to changing the composition of the management structures, adding a new region to the existing geographic regions framework would likely necessitate the creation of a new RALO with a similar infrastructure of the existing RALOs. This would require ICANN to make available additional in-person meeting facilities (physical rooms at ICANN meetings) or arrange expanded telephone conference capability for community meetings and could increase the ICANN travel budget.
53. Additionally, some community commenters noted that it is already challenging for some stakeholder communities to meet the geographic diversity requirements in their respective ICANN structures. The creation of any new geographic regions – in the short run – could contribute to a shortage of potential community participants in various ICANN structures.

### **D. No Other International Regional Structures Offer Useful Options for ICANN**

54. The Working Group has reviewed many different geographic regional structures as applied by various international organizations. The Working Group looked closely at the geographic assignment systems of the UN Development Programme (UNDP), The UN Economic and Social Council (UNESCO), the ITU, The ITU Council (ITUC), the ITU Telecommunications Development Bureau, the ITU Telecommunications Bureau, the ITU Radiocommunications Bureau and the Regional Internet Registries (RIRs). Each system is different. The only common practice between the various UN organizations is for countries to form ad hoc groups to deal with matters of mutual interest. These arrangements may be formal and long term, such as the Nonaligned Nations or the Commonwealth of Nations. Others are informal and short term to deal with a particular issue and are terminated as soon as a matter is resolved.

### **E. ICANN Must Formally Adopt and Maintain Its Own Unique Geographic Regions Framework**

55. Given all the above, the Working Group believes that in the interests of good governance ICANN must formally adopt and maintain its own record of the assignment of countries and territories to ICANN's Geographic Regions.
56. Initially the Working Group was of the view that a suitable starting point for such an assignment already existed within the ICANN ambit. It had been successfully developed and applied by the Regional Internet Registries (RIRs). The current RIR system divides the world into 5 regions based solely on geographic location. These are: AfriNIC (Africa), APNIC (Asia Pacific), ARIN (Canada, United States

and many island nations in the Caribbean and North Atlantic Ocean), LACNIC (Mexico, Central America, South America and Latin America and Caribbean area), and RIPE NCC (Europe, Middle East and parts of Central Asia).

57. It appeared to the Working Group that using the RIR system as the starting point for a revised regional framework would have a number of benefits including:
  - a. The number of Regions would remain at five, thus avoiding the significant restructuring that would result from a change in the number of regions.
  - b. Fundamentally, ICANN is a technical organization and so aligning regions with the technical “infrastructure” of the numbering resource allocation system seemed logical and defensible.
  - c. If adopted without modification, a total of only 62 countries and territories would move to new regions, but many of these were the result of assigning territories to their geographic region rather than to the region of their “mother country” (see paragraphs 58 and 60-64 below).
  - d. A second group of changes would have been the move of several Middle Eastern and Central Asian countries out of the current Asia/Pacific/Australia Region into the European (RIPE) Region. This would have helped to reduce the very wide geographic spread of Asia/Pacific and also would have satisfied the wishes of many of the countries involved who consider themselves more orientated towards Europe than Asia.
  - e. The third group of changes would have seen much of the English and French speaking Caribbean moving into the North American (ARIN) Region from the LAC Region (and Europe, in the case of some territories). Most of these countries have closer language, cultural and travel links with North America than they do with Latin America. In addition, it would have increased the number of countries in what has previously been a numerically very small Region and should have increased the options for representation and participation within the Region.
  - f. As has been requested, there would have been no change to the African Region.
  - g. It should have encouraged participation as joint meetings of the RIR and ICANN Region should have been possible.
58. The Working Group recognized that adopting the RIR framework would also have had some disadvantages, including:
  - a. No Arab Region would have been created as has been requested.

- b. Caribbean countries would have been split between two Regions, partly on geography and partly on language.
- c. Some countries might not have wished to change Regions.
- d. Some “countries” might not have wished their territories to be in a different region to themselves.

### **F. The Community Wants To Minimize Any Changes To The Current Structure**

59. The Working Group believed that the measures detailed later in this report (concerning Special Interest Groups) would have helped to ameliorate the disadvantages outlined above. However, from the publication of the draft Final Report, it became very clear that the community as a whole wished to minimize any changes to the Regional structure. Whereas the Working Group had originally felt that countries and territories should move to a new regional structure based (loosely) on the RIR regional structure, with countries having the right to “opt out” of moving, the preponderance of those commenting on the draft report favored leaving the structure “as is”, with countries having the right to “opt in” for a change in Region if they so wished. This was a disappointment to at least some members of the Working Group as inevitably changes will come about much more slowly under the “opt in” scheme.

### **G. ICANN Must Acknowledge The Sovereignty And Right of Self-Determination of States To Let Them Choose Their Region of Allocation**

- 60. In order to protect the sovereignty and right of self-determination of states, the Working Group recommends that every country and territory should have the opportunity to request a move to another geographic region. The request should be initiated or supported by the local government of the relevant country or territory and should take into account the views of the local Internet community.
- 61. The existing geographic regions framework applied by ICANN allocates all “dependent or overseas territories” to the same region as their “countries”, irrespective of their geographical location. It would appear that this decision was taken on the assumption that legal and political relationships between territories and “mother countries” are the same in every case. This is not consistently true across the globe. In some cases, the natives of a dependent territory are citizens of the “mother country” - in other cases they are not. Some territories are considered to be an integral part of their “mother country”. Others have varying degrees of self-government. The native languages or cultures of those dependent territories may diverge widely from the “mother country”. Additionally the issues that impact those territories may differ from the issues of primary importance to the “mother country”.



62. ICANN should not become involved in the complex and differing relationships between territories and mother countries, but neither should it impose its own unilateral decisions. Individual territories (or collective community members within those territories) should be able to petition to move to a new ICANN geographic region. However, no territory re-assignment should be made if objections are raised by the Government of the “mother country”.
63. The Working Group believes that countries or territories should be given the opportunity to seek reassignment from one region to another. This flexibility should be subject to the following or similar constraints:
  - a. Any application for reassignment should have the support of the government of the country or territory and the local internet community.
  - b. To reduce “churn”, no country should be able to seek reassignment more frequently than once every 3 years.
  - c. Consideration should be given to restricting reassignment to a region that is geographically adjacent to the existing region.
64. Once a reassignment is made, it should be applicable to ALL ICANN structures (SOs, ACs and the Board consistently.)

**H. ICANN Communities Have Flexibly Applied Geographic Diversity Principles Over the Years. While The Board Should Remain Strictly Subject To The Current Framework, Flexibility Should Be Preserved For Other Structures.**

65. In its Initial Report, the Working Group noted that the original concept of geographic/regional diversity in the representational make-up of the ICANN Board has been expanded over the years to extend to nearly every sub-structure of the ICANN organization. That concept now reflects not only diversity of representation in various communities, but also includes considerations of how community participation is encouraged/supported and affects the management of the organization’s technical and administrative resources as well.
66. The new regions framework should apply to the population of the ICANN Board in a clear and consistent manner, but application of the system to ICANN community structures beyond the Board should allow for considerable flexibility. The Working Group observes that experience over the last decade has demonstrated that individual communities are in the best position to craft unique operational solutions



that honor the central goal of geographic diversity within their operations<sup>21</sup>.

67. While the Working Group recommends that ICANN maintain a modified single top-down “geographic regional structure,” how each SO-AC meets the geographic and cultural diversity requirements of that system should be up to them. Those communities may, or may not, make use of the regional framework. It should be noted that the Working Group is NOT suggesting that each SO or AC be permitted to create its own regional framework. Either the ICANN-wide framework is to be used or some alternate method of ensuring diversity can be proposed for Board review and approval.
68. While the Board could conclude that strict adherence to certain standards might be the best way to encourage participation and build-up regional competence or participation in certain areas, the geographic regions framework should not be so inflexible as to force certain communities to prevail upon unwilling or under-qualified participants to satisfy the regional participation requirement.
69. The Working Group recommends that the Board give all SO and AC structures the opportunity to review their individual by-laws or charter requirements as they apply to the organizational principles of geographic and cultural diversity. In this context it must give some consideration to addressing current inconsistencies in the application of geographic diversity by the Board, compared to the same treatment by some SO’s and AC’s. In particular, the principle of geographic diversity at the Board level is evaluated by the citizenship (or residency) of individuals, but some SOs and ACs (for example, the ccNSO and ALAC) apply the diversity rules at the level of countries and territories rather than individuals. Where revisions are recommended by individual communities, then the Board should consider whether subsequent ICANN-wide Bylaw amendments are advisable or necessary.

#### **I. “Special Interest Groups” or “Cross-Regional Sub-groups” Offer New Diversity Opportunities**

70. During its research and community consultations, it became clear to the Working Group that evolving international norms obligate ICANN to give increased consideration to cultural and language elements of diversity – particularly as they relate to elements of geographic diversity.

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<sup>21</sup> As an example of this perspective, the GAC Chair has observed that the current ICANN structuring of its geographic regions has little or no practical value for the GAC as a framework for rotation or geographic diversity of positions - noting that since the GAC counts governments as its members, in some regions there can be large imbalances in the number of GAC members (e.g., there are only two governments in the ICANN North America region, in stark contrast to the much more numerous governments in other ICANN regions).

71. Over the past decade, a broader recognition of what “diversity” means to the ICANN community has evolved. Geography remains of primary importance, particularly at the Board level, but additional considerations of culture and language diversity have also been raised from time-to-time in different communities. If ICANN intends to remain true to the concept of “evolving international norms” then these additional elements must be addressable in the context of the geographic regions framework.
72. As the ICANN organization embarks on the next phase of its existence, it should remain cognizant that community members who are not currently participating may be just as important to the health and diversity of the organization as those who are currently active and participating. Under-represented regions or communities who currently are not aware of the importance of ICANN to their work must have the opportunity to find their place in the framework.
73. Formal written submissions and informal community feedback to Working Group members over the last three years reflects an increased awareness of the potential benefits-of and interest-in cultural and language diversity within the ICANN community. For example, during the various public comment opportunities on the Working Group’s Initial and Interim Reports, a number of commenters called for an “Arab Region” to be created. Some reflected that the Arab community is not limited to a specific geographic region in that Arab ccTLDs, Arab LIRs, private sector, civil societies, and others are scattered around the world including some in the Asia/Pacific, some in Europe, and some in Africa. This interest seems to reflect both cultural and language ties that are not particularly related to a specific geographic region.
74. The recent success in introducing internationalized domain names (IDNs) is also contributing to the growing concept of potential cross-regional groupings. As of 26 August 2013, ICANN had received a total of 38 individual requests for “fast track” IDNs and 35 IDN ccTLDs were in the root zone.<sup>22</sup> At present, as a result of demand for new IDN gTLD’s, there were applications for 116 IDN gTLDs, 62 of which have been delegated.<sup>23</sup>
75. Additionally, representatives of small Island states have talked with Working Group members about the unique characteristics they share (e.g., geographic size, small populations, lack of resources) with other sovereignties that may not be in geographic proximity to them.
76. In this context, the Working Group recommends that ICANN seek ways to

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<sup>22</sup> The requests span 23 different languages, including: Chinese, Arabic, Russian, Sinhalese, Tamil, and Thai. See e.g., <https://charts.icann.org/public/index-idn.html>.

<sup>23</sup> See <https://gtldresult.icann.org/application-result/applicationstatus/viewstatus>

recognize and accommodate Special Interest Groups.

77. Some such groupings might restrict their interest to a single SO or AC, while others might span all of ICANN's communities. This recommendation would permit, for example, small island nations, the countries of the Caribbean or Arab states to come together to promote matters of common interest without necessitating any changes to the "formal" geographic regions framework. Other groups might be more "topic" based. The community made a strong case for the inclusion of these types of groups in their community comments and the workshops hosted by the Working Group at ICANN Public Meetings. The Working Group thinks that such "bottom-up" interest should be recognized and encouraged.
78. At a minimum, the Working Group recommends that the following principles be adopted with respect to Special Interest Groups:
  - a. The groups should be complementary to the formal regional framework, and should not replace it.
  - b. The groups should not form any part of ICANN's formal decision-making structure but, of course, would be free to promote their interests and points of view as they consider appropriate within the ICANN community and its multi-stakeholder participation and engagement mechanisms.
  - c. The "benefits" of recognition by ICANN would be dependent upon available funds but should be targeted primarily at facilitating communication between members -- for example being able to hold meetings at ICANN conferences, use of an ICANN mailing list, being referenced on the ICANN web-site, and perhaps providing some teleconference facilities.
  - d. Recognition might be dependent upon the group having a minimum number of members.

### **J. Implementation Mechanisms And Processes Must Be Developed By Staff**

79. If the Board accepts its other recommendations, the Working Group recommends that the Board direct ICANN Staff to -
  - Develop and publish a publicly available database showing the ICANN Geographic Region to which each jurisdiction is currently allocated (based upon the "old" rules).
  - Develop a self-selection process for jurisdictions to apply to change the region to which their territory or country is allocated, and a process for updating the database when a decision is reached.

- Develop and implement a communication plan announcing the self-selection process.
- Provide support to ICANN SOs, ACs and other applicable organizational structures to formally consider whether to continue to the existing framework or to develop their own mechanisms (with Board oversight) for ensuring geographic diversity within their own organizations.
- Develop criteria for evaluating the implementation and effectiveness of the geographic regions framework five years from now.

### **K. The Board Must Preserve Its Oversight And Future Review Opportunities**

80. The ICANN community cannot predict potential communities or participants who are not yet known or may not yet exist. The new geographic framework must remain flexible enough to accommodate new players and potential new regions as they evolve. The Board needs to maintain ultimate oversight over the framework, but the Working Group believes that the present requirement in the Bylaws for a review to be carried out every three years is excessive and impractical. The Working Group therefore recommends a review should be carried out every five years and that the Bylaws be amended accordingly. Adherence to the five-year review cycle should be part of the Board's ongoing/regular agenda that is tracked and monitored by the ICANN Staff.

## **IV. Summary of Conclusions and Recommendations**

81. The principle of geographic diversity remains an important concept in the ICANN community. This diversity is not only one of geographic presence. Cultural, language, economic and other situational factors that from time to time forge commonalities within the Internet community must also have the opportunity to be addressed.
82. The Working Group concludes that wholesale modifications to the original geographic regions framework is not merited, and recommends that ICANN should adopt its own Geographic Regions Framework based upon the current assignment of countries to regions. This new framework system should govern the make-up of the ICANN Board and should serve as the default for other parts of the ICANN community.
83. For the time being, while continuing to mandate geographic diversity on the ICANN Board, the Working Group recommends that the Board give all individual ICANN Supporting Organizations and Advisory Committees the opportunity to develop or affirm their existing geographic diversity rules and mechanisms or to present the Board with their own particular diversity methodology that is more appropriate to

their unique operational and community characteristics.

84. The Working Group recommends that the Board direct Staff to prepare and maintain ICANN's own unique organizational table that clearly shows the allocation of countries and territories (as defined by ISO 3166) to its existing five Geographic Regions. The initial allocation should reflect the *status quo* of the current assignments. However, Staff should also develop and implement a process to permit stakeholder communities in countries or territories to pursue, if they wish, re-assignment to a geographic region that they consider to be more appropriate for their jurisdiction.
85. The Working Group recommends that ICANN seek ways to recognize and accommodate Special Interest Groups to promote the interests and unique attributes of stakeholder communities that may not clearly fit into the formal top-down regional structures. These "bottom-up" groupings would be complementary to the formal regional and decision-making framework, and would not replace it. These groups would be free to promote their interests and points of view as they consider appropriate within the ICANN community and its multi-stakeholder participation and engagement mechanisms.
86. Finally, the Working Group recommends that the Board maintain oversight over the existing framework at all levels within the ICANN organization and review the effectiveness of its application at regular five-year intervals.

## V. Next Steps

87. Communities supplying participants to this Working Group were given the opportunity to comment on the recommendations herein. Copies of the subsequent communications from commenting communities (ALAC, ccNSO and GNSO) are appended to this Final Report (see Appendix B). However, due to the substantial period of time that has passed between those comments and the submission of this Final Report to the Board, Working Group members believe that all ICANN communities should have a fulsome opportunity to review and comment on these recommendations.
88. Thus, the Working Group recommends that the Board direct staff to manage a public comment period of at least 120 days to give the community an opportunity to thoroughly review the proposals and provide any additional comments on its recommendations. Given other community workload demands requests for additional time for review and comment from any communities should be honored. Members of the Working Group and support staff are available to provide briefing opportunities to any and all interested community groups.

# # #

## APPENDIX A

### Working Group Members and staff support

#### **Working Group Members:**

Adiel Akplogan (ASO/NRO)(until January 2015)  
David Archbold (ccNSO) Chair (until January 2013)  
Fahd Batayneh (ccNSO) (until August 2013)  
Ching Chiao (GNSO) From November 2011  
Olga Cavalli (GNSO) Until October 2011  
Zahid Jamil (GNSO) (until October 2011)  
Cheryl Langdon-Orr (ALAC-ccNSO)  
Carlton Samuels (ALAC)  
Paul Wilson (ASO/NRO)

#### **ICANN Staff Support:**

Bart Boswinkel  
Mandy Carver  
Gisella Gruber  
Robert Hoggarth

APPENDIX B

Community Responses to draft of Final Report document:

(See subsequent pages and pdf format files associated with this document)



## ALAC Statement

AL-ALAC-ST-0114-03-00-EN

ORIGINAL: English DATE: 15 January 2014 STATUS: Final

### AT-LARGE ADVISORY COMMITTEE

#### ALAC Statement on the Request For Written Community Feedback - Geographic Regions Working Group Recommendations

#### Introduction

Tijani Ben Jemaa, ALAC member from the African Regional At-Large Organization (AFRALO) and ALAC Leadership Team member, composed an initial draft of this Statement after discussion of the topic within At-Large and on the Mailing Lists.

On 28 December 2013, this Statement was posted on the [At-Large Request For Written Community Feedback - Geographic Regions Working Group Recommendations Workspace](#).

On 13 December 2013, Olivier Crépin-Leblond, Chair of the ALAC, requested ICANN Policy Staff in support of the ALAC to send a Call for Comments on the Recommendations to all At-Large members via the [ALAC-Announce Mailing list](#).

On 9 January 2014, a version incorporating the comments received was posted on the aforementioned workspace and the Chair requested that Staff open an ALAC ratification vote on the proposed Statement.

On 15 January 2014, Staff confirmed that the online vote resulted in the ALAC endorsing the Statement with 14 votes in favor, 0 votes against, and 0 abstentions. You may review the result <http://www.bigpulse.com/pollresults?code=36347CwXlhyQBE4faXXf2rrF> independently under:

#### Summary

1. The ALAC supports the recommendation for ICANN to adopt a more rigorous approach by re- defining a clear and consistent classification framework that assigns countries and territories to regions. Nevertheless, it

would be helpful if the way and the criteria for such re-definition were suggested.

2. The ALAC strongly supports that ICANN must acknowledge the Sovereignty and right of self- determination of States to let them choose their region of allocation and request, if they so desire, a move to another geographic region.
3. When we speak about geography, we are speaking about regions, and the ALAC doesn't believe that the geographic regions could be in any case built on other consideration than the regional one. The cultural and linguistic diversity are important but can't impact the geographic regions framework. If we want it to be regions plus culture plus language, we have to call it diversity, not geographic regions.
4. The ALAC supports the recommendation to amend the bylaws to modify the present requirement for review of the Geographic Regions from three years period to five.

Dear Dave,

Thank you for your original note of 3 July 2013 regarding the Final Report of the Geographic Regions Review Working Group that you chair.

The At-Large Advisory Committee has considered the Working Group recommendations and would like to make the following remarks:

### **Recommendation B**

The ALAC supports the recommendation for ICANN to adopt a more rigorous approach by re- defining a clear and consistent classification framework that assigns countries and territories to regions. Nevertheless, it would be helpful if the way and the criteria for such re- definition were suggested.

### **Recommendation E**

Using the RIR framework wouldn't be a good approach because it is being contested even inside the RIR community. If we feel that the current ICANN framework is not good, we should not replace it with a contested one.

### **Recommendation G**

The ALAC strongly supports that ICANN must acknowledge the Sovereignty and right of self- determination of States to let them choose their region of allocation and request, if they so desire, a move to another geographic region.

We also believe that any application for reassignment should have the support of the government of the country or territory and the local internet community.

We think that requesting a reassignment each 3 years is too much. The maximum frequency shouldn't exceed one request per 5 years.

### **Recommendation H**

While the paragraph 67 mentions that it is not suggested each SO and AC be permitted to create its own regional framework, the recommendation says that the manner each SO-AC (but not the board) meets the geographic diversity requirements of that system should be up to them, and that they may, or may not, make use of the regional framework. The ALAC find that very ambiguous and could lead to a misunderstanding.

### **Recommendation I**

When we speak about geography, we are speaking about regions, and the ALAC doesn't believe that the geographic regions could be in any case built on other consideration than the regional one. The cultural and linguistic diversity are important but can't impact the geographic regions framework. If we want it to be regions plus culture plus language, we have to call it diversity, not geographic regions.

The "special interest groups" is a legitimate interest that can be recognized by ICANN but not in the context of geographic regions.

### **Recommendation K**

Finally, the ALAC supports the recommendation to amend the bylaws to modify the present requirement for review of the Geographic Regions from three years period to five.

# # #

**ccNSO Community Statement**

**Geographic Regions Review Working Group Final Report Reaction  
Form Template**

Dear Dave,

Thank you for your original note of 3 July 2013 regarding the Final Report of the Geographic Regions Review Working Group that you chair.

The Country Code Names Supporting Organization has considered the Working Group recommendations and our community supports the Working Group Final Report.

Best regards,

Byron Holland, chair of the ccNSO

Date: 21 December 2013

# # #

## GNSO Council Statement

13 December 2013

David Archbold  
Chair, ICANN Geographic Regions Working Group

Dear David,

### Written notification and feedback on the work of the Geographic Regions Working Group

First, we would like to acknowledge the considerable amount of effort that has gone into your work and take the opportunity to thank you and your colleagues for that work.

Second, we would like to acknowledge some key areas which we strongly support, in particular the following points:

1. **Executive Summary item 7:** “ ... provide flexibility to individual communities and structures within ICANN ... “ by permitting them to “ ... follow the same framework as the Board, or develop their own mechanisms (with Board oversight) for ensuring geographic diversity within their own organizations.”
2. **Executive Summary Item 8:** “ ... Staff should also develop and implement a process to permit stakeholder communities in countries or territories to pursue, if they wish, re-assignment to a geographic region that they consider to be more appropriate for their jurisdiction.”

Third, we would like to call attention to one area which raises questions for us as follows:

3. **Executive Summary Item 9:** “ ... the Working Group recommends that

*ICANN seek ways to recognize and accommodate Special Interest Groups to promote the interests and unique attributes of stakeholder communities that may not clearly fit into the formal top down regional structures. These “bottom-up” groupings would be complementary to the formal regional framework, and would not replace it. They would not form any part of ICANN’s decision-making structure but would be free to lobby for the support of elected representatives.”*

Here, some clarification of what is meant by the last sentence would be helpful. Assuming we understand the intent, we would suggest that such groups work within existing structures as much as possible to communicate their concerns.

We thank you again for your efforts in this regard and for the opportunity to provide input. Yours sincerely,

Jonathan Robinson  
Chair, ICANN GNSO Council

# # #

**REFERENCE MATERIALS – BOARD SUBMISSION NO. 2015.12.02.2a**

**TITLE:** **Consideration of Re-evaluation of the Vistaprint Limited String Confusion Objection Expert Determination**

**Document/Background Links**

The following attachment is relevant to the Board’s consideration of the re-evaluation of the Vistaprint Limited String Confusion Objection Expert Determination.

Attachment A is the Final Declaration issued by the Independent Review Panel, dated 9 October 2015.

Submitted By: Amy A. Stathos, Deputy General Counsel  
Date Noted: 18 November 2015  
Email: amy.stathos@icann.org

# **Attachment A**



**IN THE MATTER OF AN INDEPENDENT REVIEW PROCESS BEFORE THE  
INTERNATIONAL CENTRE FOR DISPUTE RESOLUTION**

Between:	)	
	)	
Vistaprint Limited	)	
	)	
<i>Claimant</i>	)	
	)	
v.	)	<b>ICDR Case No. 01-14-0000-6505</b>
	)	
INTERNET CORPORATION FOR	)	
ASSIGNED NAMES AND NUMBERS	)	
	)	
<i>Respondent</i>	)	
_____	)	

**FINAL DECLARATION OF THE INDEPENDENT REVIEW PANEL**

IRP Panel:

Geert Glas  
Siegfried H. Elsing  
Christopher S. Gibson (Chair)

## I. Introduction

1. This Final Declaration (“Declaration”) is issued in this Independent Review Process (“IRP”) pursuant to Article IV, §3 of the Bylaws of the Internet Corporation for Assigned Names and Numbers (“Bylaws”; “ICANN”). In accordance with the Bylaws, the conduct of this IPR is governed by the International Centre for Dispute Resolution’s (“ICDR”) International Dispute Resolution Procedures, amended and effective June 1, 2014 (“ICDR Rules”), as supplemented by the Supplementary Procedures for Internet Corporation for Assigned Names and Numbers Independent Review Process, dated December 21, 2011 (“Supplementary Procedures”).
2. Claimant, Vistaprint Limited (“Vistaprint”), is a limited company established under the laws of Bermuda. Vistaprint describes itself as “an Intellectual Property holding company of the publicly traded company, Vistaprint NV, a large online supplier of printed and promotional material as well as marketing services to micro businesses and consumers. It offers business and consumer marketing and identity products and services worldwide.”<sup>1</sup>
3. Respondent, ICANN, is a California not-for-profit public benefit corporation. As stated in its Bylaws, ICANN’s mission “is to coordinate, at the overall level, the global Internet’s system of unique identifiers, and in particular to ensure the stable and secure operation of the Internet’s unique identifier systems.”<sup>2</sup> In its online Glossary, ICANN describes itself as “an internationally organized, non-profit corporation that has responsibility for Internet Protocol (IP) address space allocation, protocol identifier assignment, generic (gTLD) and country code (ccTLD) Top-Level Domain name system management, and root server system management functions.”<sup>3</sup>
4. As part of this mission, ICANN’s responsibilities include introducing new top-level domains (“TLDs”) to promote consumer choice and competition, while maintaining the stability and security of the domain name system (“DNS”).<sup>4</sup> ICANN has gradually expanded the DNS from the original six generic top-level domains (“gTLDs”)<sup>5</sup> to include 22 gTLDs and over 250 country-code TLDs.<sup>6</sup> However, in June 2008, in a significant step ICANN’s Board of Directors (“Board”) adopted recommendations developed by one of its policy development bodies, the Generic Names Supporting Organization (“GNSO”), for

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<sup>1</sup> Request for Independent Review Process by Vistaprint Limited dated June 11, 2014 (“Request”), ¶ 12.

<sup>2</sup> ICANN’s Response to Claimant Vistaprint Limited’s Request for Independent Review Process dated July 21, 2014 (“Response”), ¶ 13; Bylaws, Art. I, § 1.

<sup>3</sup> Glossary of commonly used ICANN Terms, at <https://www.icann.org/resources/pages/glossary-2014-02-03-en#i> (last accessed on Sept. 15, 2015).

<sup>4</sup> Affirmation of Commitments by the United States Department of Commerce and the Internet Corporation for Assigned Names and Numbers (“Affirmation of Commitments”), Article 9.3 (Sept. 30, 2009), available at <https://www.icann.org/resources/pages/affirmation-of-commitments-2009-09-30-en> (last accessed on Sept. 15, 2015).

<sup>5</sup> The original six gTLDs consisted of .com; .edu; .gov; .mil; net; and .org.

<sup>6</sup> Request, ¶ 14.

introducing additional new gTLDs.<sup>7</sup> Following further work, ICANN's Board in June 2011 approved the "New gTLD Program" and a corresponding set of guidelines for implementing the Program – the gTLD Applicant Guidebook ("Guidebook").<sup>8</sup> ICANN states that "[t]he New gTLD Program constitutes by far ICANN's most ambitious expansion of the Internet's naming system."<sup>9</sup> The Guidebook is a foundational document providing the terms and conditions for new gTLD applicants, as well as step-by-step instructions and setting out the basis for ICANN's evaluation of these gTLD applications.<sup>10</sup> As described below, it also provides dispute resolution processes for objections relating to new gTLD applications, including the String Confusion Objection procedure ("String Confusion Objection" or "SCO").<sup>11</sup> The window for submitting new gTLD applications opened on January 12, 2012 and closed on May 30, 2012, with ICANN receiving 1930 new gTLD applications.<sup>12</sup> The final version of the Guidebook was made available on June 4, 2012.<sup>13</sup>

5. This dispute concerns alleged conduct by ICANN's Board in relation to Vistaprint's two applications for a new gTLD string, ".WEBS", which were submitted to ICANN under the New gTLD Program. Vistaprint contends that ICANN's Board, through its acts or omissions in relation to Vistaprint's applications, acted in a manner inconsistent with applicable policies, procedures and rules as set out in ICANN's Articles of Incorporation ("Articles") and Bylaws, both of which should be interpreted in light of the Affirmation of Commitments between ICANN and the United States Department of Commerce ("Affirmation of Commitments").<sup>14</sup> Vistaprint also states that because ICANN's Bylaws require ICANN to apply established policies neutrally and fairly, the Panel must consider other ICANN policies relevant to the dispute, in particular, the policies in Module 3 of the Guidebook regarding ICANN's SCO procedures, which Vistaprint claims were violated.<sup>15</sup>
6. Vistaprint requests that the IRP Panel provide the following relief:
  - Find that ICANN breached its Articles, Bylaws, and the Guidebook;
  - Require that ICANN reject the determination of the Third Expert in the String

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<sup>7</sup> ICANN Board Resolution 2008.06.26.02, at <http://www.icann.org/en/groups/board/documents/resolutions-26jun08-en.htm> (last accessed on Sept. 11, 2015).

<sup>8</sup> ICANN Board Resolution 2011.06.20.01, at <http://www.icann.org/en/groups/board/documents/resolutions-20jun11-en.htm> (last accessed on Sept. 11, 2015). ICANN states that the "Program's goals include enhancing competition and consumer choice, and enabling the benefits of innovation via the introduction of new gTLDs." Response, ¶ 16. The Guidebook is available at <http://newgtlds.icann.org/en/applicants/agb> (last accessed on Sept. 13, 2015).

<sup>9</sup> Response, ¶ 16.

<sup>10</sup> Response, ¶ 16.

<sup>11</sup> The Guidebook is organized into Modules. Module 3 (Objection Procedures) is of primary relevance to this IRP case.

<sup>12</sup> Response, ¶ 5; New gTLD Update (May 30, 2012) on the close of the TLD Application system, at <http://newgtlds.icann.org/en/announcements-and-media/announcement-3-30may12-en> (last accessed on Sept. 11, 2015).

<sup>13</sup> gTLD Applicant Guidebook, Version 2012-06-04.

<sup>14</sup> Affirmation of Commitments.

<sup>15</sup> Request, ¶ 58; Vistaprint's First Additional Submission, ¶ 34.

Confusion Objection proceedings involving Vistaprint (“*Vistaprint SCO*”)<sup>16</sup>, which found that the two proposed gTLD strings – .WEBS and .WEB – are confusingly similar, disregard the resulting “Contention Set”, and allow Vistaprint’s applications for .WEBS to proceed on their own merits;

- In the alternative, require that ICANN reject the *Vistaprint SCO* determination and organize a new independent and impartial SCO procedure, according to which a three-member panel re-evaluates the Expert Determination in the *Vistaprint SCO* taking into account (i) the ICANN Board’s resolutions on singular and plural gTLDs<sup>17</sup>, as well as the Board’s resolutions on the DERCars SCO Determination, the United TLD Determination, and the Onlineshopping SCO Determination<sup>18</sup>, and (ii) ICANN’s decisions to delegate the .CAR and .CARS gTLDs, the .AUTO and .AUTOS gTLDs, the .ACCOUNTANT and ACCOUNTANTS gTLDs, the .FAN and .FANS gTLDs, the .GIFT and .GIFTS gTLDs, the .LOAN and .LOANS gTLDs, the .NEW and .NEWS gTLDs and the .WORK and .WORKS gTLDs;
  - Award Vistaprint its costs in this proceeding; and
  - Award such other relief as the Panel may find appropriate or Vistaprint may request.
7. ICANN, on the other hand, contends that it followed its policies and processes at every turn in regards to Vistaprint’s .WEBS gTLD applications, which is all that it is required to do. ICANN states its conduct with respect to Vistaprint’s applications was fully consistent with ICANN’s Articles and Bylaws, and it also followed the procedures in the Guidebook. ICANN stresses that Vistaprint’s IRP Request should be denied.

## II. Factual and Procedural Background

8. This section summarizes basic factual and procedural background in this case, while leaving additional treatment of the facts, arguments and analysis to be addressed in sections III (ICANN’s Articles, Bylaws, and Affirmation of Commitments), IV (Summary of Parties’ Contentions) and V (Analysis and Findings).

### A. Vistaprint’s Application for .WEBS and the String Confusion Objection

9. Vistaprint’s submitted two applications for the .WEBS gTLD string, one a standard application and the other a community-based application.<sup>19</sup> Vistaprint states that it applied to operate the .WEBS gTLD with a view to reinforcing the reputation of its website

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<sup>16</sup> Request, Annex 24 (Expert Determination in the SCO case *Web.com Group, Inc. v. Vistaprint Limited*, ICDR Consolidated Case Nos. 50 504 T 00221 13 and 50 504 T 00246 13 (Jan. 24, 2014) (“*Vistaprint SCO*”).

<sup>17</sup> ICANN Board Resolution 2013.06.25.NG07.

<sup>18</sup> ICANN Board Resolution 2014.10.12.NG02.

<sup>19</sup> Request, Annex 1 (Application IDs: 1-1033-22687 and 1-1033-73917). A community-based gTLD is a gTLD that is operated for the benefit of a clearly delineated community. An applicant designating its application as community-based must be prepared to substantiate its status as representative of the community it names in the application. A standard application is one that has not been designated as community-based. Response, ¶ 22 n. 22; *see also* Glossary of commonly used terms in the Guidebook, at <http://newgtlds.icann.org/en/applicants/glossary> (last accessed on Sept. 13, 2015).

creation tools and hosting services, known under the identifier “Webs”, and to represent the “Webs” community.<sup>20</sup> The .WEBS gTLD would identify Vistaprint as the Registry Operator, and the products and services under the .WEBS gTLD would be offered by and for the Webs community.<sup>21</sup>

10. Seven other applicants applied for the .WEB gTLD string.<sup>22</sup> Solely from the perspective of spelling, Vistaprint’s proposed .WEBS string differs by the addition of the letter “s” from the .WEB string chosen by these other applicants. On March 13, 2013, one of these applicants, Web.com Group, Inc. (the “Objector”), filed two identical String Confusion Objections as permitted under the Guidebook against Vistaprint’s two applications.<sup>23</sup> The Objector was the only .WEB applicant to file a SCO against Vistaprint’s applications. The Objector argued that the .WEBS and .WEB strings were confusingly similar from a visual, aural and conceptual perspective.<sup>24</sup> Vistaprint claims that the Objector’s “sole motive in filing the objection was to prevent a potential competitor from entering the gTLD market.”<sup>25</sup>

11. As noted above, Module 3 of the Guidebook is relevant to this IRP because it provides the objection procedures for new gTLD applications. Module 3 describes “the purpose of the objection and dispute resolution mechanisms, the grounds for lodging a formal objection to a gTLD application, the general procedures for filing or responding to an objection, and the manner in which dispute resolution proceedings are conducted.”<sup>26</sup> The module also discusses the guiding principles, or standards, that each dispute resolution panel will apply in reaching its expert determination. The Module states that

*“All applicants should be aware of the possibility that a formal objection may be filed against any application, and of the procedures and options available in the event of such an objection.”<sup>27</sup>*

12. Module 3, § 3.2 (Public Objection and Dispute Resolution Process) provides that

*In filing an application for a gTLD, the applicant agrees to accept the applicability of this gTLD dispute resolution process. Similarly, an objector accepts the applicability of this gTLD dispute resolution process by filing its objection.*

13. A formal objection may be filed on any one of four grounds, of which the SCO procedure is relevant to this case:

*String Confusion Objection – The applied-for gTLD string is confusingly similar to an existing TLD*

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<sup>20</sup> Request, ¶ 5.

<sup>21</sup> Request, ¶ 17. Vistaprint states that the Webs community is predominantly comprised of non-US clients (54% non-US, 46% US).

<sup>22</sup> Request, ¶ 5.

<sup>23</sup> Request, ¶ 32.

<sup>24</sup> Request, ¶ 32.

<sup>25</sup> Request, ¶ 80.

<sup>26</sup> Guidebook, Module 3, p. 3-2. Module 3 also contains an attachment, the New gTLD Dispute Resolution Procedure (“New gTLD Objections Procedure”), which sets out the procedural rules for String Confusion Objections.

<sup>27</sup> Guidebook, Module 3, p. 3-2.

or to another applied-for gTLD string in the same round of applications.<sup>28</sup>

14. According to the Guidebook, the ICDR agreed to serve as the dispute resolution service provider (“DRSP”) to hear String Confusion Objections.<sup>29</sup> On May 6, 2013, the ICDR consolidated the handling of the two SCOs filed by the Objector against Vistaprint’s two .WEBS applications.<sup>30</sup>
15. Section 3.5 (Dispute Resolution Principles) of the Guidebook provides that the “objector bears the burden of proof in each case”<sup>31</sup> and sets out the relevant evaluation criteria to be applied to SCOs:
  - 3.5.1 String Confusion Objection

*A DRSP panel hearing a string confusion objection will consider whether the applied-for gTLD string is likely to result in string confusion. String confusion exists where a string so nearly resembles another that it is likely to deceive or cause confusion. For a likelihood of confusion to exist, it must be probable, not merely possible that confusion will arise in the mind of the average, reasonable Internet user. Mere association, in the sense that the string brings another string to mind, is insufficient to find a likelihood of confusion.*
16. On May 23, 2013, Vistaprint filed its responses to the Objector’s String Confusion Objections.
17. On June 28, 2013, the ICDR appointed Steve Y. Koh as the expert to consider the Objections (the “First Expert”). In this IRP Vistaprint objects that this appointment was untimely.<sup>32</sup>
18. On 19 July 2013, the Objector submitted an unsolicited supplemental filing replying to Vistaprint’s response, to which Vistaprint objected.<sup>33</sup> Vistaprint claims that the supplemental submission should not have been accepted by the First Expert as it did not comply the New gTLD Objections Procedure.<sup>34</sup> The First Expert accepted the Objector’s submission and permitted Vistaprint to submit a sur-reply, which Vistaprint claims was subject to unfair conditions imposed by the First Expert.<sup>35</sup> Vistaprint filed its sur-reply on

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<sup>28</sup> Guidebook, § 3.2.1.

<sup>29</sup> Guidebook, § 3.2.3.

<sup>30</sup> Request, ¶ 23, n. 24. The ICDR consolidated the handling of cases nos. 50 504 T 00221 13 and 50 504 T 00246 13. The Guidebook provides in § 3.4.2 that “[o]nce the DRSP receives and processes all objections, at its discretion the DRSP may elect to consolidate certain objections.”

<sup>31</sup> Guidebook, § 3.5. This standard is repeated in Article 20 of the Objection Procedure, which provides that “[t]he Objector bears the burden of proving that its Objection should be sustained in accordance with the applicable standards.”

<sup>32</sup> Request, ¶ 33.

<sup>33</sup> Response, ¶ 26.

<sup>34</sup> Request, ¶ 42. Article 17 provides that “[t]he Panel may decide whether the parties shall submit any written statements in addition to the Objection and the Response.” Article 18 states that “[i]n order to achieve the goal of resolving disputes over new gTLDs rapidly and at reasonable cost, procedures for the production of documents shall be limited. In exceptional cases, the Panel may require a party to provide additional evidence.”

<sup>35</sup> Vistaprint states that “this surreply was not to exceed 5 pages and was to be submitted within 29 days. This page limit and deadline are in stark contrast with the 58 day period taken by [the Objector] to submit a 6-page (Continued...)”

August 29, 2013.

19. On September 18, 2013 the ICDR informed the parties that the expert determination for the SCO case would be issued on or about October 4, 2013.<sup>36</sup> Vistaprint claims that this extension imposed an unjustified delay beyond the 45-day deadline for rendering a determination.<sup>37</sup>
20. On October 1, 2013, the ICDR removed the First Expert due to a conflict that arose. On October 14, 2013, the ICDR appointed Bruce W. Belding as the new expert (the “Second Expert”).<sup>38</sup> Vistaprint claims that the New gTLD Objections Procedure was violated when the First Expert did not maintain his independence and impartiality and the ICDR failed to react to Vistaprint’s concerns in this regard.<sup>39</sup>
21. On October 24, 2013, the Objector challenged the appointment of the Second Expert, to which Vistaprint responded on October 30, 2013. The challenge was based on the fact that the Second Expert had served as the expert in an unrelated prior string confusion objection, which Vistaprint maintained was not a reason for doubting the impartiality or independence of the Second Expert or accepting the challenge his appointment.<sup>40</sup> On November 4, 2013, the ICDR removed the Second Expert in response to the Objector’s challenge.<sup>41</sup> On November 5, 2013, Vistaprint requested that the ICDR reconsider its decision to accept the challenge to the appointment of the Second Expert. On November 8, 2013, the ICDR denied this request.<sup>42</sup> Vistaprint claims that the unfounded acceptance of the challenge to the Second Expert was a violation of the New gTLD Objections Procedure and the ICDR’s rules. The challenge was either unfounded and the ICDR should have rejected it, or it was founded, which would mean that the ICDR appointed the Second Expert knowing that justifiable doubts existed as to the Expert’s impartiality and independence.<sup>43</sup>
22. On November 20, 2013, the ICDR appointed Professor Ilhyung Lee to serve as the expert (the “Third Expert”) to consider the Objector’s string confusion objection. No party objected to the appointment of Professor Lee.<sup>44</sup>

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reply with no less than 25 additional annexes. Vistaprint considers that the principle of equality of arms was not respected by this decision.” Request, ¶ 42.

<sup>36</sup> Request, Annex 14.

<sup>37</sup> Request, ¶ 33; *see* New Objections Procedure, Art. 21(a).

<sup>38</sup> Response, ¶ 27; Request, Annexes 15 and 16.

<sup>39</sup> Request, ¶¶ 36 and 43. New Objections Procedure, Art. 13(c).

<sup>40</sup> Request, ¶ 37.

<sup>41</sup> Response, ¶ 28; Request, ¶ 39, Annex 19.

<sup>42</sup> Request, ¶ 39, Annex 21.

<sup>43</sup> Request, ¶¶ 37-40. Vistaprint states that the Objector’s challenge was “based solely on the fact that Mr. Belding had served as the Panel in an unrelated string confusion objection” administered by ICDR. Request, ¶ 37. ICDR “was necessarily aware” that Mr. Belding had served as the Panel in the string confusion objection proceedings. “If [ICDR] was of the opinion that the fact that Mr. Belding served as the Panel in previous proceedings could give rise to justifiable doubts as to the impartiality and independence of the Panel, it should never have appointed him in the case between Web.com and Vistaprint.”

<sup>44</sup> Response, ¶ 28; Request, ¶ 39, Annex 22.

23. On 24 January 2014, the Third Expert issued its determination in favor of the Objector, deciding that the String Confusion Objection should be sustained.<sup>45</sup> The Expert concluded that

*“the <.webs> string so nearly resembles <.web> – visually, aurally and in meaning – that it is likely to cause confusion. A contrary conclusion, the Panel is simply unable to reach.”*<sup>46</sup>

24. Moreover, the Expert found that

*“given the similarity of <.webs> and <.web>..., it is probable, and not merely possible, that confusion will arise in the mind of the average, reasonable Internet user. This is not a case of ‘mere association’.”*<sup>47</sup>

25. Vistaprint claims that the Third Expert failed to comply with ICANN’s policies by (i) unjustifiably accepting additional submissions without making an independent assessment, (ii) making an incorrect application of the burden of proof, and (iii) making an incorrect application of the substantive standard set by ICANN for String Confusion Objections.<sup>48</sup> In particular, Vistaprint claims that ICANN has set a high standard for a finding of confusing similarity between two gTLD strings, and the Third Expert’s determination did not apply this standard and was arbitrary and baseless.<sup>49</sup>

26. Vistaprint concludes that “[i]n sum, the cursory nature of the Decision and the arbitrary and selective discussion of the parties’ arguments by the [Third Expert] show a lack of either independence and impartiality or appropriate qualification.”<sup>50</sup> Vistaprint further states that it took 216 days for the Third Expert to render a decision in a procedure that should have taken a maximum of 45 days.<sup>51</sup>

27. The Guidebook § 3.4.6 provides that:

*The findings of the panel will be considered an expert determination and advice that ICANN will accept within the dispute resolution process.*<sup>52</sup>

28. Vistaprint objects that ICANN simply accepted the Third Expert’s ruling on the String Confusion Objection, without performing any analysis as to whether the ICDR and the Third Expert complied with ICANN’s policies and fundamental principles, and without

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<sup>45</sup> Request, ¶ 39, Annex 24 (Expert Determination, *Web.com Group, Inc. v. Vistaprint Limited*, ICDR Case Nos. 50 504 221 13 and 50 504 246 13 (Consolidated) (Jan. 24, 2014)..

<sup>46</sup> Request, Annex 24, p. 10.

<sup>47</sup> Request, Annex 24, p. 11.

<sup>48</sup> Request, ¶¶ 44-49.

<sup>49</sup> Vistaprint’s First Additional Submission, ¶¶ 1-2.

<sup>50</sup> Request, ¶ 49.

<sup>51</sup> Request, ¶ 41; see New gTLD Objections Procedure, Art. 21(a).

<sup>52</sup> Guidebook, § 3.4.6. The New gTLD Objections Procedure further provides in Article 2(d) that:

*The ‘Expert Determination’ is the decision upon the merits of the Objection that is rendered by a Panel in a proceeding conducted under this Procedure and the applicable DRSP Rules that are identified in Article 4(b).*



giving any rationale for doing so.<sup>53</sup>

29. Vistaprint contends that ICANN’s Board remains its ultimate decision-making body and that the Board should have intervened and “cannot blindly accept advice by third parties or expert determinations.”<sup>54</sup> In this respect, Vistaprint highlights the Guidebook, which provides in Module 5 (Transition to Delegation) § 1 that:

ICANN’s Board of Directors has ultimate responsibility for the New gTLD Program. The Board reserves the right to individually consider an application for a new gTLD to determine whether approval would be in the best interest of the Internet community. Under exceptional circumstances, the Board may individually consider a gTLD application. For example, the Board might individually consider an application as a result ... the use of an ICANN accountability mechanism.<sup>55</sup>

*[Underlining added]*

30. As a result of the Third Expert sustaining the Objector’s SCO, Vistaprint’s application was placed in a “Contention Set”. The Guidebook in § 3.2.2.1 explains this result:

*In the case where a gTLD applicant successfully asserts string confusion with another applicant, the only possible outcome is for both applicants to be placed in a contention set and to be referred to a contention resolution procedure (refer to Module 4, String Contention Procedures). If an objection by one gTLD applicant to another gTLD application is unsuccessful, the applicants may both move forward in the process without being considered in direct contention with one another.*<sup>56</sup>

## **B. Request for Reconsideration and Cooperative Engagement Process**

31. On February 6, 2014 Vistaprint filed a Request for Reconsideration (“Request for Reconsideration” or “RFR”).<sup>57</sup> According to ICANN’s Bylaws, a RFR is an accountability mechanism which involves a review conducted by the Board Governance Committee (“BGC”), a sub-committee designated by ICANN’s Board to review and consider Reconsideration Requests.<sup>58</sup> A RFR can be submitted by a person or entity that has been “adversely affected” by one or more staff actions or inactions that contradict established ICANN policies.<sup>59</sup>
32. Article IV, §2.15 of ICANN’s Bylaws sets forth the BGC’s authority and powers for handling Reconsideration Requests. The BGC, at its own option, may make a final determination on the RFR or it may make a recommendation to ICANN’s Board for

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<sup>53</sup> Request, ¶ 50.

<sup>54</sup> Vistaprint’s First Additional Submission, ¶¶ 29-30.

<sup>55</sup> Guidebook, § 5.1.

<sup>56</sup> Guidebook, § 3.2.2.1. Module 4 (String Contention Procedures) provides that “Contention sets are groups of applications containing identical or similar applied-for gTLD strings.” Guidebook, § 4.1.1. Parties that are identified as being in contention are encouraged to reach settlement among. Guidebook, § 4.1.3. It is expected that most cases of contention will be resolved through voluntary agreement among the involved applicants or by the community priority evaluation mechanism. Conducting an auction is a tie-breaker mechanism of last resort for resolving string contention, if the contention has not been resolved by other means. Guidebook, § 4.3.

<sup>57</sup> Request, Annex 25.

<sup>58</sup> Response, ¶ 29; Bylaws, Art. IV, § 2.

<sup>59</sup> Bylaws, Art. IV, § 2.2.a.

consideration and action:

*For all Reconsideration Requests brought regarding staff action or inaction, the Board Governance Committee shall be delegated the authority by the Board of Directors to make a final determination and recommendation on the matter. Board consideration of the recommendation is not required. As the Board Governance Committee deems necessary, it may make recommendation to the Board for consideration and action. The Board Governance Committee's determination on staff action or inaction shall be posted on the Website. The Board Governance Committee's determination is final and establishes precedential value.*

33. ICANN has determined that the reconsideration process can be invoked for challenges to expert determinations rendered by panels formed by third party dispute resolution service providers, such as the ICDR, where it can be stated that the panel failed to follow the established policies or processes in reaching the expert determination, or that staff failed to follow its policies or processes in accepting that determination.<sup>60</sup>
34. In its RFR, Vistaprint asked ICANN to reject the Third Expert's decision and to instruct a new expert panel to issue a new decision "that applies the standards defined by ICANN."<sup>61</sup> Vistaprint sought reconsideration of the "various actions and inactions of ICANN staff related to the Expert Determination," claiming that "the decision fails to follow ICANN process for determining string confusion in many aspects."<sup>62</sup> In particular, Vistaprint asserted that the ICDR and the Third Expert violated the applicable New gTLD Objection Procedures concerning:
  - (i) the timely appointment of an expert panel;
  - (ii) the acceptance of additional written submissions;
  - (iii) the timely issuance of an expert determination;
  - (iv) an expert's duty to remain impartial and independent;
  - (v) challenges to experts;
  - (vi) the Objector's burden of proof; and
  - (vii) the standards governing the evaluation of a String Confusion Objection.
35. Vistaprint also argued that the decision was unfair, and accepting it creates disparate treatment without justified cause.<sup>63</sup>
36. The Bylaws provide in Article IV, § 2.3, that the BGC "shall have the authority to":
  - a. evaluate requests for review or reconsideration;
  - b. summarily dismiss insufficient requests;
  - c. evaluate requests for urgent consideration;
  - d. conduct whatever factual investigation is deemed appropriate;
  - e. request additional written submissions from the affected party, or from other parties;
  - f. make a final determination on Reconsideration Requests regarding staff action or inaction, without

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<sup>60</sup> See BGC Recommendation on Reconsideration Request 14-5 dated February 27, 2014 ("BGC Determination"), at p. 7, n. 7, Request, Annex 26, and available at <https://www.icann.org/en/system/files/files/determination-vistaprint-27feb14-en.pdf> (last accessed on Sept. 14, 2015).

<sup>61</sup> Request, ¶ 51; Annex 25, p.7.

<sup>62</sup> Request, Annex 25, p.2.

<sup>63</sup> Request, Annex 25, p.6.

*reference to the Board of Directors; and*  
*g. make a recommendation to the Board of Directors on the merits of the request, as necessary.*

37. On February 27, 2014 the BGC issued its detailed Recommendation on Reconsideration Request, in which it denied Vistaprint’s reconsideration request finding “no indication that the ICDR or the [Third Expert] violated any policy or process in reaching the Determination.”<sup>64</sup> The BGC concluded that:

*With respect to each claim asserted by the Requester concerning the ICDR’s alleged violations of applicable ICDR procedures concerning experts, there is no evidence that the ICDR deviated from the standards set forth in the Applicant Guidebook, the New gTLD Dispute Resolution Procedure, or the ICDR’s Supplementary Procedures for String Confusion Objections (Rules). The Requester has likewise failed to demonstrate that the Panel applied the wrong standard in contravention of established policy or procedure. Therefore, the BGC concludes that Request 14-5 be denied.*<sup>65</sup>

38. The BGC explained what it considered to be the scope of its review:

*In the context of the New gTLD Program, the reconsideration process does not call for the BGC to perform a substantive review of expert determinations. Accordingly, the BGC is not to evaluate the Panel’s substantive conclusion that the Requester’s applications for .WEBS are confusingly similar to the Requester’s application for .WEB. Rather, the BGC’s review is limited to whether the Panel violated any established policy or process in reaching that Determination.*<sup>66</sup>

39. The BGC also stated that its determination on Vistaprint’s RFR was final:

*In accordance with Article IV, Section 2.15 of the Bylaws, the BGC’s determination on Request 14-5 shall be final and does not require Board (or NGPC<sup>67</sup>) consideration. The Bylaws provide that the BGC is authorized to make a final determination for all Reconsideration Requests brought regarding staff action or inaction and that the BGC’s determination on such matters is final. (Bylaws, Art. IV, § 2.15.) As discussed above, Request 14-5 seeks reconsideration of a staff action or inaction. After consideration of this Request, the BGC concludes that this determination is final and that no further consideration by the Board is warranted.*<sup>68</sup>

40. On March 17, 2014, Vistaprint filed a request for a Cooperative Engagement Process

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<sup>64</sup> BGC Determination, p. 18, Request, Annex 26.

<sup>65</sup> BGC Determination, p. 2, Request, Annex 26.

<sup>66</sup> BGC Determination, p. 7, Request, Annex 26.

<sup>67</sup> The “NGPC” refers to the New gTLD Program Committee, which is a sub-committee of the Board and “has all the powers of the Board.” See New gTLD Program Committee Charter | As Approved by the ICANN Board of Directors on 10 April 2012, at <https://www.icann.org/resources/pages/charter-2012-04-12-en> (last accessed Sept. 15, 2015).

<sup>68</sup> BGC Determination, p. 19, Request, Annex 26. As noted, the BGC concluded that its determination on Vistaprint’s RFR was final and made no recommendation to ICANN’s Board for consideration and action. Article IV, §2.17 of ICANN’s Bylaws sets out the scope of the Board’s authority for matters in which the BGC decides to make a recommendation to ICANN’s Board:

*The Board shall not be bound to follow the recommendations of the Board Governance Committee. The final decision of the Board shall be made public as part of the preliminary report and minutes of the Board meeting at which action is taken. The Board shall issue its decision on the recommendation of the Board Governance Committee within 60 days of receipt of the Reconsideration Request or as soon thereafter as feasible. Any circumstances that delay the Board from acting within this timeframe must be identified and posted on ICANN’s website. The Board’s decision on the recommendation is final.*

(“CEP”) with ICANN.<sup>69</sup> Vistaprint stated in its letter:

*Vistaprint is of the opinion that the Board of Governance Committee’s rejection of Reconsideration Request 14-5 is in violation of various provisions of ICANN’s Bylaws and Articles of Incorporation. In particular, Vistaprint considers this is in violation of Articles I, II(3), III and IV of the ICANN Bylaws as well as Article 4 of ICANN’s Articles of Incorporation. In addition, Vistaprint considers that ICANN has acted in violation of Articles 3, 7 and 9 of ICANN’s Affirmation of Commitment.*<sup>70</sup>

41. The CEP did not lead to a resolution and Vistaprint thereafter commenced this IRP. In this regard, Module 6.6 of the Guidebook provides that an applicant for a new gTLD:

*MAY UTILIZE ANY ACCOUNTABILITY MECHANISM SET FORTH IN ICANN’S BYLAWS FOR PURPOSES OF CHALLENGING ANY FINAL DECISION MADE BY ICANN WITH RESPECT TO THE APPLICATION.*<sup>71</sup>

### C. Procedures in this Case

42. On June 11, 2014, Vistaprint submitted its Request for Independent Review Process (“Request”) in respect of ICANN’s treatment of Vistaprint’s application for the .WEBS gTLD. On July 21, 2014, ICANN submitted its Response to Vistaprint’s Request (“Response”).
43. On January 13, 2015, the ICDR confirmed that there were no objections to the constitution of the present IRP Panel (“IRP Panel” or “Panel”). The Panel convened a telephonic preliminary hearing with the parties on January 26, 2015 to discuss background and organizational matters in the case. Having heard the parties, the Panel issued Procedural Order No. 1 permitting an additional round of submissions from the parties. The Panel received Vistaprint’s additional submission on March 2, 2015 (Vistaprint’s “First Additional Submission”) and ICANN’s response on April 2, 2015 (ICANN’s “First Additional Response”).
44. The Panel then received further email correspondence from the parties. In particular, Vistaprint requested that the case be suspended pending an upcoming meeting of ICANN’s Board of Directors, which Vistaprint contended would be addressing matters informative for this IRP. Vistaprint also requested that it be permitted to respond to arguments and information submitted by ICANN in ICANN’s First Additional Response. In particular, Vistaprint stated that ICANN had referenced the Final Declaration of March 3, 2015 in the IRP case involving *Booking.com v. ICANN* (the “*Booking.com Final Declaration*”).<sup>72</sup> The *Booking.com Final Declaration* was issued one day after Vistaprint had submitted its First Additional Submission in this case. ICANN objected to Vistaprint’s requests, urging that there was no need for additional briefing and no justification for suspending the case.

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<sup>69</sup> Request, Annex 27.

<sup>70</sup> Request, Annex 27.

<sup>71</sup> Guidebook, § 6.6.

<sup>72</sup> *Booking.com B.V. v. ICANN*, ICDR Case No. 50-2014-000247 (March 3, 2015) (“*Booking.com Final Declaration*”), at <https://www.icann.org/en/system/files/files/final-declaration-03mar15-en.pdf> (last accessed on Sept. 15, 2015)

45. On April 19, 2015, the Panel issued Procedural Order No. 2, which denied Vistaprint's request that the case be suspended and permitted Vistaprint and ICANN to submit another round of supplemental submissions. Procedural Order No. 2 also proposed two dates for a telephonic hearing with the parties on the substantive issues and the date of May 13, 2015 was subsequently selected. The Panel received Vistaprint's second additional submission on April 24, 2015 (Vistaprint's "Second Additional Submission") and ICANN's response to that submission on May 1, 2015 (ICANN's "Second Additional Response").
46. The Panel then received a letter from Vistaprint dated April 30, 2015 and ICANN's reply of the same date. In its letter, Vistaprint referred to two new developments that it stated were relevant for this IRP case: (i) the Third Declaration on the IRP Procedure, issued April 20, 2015, in the IRP involving *DotConnectAfrica Trust v. ICANN*<sup>73</sup>, and (ii) the ICANN Board of Director's resolution of April 26, 2015 concerning the *Booking.com Final Declaration*. Vistaprint requested that more time be permitted to consider and respond to these new developments, while ICANN responded that the proceedings should not be delayed.
47. Following further communications with the parties, May 28, 2015 was confirmed as the date for a telephonic hearing to receive the parties' oral submissions on the substantive issues in this case. On that date, counsel for the parties were provided with the opportunity to make extensive oral submissions in connection with all of the facts and issues raised in this case and to answer questions from the Panel.<sup>74</sup>
48. Following the May 28, 2015 hear, the Panel held deliberations to consider the issues in this IRP, with further deliberations taking place on subsequent dates. This Final Declaration was provided to the ICDR in draft form on October 5, 2015 for non-substantive comments on the text; it was returned to the Panel on October 8, 2015.

### III. ICANN's Articles, Bylaws, and Affirmation of Commitments

49. Vistaprint states that the applicable law for these IRP proceedings is found in ICANN's Articles of Incorporation and Bylaws. Both Vistaprint and ICANN make numerous references to these instruments. This section sets out a number of the key provisions of

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<sup>73</sup> Third Declaration on the IRP Procedure, *DotConnectAfrica Trust v. ICANN*, ICDR Case No. 50-2013-001083 (April 20, 2015) ("*DCA Third Declaration on IRP Procedure*"), at <https://www.icann.org/en/system/files/files/irp-procedure-declaration-20apr15-en.pdf> (last accessed on Sept. 15, 2015)

<sup>74</sup> The Panel conducted these IRP proceedings relying on email and telephonic communications, with no objections to this approach from either party and in view of ICANN's Bylaws, Article IV, § 3.12 ("*In order to keep the costs and burdens of independent review as low as possible, the IRP Panel should conduct its proceedings by email and otherwise via the Internet to the maximum extent feasible. Where necessary, the IRP Panel may hold meetings by telephone.*").

the Articles and the Bylaws, as they are relied upon by the parties in this IRP.<sup>75</sup> Vistaprint also references the Affirmation of Commitments – relevant provisions of this document are also provided below.

### **A. Articles of Incorporation**

50. Vistaprint refers to the Articles of Incorporation, highlighting Article IV’s references to “relevant principles of international law” and “open and transparent processes”. Article 4 of the Articles provides in relevant part:

*The Corporation shall operate for the benefit of the Internet community as a whole, carrying out its activities in conformity with relevant principles of international law and applicable international conventions and local law and, to the extent appropriate and consistent with these Articles and its Bylaws, through open and transparent processes that enable competition and open entry in Internet-related markets.*

*[Underlining added]*

51. Vistaprint states that general principles of international law – and in particular the obligation of good faith – serve as a prism through which the various obligations imposed on ICANN under its Articles of Incorporation and Bylaws must be interpreted.<sup>76</sup> The general principle of good faith is one of the most basic principles governing the creation and performance of legal obligations, and rules involving transparency, fairness and non-discrimination arise from it.<sup>77</sup> Vistaprint also emphasizes that the principle of good faith includes an obligation to ensure procedural fairness by adhering to substantive and procedural rules, avoiding arbitrary action, and recognizing legitimate expectations.<sup>78</sup> The core elements of transparency include clarity of procedures, the publication and notification of guidelines and applicable rules, and the duty to provide reasons for actions taken.<sup>79</sup>

### **B. Bylaws**

#### **a. Directives to ICANN and its Board**

52. The Bylaws contain provisions that address the role, core values and accountability of ICANN and its Board.
53. Article IV, § 3.2 specifies the right of “any person materially affected” to seek independent review (through the IRP) of a Board action alleged to be a violation of the

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<sup>75</sup> ICANN’s Articles are available at <https://www.icann.org/resources/pages/governance/articles-en> (last accessed on Sept. 15, 2015). ICANN’s Bylaws are available at <https://www.icann.org/resources/pages/governance/bylaws-en> (last accessed on Sept. 15, 2015).

<sup>76</sup> Request, ¶ 55. Vistaprint also states that “U.S. and California law, like almost all jurisdictions, recognize obligations to act in good faith and ensure procedural fairness. The requirement of procedural fairness has been an established part of the California common law since before the turn of the 19th century.” Request, ¶ 60, n.8.

<sup>77</sup> Request, ¶ 59.

<sup>78</sup> Request, ¶ 60.

<sup>79</sup> Request, ¶ 66.

Articles or Bylaws:

*Any person materially affected by a decision or action by the Board that he or she asserts is inconsistent with the Articles of Incorporation or Bylaws may submit a request for independent review of that decision or action. In order to be materially affected, the person must suffer injury or harm that is directly and causally connected to the Board's alleged violation of the Bylaws or the Articles of Incorporation, and not as a result of third parties acting in line with the Board's action.*

54. Vistaprint has relied on certain of ICANN's core values set forth in Article I, § 2 (Core Values) of the Bylaws. The sub-sections underlined below are invoked by Vistaprint as they relate to principles of promoting competition and innovation (Article I § 2.2, 2.5 and 2.6); openness and transparency (Article I § 2.7); neutrality, fairness, integrity and non-discrimination (Article I § 2.8); and accountability (Article I § 2.10). Article I § 2 provides in full:

*Section 2. Core Values*

*In performing its mission, the following core values should guide the decisions and actions of ICANN:*

*1. Preserving and enhancing the operational stability, reliability, security, and global interoperability of the Internet.*

*2. Respecting the creativity, innovation, and flow of information made possible by the Internet by limiting ICANN's activities to those matters within ICANN's mission requiring or significantly benefiting from global coordination.*

*3. To the extent feasible and appropriate, delegating coordination functions to or recognizing the policy role of other responsible entities that reflect the interests of affected parties.*

*4. Seeking and supporting broad, informed participation reflecting the functional, geographic, and cultural diversity of the Internet at all levels of policy development and decision-making.*

*5. Where feasible and appropriate, depending on market mechanisms to promote and sustain a competitive environment.*

*6. Introducing and promoting competition in the registration of domain names where practicable and beneficial in the public interest.*

*7. Employing open and transparent policy development mechanisms that (i) promote well-informed decisions based on expert advice, and (ii) ensure that those entities most affected can assist in the policy development process.*

*8. Making decisions by applying documented policies neutrally and objectively, with integrity and fairness.*<sup>80</sup>

*9. Acting with a speed that is responsive to the needs of the Internet while, as part of the decision-making process, obtaining informed input from those entities most affected.*

*10. Remaining accountable to the Internet community through mechanisms that enhance ICANN's effectiveness.*

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<sup>80</sup> Vistaprint states that “[t]his requirement is also found in applicable California law, which requires that decisions be made according to procedures that are ‘fair and applied uniformly’, and not in an ‘arbitrary and capricious manner.’” Request, ¶ 62, n.9.

11. While remaining rooted in the private sector, recognizing that governments and public authorities are responsible for public policy and duly taking into account governments' or public authorities' recommendations.

*These core values are deliberately expressed in very general terms, so that they may provide useful and relevant guidance in the broadest possible range of circumstances. Because they are not narrowly prescriptive, the specific way in which they apply, individually and collectively, to each new situation will necessarily depend on many factors that cannot be fully anticipated or enumerated; and because they are statements of principle rather than practice, situations will inevitably arise in which perfect fidelity to all eleven core values simultaneously is not possible. Any ICANN body making a recommendation or decision shall exercise its judgment to determine which core values are most relevant and how they apply to the specific circumstances of the case at hand, and to determine, if necessary, an appropriate and defensible balance among competing values.*

*[Underlining added]*

55. Vistaprint refers to Article II, § 3 in support of its arguments that the Board failed to act fairly and without discrimination as it considered Vistaprint's two .WEBS applications and the outcome of the *Vistaprint SCO* case. Article II, § 3 provides:

*Section 3 (Non-Discriminatory Treatment)*

*ICANN shall not apply its standards, policies, procedures, or practices inequitably or single out any particular party for disparate treatment unless justified by substantial and reasonable cause, such as the promotion of effective competition.*

*[Underlining added]*

56. Vistaprint refers to Article III (Transparency), § 1 of the Bylaws in reference to the principle of transparency:

*Section 1. PURPOSE*

*ICANN and its constituent bodies shall operate to the maximum extent feasible in an open and transparent manner and consistent with procedures designed to ensure fairness.*

*[Underlining added]*

57. Vistaprint also refers Article IV (Accountability and Review), § 1 as it relates to ICANN's accountability and core values, providing in relevant part:

*In carrying out its mission as set out in these Bylaws, ICANN should be accountable to the community for operating in a manner that is consistent with these Bylaws, and with due regard for the core values set forth in Article I of these Bylaws.*

*[Underlining added]*

**b. Directives for the IRP Panel**

58. ICANN's Bylaws also contain provisions that speak directly to the role and authority of the Panel in this IRP case. In particular, Article IV of the Bylaws creates the IRP as an accountability mechanism, along with two other mechanisms: (i) the RFR process, described above and on which Vistaprint relied, and (ii) an unrelated periodic review of



ICANN's structure and procedures.<sup>81</sup>

59. Article IV, § 1 of the Bylaws emphasizes that the IRP is a mechanism designed to ensure ICANN's accountability:

*The provisions of this Article, creating processes for reconsideration and independent review of ICANN actions and periodic review of ICANN's structure and procedures, are intended to reinforce the various accountability mechanisms otherwise set forth in these Bylaws, including the transparency provisions of Article III and the Board and other selection mechanisms set forth throughout these Bylaws.*

*[Underlining added]*

60. In this respect, the IRP Panel provides an independent review and accountability mechanism for ICANN and its Board. Vistaprint urges that IRP is the *only* method established by ICANN for holding itself accountable through independent third-party review of its decisions.<sup>82</sup> The Bylaws in Article IV, § 3.1 provides:

*In addition to the reconsideration process described in Section 2 of this Article, ICANN shall have in place a separate process for independent third-party review of Board actions alleged by an affected party to be inconsistent with the Articles of Incorporation or Bylaws.*

61. ICANN states in its Response that “[t]he IRP Panel is tasked with determining whether the Board’s actions are consistent with ICANN’s Articles and Bylaws.”<sup>83</sup> ICANN also maintains that while the IRP is intended to address challenges to conduct undertaken by ICANN’s Board, it is not available as a mechanism to challenge the actions or inactions of ICANN staff or third parties that may be involved with ICANN’s activities.<sup>84</sup>

62. In line with ICANN’s statement, the Bylaws provide in Article IV, § 3.4, that:

*Requests for such independent review shall be referred to an Independent Review Process Panel ("IRP Panel"), which shall be charged with comparing contested actions of the Board to the Articles of Incorporation and Bylaws, and with declaring whether the Board has acted consistently with the provisions of those Articles of Incorporation and Bylaws.*<sup>85</sup>

*[Underlining added]*

63. The Bylaws also include a standard of review in Article IV, § 3.4, providing that the Panel:

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<sup>81</sup> Note that Article V (Ombudsman) of the Bylaws also establishes the Office of Ombudsman to facilitate the fair, impartial, and timely resolution of problems and complaints for those matters where the procedures of the RFR or the IRP have not been invoked.

<sup>82</sup> Request, ¶ 57.

<sup>83</sup> Response, ¶ 33.

<sup>84</sup> Response, ¶ 4.

<sup>85</sup> Bylaws, Art. IV, § 3.4. The reference to “actions” of ICANN’s Board should be read to refer to both “actions or inactions” of the Board. See Bylaws, Art. IV, § 3.11(c) (“The IRP Panel shall have the authority to:...(c) declare whether an *action or inaction* of the Board was inconsistent with the Articles of Incorporation or Bylaws”); see also Supplementary Procedures, which define “Independent Review” as referring

*“to the procedure that takes place upon the filing of a request to review ICANN Board actions or inactions alleged to be inconsistent with ICANN's Bylaws or Articles of Incorporation.*

*“must apply a defined standard of review to the IRP request, focusing on:*

- a. did the Board act without conflict of interest in taking its decision?;*
- b. did the Board exercise due diligence and care in having a reasonable amount of facts in front of them?; and*
- c. did the Board members exercise independent judgment in taking the decision, believed to be in the best interests of the company?<sup>86</sup>*

64. The Bylaws in Article IV, § 3.11 set out the IRP Panel’s authority in terms of alternative actions that it may take once it has an IRP case before it:

*The IRP Panel shall have the authority to:*

- a. summarily dismiss requests brought without standing, lacking in substance, or that are frivolous or vexatious;*
- b. request additional written submissions from the party seeking review, the Board, the Supporting Organizations, or from other parties;*
- c. declare whether an action or inaction of the Board was inconsistent with the Articles of Incorporation or Bylaws; and*
- d. recommend that the Board stay any action or decision, or that the Board take any interim action, until such time as the Board reviews and acts upon the opinion of the IRP;*
- e. consolidate requests for independent review if the facts and circumstances are sufficiently similar; and*
- f. determine the timing for each proceeding.<sup>87</sup>*

65. Further, the Bylaws in Article IV, § 3.18 state that

*“[t]he IRP Panel shall make its declaration based solely on the documentation, supporting materials, and arguments submitted by the parties, and in its declaration shall specifically designate the prevailing party.”<sup>88</sup>*

*[Underlining added]*

66. The Bylaws address the steps to be taken after the Panel issues a determination in the IRP. Article IV, § 3.21<sup>89</sup> states that “declarations of the IRP Panel, and the Board's subsequent action on those declarations, are final and have precedential value”:

*Where feasible, the Board shall consider the IRP Panel declaration at the Board's next meeting. The declarations of the IRP Panel, and the Board's subsequent action on those declarations, are final and have precedential value.*

*[Underlining added]*

### **C. Affirmation of Commitments**

67. Vistaprint claims that ICANN violated the ICANN’s Affirmation of Commitments, in particular Articles 3, 7 and 9. This Affirmation of Commitments is instructive, as it explains ICANN’s obligations in light of its role as regulator of the DNS. Article 3, 7 and 9 are set forth below in relevant part:

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<sup>86</sup> Bylaws, Art. IV, § 3.4.

<sup>87</sup> Bylaws, Art. IV, § 3.11.

<sup>88</sup> Bylaws, Art. IV, § 3.18.

<sup>89</sup> This section was added by the amendments to the Bylaws on April 11, 2013.

3. This document affirms key commitments by DOC and ICANN, including commitments to: (a) ensure that decisions made related to the global technical coordination of the DNS are made in the public interest and are accountable and transparent; (b) preserve the security, stability and resiliency of the DNS; (c) promote competition, consumer trust, and consumer choice in the DNS marketplace; and (d) facilitate international participation in DNS technical coordination.

\* \* \* \*

7. ICANN commits to adhere to transparent and accountable budgeting processes, fact-based policy development, cross-community deliberations, and responsive consultation procedures that provide detailed explanations of the basis for decisions, including how comments have influenced the development of policy consideration, and to publish each year an annual report that sets out ICANN's progress against ICANN's bylaws, responsibilities, and strategic and operating plans. In addition, ICANN commits to provide a thorough and reasoned explanation of decisions taken, the rationale thereof and the sources of data and information on which ICANN relied.

9. Recognizing that ICANN will evolve and adapt to fulfill its limited, but important technical mission of coordinating the DNS, ICANN further commits to take the following specific actions together with ongoing commitment reviews specified below:

9.1 Ensuring accountability, transparency and the interests of global Internet users: ICANN commits to maintain and improve robust mechanisms for public input, accountability, and transparency so as to ensure that the outcomes of its decision-making will reflect the public interest and be accountable to all stakeholders by: (a) continually assessing and improving ICANN Board of Directors (Board) governance which shall include an ongoing evaluation of Board performance, the Board selection process, the extent to which Board composition meets ICANN's present and future needs, and the consideration of an appeal mechanism for Board decisions; (b) assessing the role and effectiveness of the GAC and its interaction with the Board and making recommendations for improvement to ensure effective consideration by ICANN of GAC input on the public policy aspects of the technical coordination of the DNS; (c) continually assessing and improving the processes by which ICANN receives public input (including adequate explanation of decisions taken and the rationale thereof); (d) continually assessing the extent to which ICANN's decisions are embraced, supported and accepted by the public and the Internet community; and (e) assessing the policy development process to facilitate enhanced cross community deliberations, and effective and timely policy development. ICANN will organize a review of its execution of the above commitments no less frequently than every three years, ..... Each of the foregoing reviews shall consider the extent to which the assessments and actions undertaken by ICANN have been successful in ensuring that ICANN is acting transparently, is accountable for its decision-making, and acts in the public interest. Integral to the foregoing reviews will be assessments of the extent to which the Board and staff have implemented the recommendations arising out of the other commitment reviews enumerated below.

\* \* \* \*

9.3 Promoting competition, consumer trust, and consumer choice: ICANN will ensure that as it contemplates expanding the top-level domain space, the various issues that are involved (including competition, consumer protection, security, stability and resiliency, malicious abuse issues, sovereignty concerns, and rights protection) will be adequately addressed prior to implementation. If and when new gTLDs (whether in ASCII or other language character sets) have been in operation for one year, ICANN will organize a review that will examine the extent to which the introduction or expansion of gTLDs has promoted competition, consumer trust and consumer choice, as well as effectiveness of (a) the application and evaluation process, and (b) safeguards put in place to mitigate issues involved in the introduction or expansion. ICANN will organize a further review of its execution of the above commitments two years after the first review, and then no less frequently than every four years.... Resulting recommendations of the reviews will be provided to the Board and posted for public comment. The Board will take action within six months of receipt of the recommendations.

{Underlining added}

#### IV. Summary of Parties' Contentions

68. This presentation of the parties' contentions is intended to provide a summary to aid in understanding this Final Declaration. It is not an exhaustive recitation of the entirety of the parties' allegations and arguments. Additional references to the parties' assertions are included in sections II (Factual and Procedural Background), III (ICANN's Articles, Bylaws and Affirmation of Commitments) and V (Analysis and Findings).
69. The IRP Panel has organized the parties' contentions into three categories, based on the areas of claim and dispute that have emerged through the exchange of three rounds of submissions between the parties and the Panel. The *first* section relates to the authority of the Panel, while the *second* and *third* sections address the allegations asserted by Vistaprint, which fall into two general areas of claim. In this regard, Vistaprint claims that the ICDR and Third Expert made numerous errors of procedure and substance during the String Confusion Objection proceedings, which resulted in Vistaprint being denied a fair hearing and due process. As a result of the flawed SCO proceedings, Vistaprint alleged that ICANN through its Board (and the BGC), in turn: (i) violated its Articles, Bylaws and the Guidebook (e.g., failed to act in good faith, fairly, non-arbitrarily, with accountability, due diligence, and independent judgment) by accepting the determination in the *Vistaprint SCO* and failing to redress and remedy the numerous alleged process and substantive errors in the SCO proceedings, and (ii) discriminated against Vistaprint, in violation of its Articles and Bylaws, by delaying Vistaprint's .WEBS gTLD applications and putting them into a Contention Set, while allowing other gTLD applications with equally serious string similarity concerns to proceed to delegation, or permitting still other applications that were subject to an adverse SCO determination to go through a separate additional review mechanism.
70. Thus, the three primary areas of contention between the parties are as follows:
- IRP Panel' Authority: The parties have focused on the authority of the IRP Panel, including the *standard of review* to be applied by the Panel, whether the Panel's IRP declaration is *binding* or *non-binding* on ICANN, and, on a very closely related point, whether the Panel has authority to award any *affirmative relief* (as compared to issuing only a declaration as to whether or not ICANN has acted in a manner that is consistent or not with its Articles and Bylaws).
  - SCO Proceedings Claim: Vistaprint claims ICANN's failed to comply with the obligations under its Articles and Bylaws by accepting the Third Expert's SCO determination and failing to provide a remedy or redress in response to numerous alleged errors of process and substance in the *Vistaprint SCO* proceedings. As noted above, Vistaprint claims there were process and substantive violations, which resulted in Vistaprint not being accorded a fair hearing and due process. Vistaprint states that because ICANN's Bylaws require ICANN to apply established policies neutrally and fairly, therefore, the Panel should also consider the policies in Module 3 of the

Guidebook concerning the String Confusion Objection procedures. Vistaprint objects to the policies themselves as well as their implementation through the ICDR and the Third Expert. Vistaprint claims that ICANN’s Board, acting through the BGC or otherwise, should have acted to address these deficiencies and its choice not to intervene violated the Articles and Bylaws.

- Disparate Treatment Claim: Vistaprint claims ICANN discriminated against Vistaprint through ICANN’s (and the BGC’s) acceptance of the Third Expert’s allegedly baseless and arbitrary determination in *Vistaprint SCO*, while allowing other gTLD applications with equally serious string similarity concerns to proceed to delegation, or permitting still other applications that were subject to an adverse SCO determination to go through a separate additional review mechanism.

## A. Vistaprint’s Position

### a. IRP Panel’s Authority

71. Standard of review: Vistaprint emphasizes that ICANN is accountable to the community for operating in a manner that is consistent with the Article and Bylaws, and with due regard for the core values set forth in Article I of the Bylaws. To achieve this required accountability, the IRP Panel is “charged with comparing contested actions of the Board to the Articles of Incorporation and Bylaws, and with declaring whether the Board has acted consistently with the provisions of those Articles of Incorporation and Bylaws.”<sup>90</sup> Vistaprint states that the IRP Panel’s fulfillment of this core obligation is crucial to ICANN’s commitment to accountability. The IRP is the only method established by ICANN for holding itself accountable through third-party review of its decisions.<sup>91</sup>
72. Vistaprint contends that ICANN is wrong in stating (in its Response<sup>92</sup>) that a deferential standard of review applies in this case.<sup>93</sup> No such specification is made in ICANN’s Bylaws or elsewhere, and a restrictive interpretation of the standard of review would be inappropriate. It would fail to ensure accountability on the part of ICANN and would be incompatible with ICANN’s commitment to maintain and improve robust mechanisms for accountability, as required by Article 9.1 of ICANN’s Affirmation of Commitments and ICANN’s core values, which require ICANN to “remain accountable to the Internet community through mechanisms that enhance ICANN’s effectiveness”.<sup>94</sup>
73. Vistaprint states further that the most recent version of ICANN’s Bylaws, amended on

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<sup>90</sup> Request, ¶ 55-56 (citing Bylaws, Art. IV, §§1 & 3.4).

<sup>91</sup> Request, ¶ 57.

<sup>92</sup> Response, ¶ 33.

<sup>93</sup> Vistaprint’s First Additional Submission, ¶ 36.

<sup>94</sup> Vistaprint’s First Additional Submission, ¶¶ 36-37; Request, ¶ 57.

April 11, 2013, require that the IRP Panel focus on whether ICANN's Board was free from conflicts of interest and exercised an appropriate level of due diligence and independent judgment in its decision making.<sup>95</sup> Vistaprint asserts, however, that these issues are mentioned by way of example only. The Bylaws do not restrict the IRP Panel's remit to these issues alone, as the Panel's fundamental task is to determine whether the Board has acted consistently with the Articles and Bylaws<sup>96</sup>

74. IRP declaration binding or non-binding: Vistaprint contends that the outcome of this IRP is binding on ICANN and that any other outcome "would be incompatible with ICANN's obligation to maintain and improve robust mechanisms for accountability."<sup>97</sup>
75. Vistaprint states that since ICANN's amendment of its Bylaws, IRP declarations have precedential value.<sup>98</sup> Vistaprint asserts the precedential value – and binding force – of IRP declarations was confirmed in a recent IRP panel declaration,<sup>99</sup> which itself has precedential value for this case. Vistaprint argues that any other outcome would effectively grant the ICANN Board arbitrary and unfettered discretion, something which was never intended and would be incompatible with ICANN's obligation to maintain and improve robust mechanisms for accountability.<sup>100</sup>
76. Vistaprint contends that the IRP is not a mere "corporate accountability mechanism" aimed at ICANN's internal stakeholders.<sup>101</sup> The IRP is open to any person materially affected by a decision or action of the Board<sup>102</sup> and is specifically available to new gTLD applicants, as stated in the Guidebook, Module 6.4. Vistaprint claims that *internally*, towards its stakeholders, ICANN might be able to argue that its Board retains ultimate decision-making power, subject to its governing principles. *Externally*, however, the ICANN Board's discretionary power is limited, and ICANN and its Board must offer redress when its decisions or actions harm third parties.<sup>103</sup>
77. Vistaprint argues further that the IRP has all the characteristics of an international arbitration.<sup>104</sup> The IRP is conducted pursuant to a set of independently developed

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<sup>95</sup> Bylaws, Article IV, § 3.4.

<sup>96</sup> Vistaprint's First Additional submission, ¶ 35.

<sup>97</sup> Vistaprint's First Additional Submission, ¶ 37.

<sup>98</sup> Vistaprint's First Additional Submission, ¶ 37 (citing Bylaws, Art. IV § 3.21).

<sup>99</sup> See *DCA Third Declaration on IRP Procedure*, ¶ 131 (the panel ruled that "[b]ased on the foregoing and the language and content of the IRP Procedure, the Panel concludes that this Declaration and its future Declaration on the Merits of this case are binding on the Parties").

<sup>100</sup> Vistaprint's First Additional Submission, ¶ 37.

<sup>101</sup> Vistaprint's Second Additional Submission, ¶ 29.

<sup>102</sup> Bylaws, Article IV § 3.2 ("Any person materially affected by a decision or action by the Board that he or she asserts is inconsistent with the Articles of Incorporation or Bylaws may submit a request for independent review of that decision or action.").

<sup>103</sup> Vistaprint's Second Additional Submission, ¶ 15.

<sup>104</sup> Vistaprint's Second Additional Submission, ¶ 27.

international arbitration rules: the ICDR Rules, as modified by the Supplementary Procedures. The IRP is administered by the ICDR, which is a provider of international arbitration services. The decision-maker is not ICANN, but a panel of neutral individuals selected by the parties in consultation with the ICDR, and appointed pursuant to the ICDR Rules.

78. Vistaprint provides further detailed argument in its Second Additional Submission that the IRP is binding in view of ICANN's Bylaws, the ICDR Rules and the Supplementary Procedures, and that any ambiguity on this issue should weigh against ICANN as the drafter and architect of the IRP:

*31. As mentioned in Vistaprint's Reply, a previous IRP panel ruled that "[v]arious provisions of ICANN's Bylaws and the Supplementary Procedures support the conclusion that the [IRP] Panel's decisions, opinions and declarations are binding" and that "[t]here is certainly nothing in the Supplementary Rules that renders the decisions, opinions and declarations of the [IRP] Panel either advisory or non-binding" (RM 32, para 98).<sup>105</sup>*

*32. Indeed, as per Article IV(3)(8) of the ICANN Bylaws, the ICANN Board has given its approval to the ICDR to establish a set of operating rules and procedures for the conduct of the IRP. The operating rules and procedures established by the ICDR are the ICDR Rules as referred to in the preamble of the Supplementary Procedures (RM 32, para. 101). The Supplementary Procedures supplement the ICDR Rules (Supplementary Procedures, Preamble and Section 2). The preamble of the ICDR Rules provides that "[a] dispute can be submitted to an arbitral tribunal for a final and binding decision". Article 30 of the ICDR Rules specifies that "[a]wards shall be made in writing by the arbitral tribunal and shall be final and binding on the parties". No provision in the Supplementary Procedures deviates from the rule that the Panel's decisions are binding. On the contrary, Section 1 of the Supplementary Procedures defines an IRP Declaration as a decision/opinion of the IRP Panel. Section 10 of the Supplementary Procedures requires that IRP Declarations i) are made in writing, and ii) specifically designate the prevailing party. Where a decision must specifically designate the prevailing party, it is inherently binding. Moreover the binding nature of IRP Declarations is further supported by the language and spirit of Section 6 of the Supplementary Procedures and Article IV(3)(11)(a) of the ICANN Bylaws. Pursuant to these provisions, the IRP Panel has the authority to summarily dismiss requests brought without standing, lacking in substance, or that are frivolous or vexatious. Surely, such a decision, opinion or declaration on the part of the IRP Panel would not be considered advisory (RM 32, para. 107).*

*33. Finally, even if ICANN's Bylaws and Supplementary Procedures are ambiguous - quod non - on the question of whether or not an IRP Declaration is binding, this ambiguity would weigh against ICANN. The relationship between ICANN and Vistaprint is clearly an adhesive one. In such a situation, the rule of contra proferentem applies. As the drafter and architect of the IRP Procedure, it was possible for ICANN, and clearly within its power, to adopt a procedure that expressly and clearly announced that the decisions, opinions and declarations of IRP Panels were advisory only. ICANN did not adopt such a procedure (RM 32, paras. 108-109).*

79. Finally, Vistaprint contends that ICANN conceived of the IRP as an alternative to dispute

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<sup>105</sup> Citing *DCA Third Declaration on IRP Procedure*, ¶ 98.

resolution by the courts. To submit a new gTLD application, Vistaprint had to agree to terms and conditions including a waiver of its right to challenge ICANN's decisions on Vistaprint's applications in a court, provided that as an applicant, Vistaprint could use the accountability mechanisms set forth in ICANN's Bylaws. Vistaprint quotes the *DCA Third Declaration on Procedure*, in which the IRP panel stated:

*assuming that the foregoing waiver of any and all judicial remedies is valid and enforceable, the ultimate 'accountability' remedy for [Vistaprint] is the IRP.*<sup>106</sup>

80. Authority to award affirmative relief: Vistaprint makes similar arguments in support of its claim that the IRP Panel has authority to grant affirmative relief. Vistaprint quotes the *Interim Declaration on Emergency Request for Interim Measures of Protection in Gulf Cooperation Council v. ICANN* (“GCC Interim IRP Declaration”),<sup>107</sup> where that panel stated that the right to an independent review is

*a significant and meaningful one under the ICANN's Bylaws. This is so particularly in light of the importance of ICANN's global work in overseeing the DNS for the Internet and also the weight attached by ICANN itself to the principles of accountability and review which underpin the IRP process.*

81. Accordingly, Vistaprint argues that the IRP Panel's authority is not limited to declare that ICANN breached its obligations under the Articles, Bylaws and the Guidebook. To offer effective redress to gTLD applicants, the Panel may indicate what action ICANN must take to cease violating these obligations. The point is all the stronger here, as ICANN conceived the IRP to be the sole independent dispute resolution mechanism available to new gTLD applicants.<sup>108</sup>

#### **b. SCO Proceedings Claim**

82. Vistaprint states that this case relates to ICANN's handling of the determination in the *Vistaprint SCO* proceedings following String Confusion Objections to Vistaprint's .WEBS applications, but does not relate to the merits of that SCO determination.<sup>109</sup>
83. Vistaprint's basic claim here is that given the errors of process and substance in those proceedings, Vistaprint was not given a fair opportunity to present its case. Vistaprint was deprived of procedural fairness and the opportunity to be heard by an independent panel applying the appropriate rules. Further, Vistaprint was not given any meaningful opportunity for remedy or redress once the decision was made, and in this way ICANN's Board allegedly violated its Articles and Bylaws.<sup>110</sup>

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<sup>106</sup> *DCA Third Declaration on IRP Procedure*, ¶ 40.

<sup>107</sup> *Interim Declaration on Emergency Request for Interim Measures of Protection in Gulf Cooperation Council v. ICANN*, ICDR Case No. 01-14-0002-1065, ¶ 59 (February 12, 2015) (“GCC Interim IRP Declaration”).

<sup>108</sup> Vistaprint's Second Additional Submission, ¶ 24.

<sup>109</sup> Request, ¶ 4.

<sup>110</sup> Request, ¶ 71.



84. Although Vistaprint challenged the SCO decision through ICANN's Request for Reconsideration process, ICANN refused to reconsider the substance of the challenged decision, or to take any action to remedy the lack of due process. In doing so, Vistaprint claims ICANN failed to act in a fair and non-arbitrary manner, with good faith, accountability, due diligence and independent judgment, as required by ICANN's Bylaws and Articles.<sup>111</sup> ICANN's acceptance of the SCO determination and refusal to reverse this decision was an abdication of responsibility and contrary to the evaluation policies ICANN had established in the Guidebook.<sup>112</sup>
85. A number of Vistaprint's contentions regarding the alleged violations of process and substance in SCO proceedings are described in part II.A above addressing Vistaprint's .WEBS applications and the SCO proceedings. Vistaprint's alleges as follows:
- (i) ICDR's appointment of the First Expert was untimely, in violation of Article 13(a) of the New gTLD Objections Procedure<sup>113</sup>;
  - (ii) the First Expert (and Third Expert) improperly accepted and considered unsolicited supplemental filings, violating Articles 17 and 18 of the New gTLD Objections Procedure<sup>114</sup>;
  - (iii) ICDR violated Article 21 of the New gTLD Objections Procedure<sup>115</sup> by failing to ensure the timely issuance of an expert determination in the SCO;
  - (iv) the First Expert failed to maintain independence and impartiality, in violation of Article 13(c) of the New gTLD Objections Procedure<sup>116</sup>;
  - (v) ICDR unjustifiably accepted a challenge to the Second Expert (or created the circumstances for such a challenge), in violation of Article 2 of the ICDR's Supplementary Procedures for String Confusion Objections (Rules);
  - (vi) the Determination of the Third Expert was untimely, in violation of Article 21(a) of the New gTLD Objections Procedure;
  - (vii) the Third Expert incorrectly applied the Objector's burden of proof, in violation of section 3.5 of the Guidebook and Article 20(c) of the New gTLD Objections Procedure, which place the burden of proof on the Objector; and

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<sup>111</sup> Request, ¶ 71.

<sup>112</sup> Request, ¶ 8.

<sup>113</sup> Article 13(a) of the Procedure provides: "The DRSP shall select and appoint the Panel of Expert(s) within thirty (30) days after receiving the Response."

<sup>114</sup> Request, ¶ 42. Article 17 provides that "[t]he Panel may decide whether the parties shall submit any written statements in addition to the Objection and the Response." Article 18 states that "[i]n order to achieve the goal of resolving disputes over new gTLDs rapidly and at reasonable cost, procedures for the production of documents shall be limited. In exceptional cases, the Panel may require a party to provide additional evidence."

<sup>115</sup> Article 21(a) of the Procedure provides that "[t]he DSRP and the Panel shall make reasonable efforts to ensure that the Expert Determination is rendered within forty-five (45) days of the constitution of the Panel."

<sup>116</sup> Article 13(c) of the New gTLD Objections Procedure provides that "[a]ll Experts acting under this Procedure shall be impartial and independent of the parties." Section 3.4.4 of the Guidebook provides that the ICDR will "follow its adopted procedures for requiring such independence, including procedures for challenging and replacing an expert for lack of independence."

(viii) the Third Expert incorrectly applied ICANN’s substantive standard for evaluation of String Confusion Objections, as set out in Section 3.5.1 of the Guidebook, in particular the standards governing the evaluation of a string confusion objection.

86. Based on these alleged errors in process and substance, Vistaprint concludes in its Request:

*49. In sum, the cursory nature of the Decision and the arbitrary and selective discussion of the parties’ arguments by the Panel show a lack of either independence and impartiality or appropriate qualification on the fact of the Panel. The former is contrary to Article 13 of the Procedure; the latter is contrary to the Applicant Guidebook, Module 3-16, which requires that a panel (ruling on a string confusion or other objection) must consist of “appropriately qualified experts appointed to each proceeding by the designated DRSP”.<sup>117</sup>*

87. Vistaprint states that ICANN’s Board disregarded these accumulated infringements and turned a blind eye to the Third Expert’s lack of independence and impartiality. Vistaprint asserts that ICANN is not entitled to blindly accept expert determinations from SCO cases; it must verify whether or not, by accepting the expert determination and advice, it is acting consistent with its obligations under its Articles, Bylaws and Affirmation of Commitments.<sup>118</sup> Vistaprint further claims ICANN would be in violation of these obligations if it were to accept an expert determination or advice in circumstances where the ICDR and/or the expert had failed to comply with the New gTLD Objections Procedure and/or the ICDR Rules for SCOs, or where a panel – even if it had been correctly appointed – had failed to correctly apply the standard set by ICANN.<sup>119</sup>

88. Vistaprint states that following ICANN’s decision to accept the *Vistaprint SCO* determination, Vistaprint filed its Reconsideration Request detailing how ICANN’s acceptance of the Third Expert’s determination was inconsistent with ICANN’s policy and obligations under its Articles, Bylaws and Affirmation of Commitments. Background on the RFR procedure is provided above in part II.B. Despite this, Vistaprint states that ICANN refused to reverse its decision.

89. The IRP Panel has summarized as follows Vistaprint’s SCO Proceedings Claim concerning ICANN’s alleged breaches of its obligations under the Articles, Bylaws and Affirmation of Commitments:

(1) ICANN failed to comply with its obligation under Article 4 of the Articles and IV § 3.4 of the Bylaws to act in good faith with due diligence and independent judgment by failing to provide due process to Vistaprint’s .WEBS applications.<sup>120</sup> Good faith encompasses the obligation to ensure procedural fairness and due process, including equal and fair treatment of the parties, fair notice, and a fair opportunity to present one’s case. These are more than just formalistic procedural requirements. The opportunity must be meaningful: the party must be given adequate notice of the relevant

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<sup>117</sup> Request, ¶ 49.

<sup>118</sup> Request, ¶ 6.

<sup>119</sup> Request, ¶ 6.

<sup>120</sup> Request, ¶¶ 69-71.

rules and be given a full and fair opportunity to present its case. And the mechanisms for redress must be both timely and effective.

Vistaprint claims that it was not given a fair opportunity to present its case; was deprived of procedural fairness and the opportunity to be heard by an independent panel applying the appropriate rules; and was not given any meaningful opportunity for remedy or redress once the SCO determination was made, even in the RFR procedure. Thus, ICANN's Board failed to act with due diligence and independent judgment, and to act in good faith as required by ICANN's Bylaws and Articles.

- (2) ICANN failed to comply with its obligation under Article I § 2.8 to neutrally, objectively and fairly apply documented policies as established in the Guidebook and Bylaws.<sup>121</sup> Vistaprint argues that there is no probability of user confusion if both .WEBS and .WEB were delegated as gTLD strings. Vistaprint states expert evidence confirms that there is no risk that Internet users will be confused and the Third Expert could not have reasonably found that the average reasonable Internet user is likely to be confused between the two strings. As confirmed by the Objector,<sup>122</sup> the average reasonable Internet user is used to distinguishing between words (and non-words) that are much more similar than the strings, .WEBS and .WEB. Since these strings cannot be perceived confusingly similar by the average reasonable Internet user, the *Vistaprint SCO* determination that they are confusingly similar is contradictory to ICANN's policy as established in the Guidebook.
- (3) ICANN failed to comply with its obligation to act fairly and with due diligence and independent judgment as called for under Article 4 of the Articles of Incorporation, Articles I § 2.8 and IV § 3.4 of the Bylaws by accepting the SCO determination made by the Third Expert, who was allegedly not independent and impartial.<sup>123</sup> Vistaprint claims that the Third Expert was not independent and impartial and/or is not appropriately qualified. However, Vistaprint claims this did not prevent ICANN from accepting the determination by the Third Expert, without even investigating the dependence and partiality of the Expert when serious concerns were raised to the ICANN Board in the RFR. This is a failure of ICANN to act with due diligence and independent judgment, and to act in good faith as required by ICANN's Bylaws and Articles.
- (4) ICANN failed to comply with its obligations under the Article 4 of the Articles, and Article I §§ 2.7 and 2.8 and Article III § 1 of the Bylaws (and Article 9.1 of the Affirmation of Commitments) to act fairly and transparently by failing to disclose/perform any efforts to optimize the service that the ICDR provides in the New gTLD Program.<sup>124</sup> Vistaprint contends that the BGC's determination on Vistaprint's RFR shows that the BGC made no investigation into Vistaprint's fundamental questions about the Panel's arbitrariness, lack of independence, partiality, inappropriate

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<sup>121</sup> Request, ¶ 72.

<sup>122</sup> Request, Annex 10.

<sup>123</sup> Request, ¶ 73.

<sup>124</sup> Request, ¶¶ 52 and 77.

qualification. In addition, rather than identifying the nature of the conflict that forced the First Expert to step down, the BGC focused on developing hypotheses of reasons that could have led to this expert to stepping down. According to Vistaprint, this shows that the BGC did not exercise due diligence in making its determination and was looking for unsubstantiated reasons to reject Vistaprint's Reconsideration Request rather than making a fair determination.

In addition, as it is ICANN's responsibility to ensure that its policies and fundamental principles are respected by its third party vendors, ICANN had agreed with the ICDR that they were going to "communicate regularly with each other and seek to optimize the service that the ICDR provides as a DRSP in the New gTLD Program" and that ICANN was going to support the ICDR "to perform its duties...in a timely and efficient manner".<sup>125</sup> However, ICANN has failed to show that it sought in any way to optimize the ICDR's service vis-à-vis Vistaprint or that it performed any due diligence in addressing the concerns raised by Vistaprint. Instead, the BGC denied Vistaprint's RFR without conducting any investigation.

- (5) ICANN failed to comply with its obligation to remain accountable under Articles I § 2.10 and IV § 1 of the Bylaws (and Articles 3(a) and 9.1 of the Affirmation of Commitments) by failing to provide any remedy for its mistreatment of Vistaprint's gTLD applications.<sup>126</sup> Vistaprint claims that because of ICANN's unique history, role and responsibilities, its constituent documents require that it operate with complete accountability. In contrast to this obligation, throughout its treatment of Vistaprint's applications for .WEBS, ICANN has acted as if it and the ICDR are entitled to act with impunity. ICANN adopted the Third Expert's determination without examining whether it was made in accordance with ICANN's policy and fundamental principles under its Articles and Bylaws. When confronted with process violations, ICANN sought to escape its responsibilities by relying on unrealistic hypotheses rather than on facts that should have been verified. Additionally, ICANN has not created any general process for challenging the substance of SCO expert determinations, while acknowledging the need for such a process by taking steps to develop a review process mechanism for certain individual cases involving SCO objections.
- (6) ICANN failed to promote competition and innovation under Articles I § 2.2 (and Article 3(c) of the Affirmation of Commitments) by accepting the Third Expert's determination.<sup>127</sup> Vistaprint's argues that the Objector's sole motive in filing the SCO against Vistaprint was to prevent a potential competitor from entering the gTLD market. This motive is contrary to the purpose of ICANN's New gTLD Program. The Board's acceptance of the determination in the *Vistaprint SCO*, which was filed with an intent contrary to the interests of both competition and consumers, was contrary to ICANN's Bylaws.

### **c. Disparate Treatment Claim**

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<sup>125</sup> Request, ¶¶ 52.

<sup>126</sup> Request, ¶¶ 78-79.

<sup>127</sup> Request, ¶ 80.

90. Vistaprint claims that ICANN’s Board discriminated against Vistaprint through the Board’s (and the BGC’s) acceptance of the Third Expert’s allegedly baseless and arbitrary determination in the *Vistaprint SCO*, while allowing other gTLD applications with equally serious string similarity concerns to proceed to delegation, or permitting still other applications that were subject to an adverse SCO determination to go through a separate additional review mechanism.
91. Vistaprint states that the “IRP Panel’s mandate includes a review as to whether or not ICANN’s Board discriminates in its interventions on SCO expert determinations,” and contends that “[d]iscriminating between applicants in its interventions on SCO expert determinations is exactly what the Board has done with respect to Vistaprint’s applications.”<sup>128</sup>
92. Vistaprint asserts that in contrast to the handling of other RFRs, the BGC did not give the full ICANN Board the opportunity to consider the *Vistaprint SCO* matter and did not provide detailed minutes of the meeting in which the BGC’s decision was taken.<sup>129</sup> Vistaprint states this is all the more striking as, in other matters related to handling of SCOs with no concerns about the impartiality and independence of the expert or the procedure, the Board considered potential paths forward to address perceived inconsistencies in expert determinations in the SCO process, including implementing a review mechanism. The Board also directed ICANN’s President and CEO, or his designee, to publish this proposed review mechanism for public comment.<sup>130</sup> Vistaprint emphasizes that ICANN’s Board took this decision the day before Vistaprint filed its Reconsideration Request regarding the *Vistaprint SCO*. However, this did not prevent the BGC from rejecting Vistaprint’s RFR without considering whether such a review mechanism might also be appropriate for dealing with the allegedly unfair and erroneous treatment of the SCO related to Vistaprint’s .WEBS applications.<sup>131</sup>
93. The core of Vistaprint’s discrimination and disparate treatment claims is stated in its First Additional Submission:

*7. Other applicants have equally criticized SCO proceedings. In a letter to ICANN’s CEO, United TLD Holdco, Ltd. denounced the process flaws in the SCO proceedings involving the strings .com and .cam. DERCars, LCC filed an RfR, challenging the expert determination in the SCO proceedings relating to the strings .car and .cars. Amazon EU S.a.r.l. filed an RfR, challenging the expert determination in the SCO proceedings relating to the strings .shop and .通販 (which means ‘online shopping’ in Japanese). The ICANN Board took action in each of these matters.*

- *With respect to the Expert Determination finding .cam confusingly similar to .com, the ICANN Board ordered that an appeals process be developed to address the “perceived inconsistent or otherwise unreasonable SCO Expert Determination”.*
- *With regard to the Expert Determination finding .cars confusingly similar to .car, the ICANN Board ordered its staff to propose a review mechanism. DERCars decided to withdraw its*

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<sup>128</sup> Vistaprint’s Second Additional Submission, ¶ 20-21.

<sup>129</sup> Request, ¶ 52.

<sup>130</sup> Request, ¶ 52 (referencing NGPC Resolution 2014.02.05.NG02).

<sup>131</sup> Request, ¶ 52.

application for .cars before the review mechanism was implemented. As a result, it was no longer necessary for the ICANN Board to further consider the proposed review process.

- With regard to the Expert Determination finding 通販 confusingly similar to .shop, the ICANN Board ordered that an appeals process be developed to address the “perceived inconsistent or otherwise unreasonable SCO Expert Determination”.

8. While the ICANN Board took action in the above-mentioned matters, it did not do so with respect to the .webs / .web determination. However, the .webs / .web determination was equally unreasonable, and at least equally serious substantive and procedural errors were made in these SCO proceedings. There is no reason for ICANN to treat the .webs / .web determination differently.

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12. When there are clear violations of the process and the outcome is highly objectionable (all as listed in detail in the request for IRP), the ICANN Board must intervene, as it has done with regard to other applications. The ICANN Board cannot justify why it intervenes in certain cases (.cars / .car, .cam / .com and 通販 / .shop), but refuses to do so in another case (.webs / .web). This is a clear violation of its Bylaws and Articles of Incorporation. The Panel in the current IRP has authority to order that ICANN must comply with its Bylaws and Articles of Incorporation and must disregard the expert determination in relation to Vistaprint’s .webs applications.<sup>132</sup>

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31. When the ICANN Board individually considers an application, it must make sure that it does not treat applicants inequitably and that it does not discriminate among applicants. Article II, Section 3 of ICANN’s Bylaws provides that “ICANN shall not apply its standards, policies, procedures, or practices inequitably or single out any particular party for disparate treatment unless justified by substantial and reasonable cause, such as the promotion of effective competition”. However, with regard to the SCO proceedings, the ICANN Board has done the exact opposite. It created the opportunity for some aggrieved applicants to participate in an appeals process, while denying others.

32. As explained above, there is no justification for this disparate treatment, and the ICANN Board has not given any substantial and reasonable cause that would justify this discrimination.

94. Vistaprint also contends that ICANN cannot justify the disparate treatment:

22. ICANN’s attempt to justify the disparate treatment of Vistaprint’s applications is without merit. ICANN argues that its Board only intervened with respect to specific expert determinations because there had been several expert determinations regarding the same strings that were seemingly inconsistent (fn. omitted). Vistaprint recognizes that the ICANN Board intervened to address “perceived inconsistent or otherwise unreasonable SCO Expert Determinations” (fn. omitted). However, ICANN fails to explain why the SCO Expert Determination on Vistaprint’s .webs applications was not just as unreasonable as the SCO Expert Determinations involving .cars/.car, .cam/.com and 通販 / .shop. Indeed, the determination concerning Vistaprint’s .webs applications expressly relies on the determination concerning .cars/.car, that was considered inconsistent or otherwise unreasonable by the ICANN Board that rejected the reasoning applied in the two other .cars/.car expert determinations (fn. omitted).

23. Therefore, Vistaprint requests the IRP Panel to exercise its control over the ICANN Board and to declare that ICANN discriminated Vistaprint’s applications.

95. Timing: Vistaprint contends that the objections it raises in this IRP concerning the Third Expert’s SCO determination and the Guidebook and its application are timely.<sup>133</sup> While

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<sup>132</sup> Vistaprint’s First Additional Submission, ¶ 12.

<sup>133</sup> Vistaprint’s Second Additional Submission, ¶¶ 8-12.

ICANN argues that the time for Vistaprint to object to the SCO procedures as established in the Guidebook has long passed,<sup>134</sup> Vistaprint responds that the opportunity to challenge the erroneous application of the Guidebook in violation of ICANN's fundamental principles only arose when the flaws in ICANN's implementation of the Guidebook became apparent. At the time of the adoption of the Guidebook, Vistaprint was effectively barred from challenging it by the fact that it could not – at that time – show any harm. Further, to raise an issue at that time would have required Vistaprint to reveal that it was contemplating making an application for a new gTLD string, which might have encouraged opportunistic applications by others seeking to extract monetary value from Vistaprint. Although the IRP panel in the *Booking.com v. ICANN* IRP raised similar timing concerns, it did not draw the distinction between the adoption of the general principles and their subsequent implementation.

## **B. ICANN's Position**

### **a. IRP Panel's Authority**

96. Standard of review: ICANN describes the IRP as a unique mechanism available under ICANN's Bylaws.<sup>135</sup> The IRP Panel is tasked with determining whether the Board's actions are consistent with ICANN's Articles and Bylaws. ICANN states that its Bylaws specifically identify a deferential standard of review that the IRP Panel must apply when evaluating the actions of the ICANN Board, and the rules are clear that the IRP Panel is neither asked to, nor allowed to, substitute its judgment for that of the Board.<sup>136</sup> In particular, ICANN cites to Article IV, § 3.4 of the Bylaws indicating the IRP Panel is to apply a defined standard of review to the IRP Request, focusing on:
- a. did the Board act without conflict of interest in taking its decision?;
  - b. did the Board exercise due diligence and care in having a reasonable amount of facts in front of them?; and
  - c. did the Board members exercise independent judgment in taking the decision, believed to be in the best interests of the company?
97. Further, ICANN states that the IRP addresses challenges to conduct undertaken by ICANN's Board of Directors; it is not a mechanism to challenge the actions or inactions of ICANN staff or third parties that may be involved with ICANN's activities.<sup>137</sup> The IRP is also not an appropriate forum to challenge the BGC's ruling on a Reconsideration Request in the absence of some violation by the BGC of ICANN's Articles or Bylaws.<sup>138</sup>
98. IRP Declaration binding or non-binding: ICANN states that the IRP "is conducted pursuant to Article IV, section 3 of ICANN's Bylaws, which creates a non-binding method

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<sup>134</sup> ICANN's First Additional Response, ¶¶ 28-29.

<sup>135</sup> Response, ¶ 32.

<sup>136</sup> Response, ¶ 33; ICANN's First Additional Response, ¶ 10.

<sup>137</sup> Response, ¶ 4.

<sup>138</sup> Response, ¶ 12.

of evaluating certain actions of ICANN's Board.<sup>139</sup> The Panel has one responsibility – to “declar[e] whether the Board has acted consistently with the provisions of [ICANN's] Articles of Incorporation and Bylaws.”<sup>140</sup> The IRP is not an arbitration process, but rather a means by which entities that participate in ICANN's processes can seek an independent review of decisions made by ICANN's Board.

99. ICANN states that the language of the IRP provisions set forth in Article IV, section 3 of the Bylaws, as well as the drafting history of the development of the IRP provisions, make clear that IRP panel declarations are not binding on ICANN:<sup>141</sup> ICANN explains as follows in its First Additional Response:

*35. First, the Bylaws charge an IRP panel with "comparing contested actions of the Board to the Articles of Incorporation and Bylaws, and with declaring whether the Board has acted consistently with the provisions of those Articles of Incorporation and Bylaws." The Board is then obligated to "review[]"<sup>142</sup> and "consider" an IRP panel's declaration at the Board's next meeting "where feasible."<sup>143</sup> The direction to "review" and "consider" an IRP panel's declaration means that the Board has discretion as to whether it should adopt that declaration and whether it should take any action in response to that declaration; if the declaration were binding, there would be nothing to review or consider, only a binding order to implement.*

100. ICANN contends that the IRP Panel's declaration is not binding because the Board is not permitted to outsource its decision-making authority.<sup>144</sup> However, the Board will, of course, give serious consideration to the IRP Panel's declaration and, “where feasible,” shall consider the IRP Panel's declaration at the Board's next meeting.<sup>145</sup>

101. As to the drafting process, ICANN provides the following background in its First Additional Response:

*36. Second, the lengthy drafting history of ICANN's independent review process confirms that IRP panel declarations are not binding. Specifically, the Draft Principles for Independent Review, drafted in 1999, state that "the ICANN Board should retain ultimate authority over ICANN's affairs – after all, it is the Board...that will be chosen by (and is directly accountable to) the membership and supporting organizations (fn. omitted). And when, in 2001, the Committee on ICANN Evolution and Reform (ERC) recommended the creation of an independent review process, it called for the creation of "a process to require non-binding arbitration by an international arbitration body to review any allegation that the Board has acted in conflict with ICANN's Bylaws" (fn. omitted). The individuals who actively participated in the process also agreed that the review process would not be binding. As one participant stated: IRP "decisions will be nonbinding, because the Board will retain final decision-making authority" (fn. omitted).*

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<sup>139</sup> Response, ¶ 2.

<sup>140</sup> Response, ¶ 2 (quoting Bylaws, Art. IV, § 3.4).

<sup>141</sup> ICANN's First Additional Response, ¶ 34.

<sup>142</sup> ICANN's First Additional Response, ¶ 35 (quoting Bylaws, Art. IV, § 3.11.d).

<sup>143</sup> ICANN's First Additional Response, ¶ 35 (quoting Bylaws, Art. IV, § 3.21).

<sup>144</sup> Response, ¶ 35.

<sup>145</sup> Response, ¶ 35 (quoting Bylaws, Art. IV, § 3.21).



37. In February 2010, the first IRP panel to issue a final declaration, the ICM IRP Panel, unanimously rejected the assertion that IRP panel declarations are binding<sup>146</sup> and recognized that an IRP panel's declaration "is not binding, but rather advisory in effect." Nothing has occurred since the issuance of the ICM IRP Panel's declaration that changes the fact that IRP panel declarations are not binding. To the contrary, in April 2013, following the ICM IRP, in order to clarify even further that IRPs are not binding, all references in the Bylaws to the term "arbitration" were removed as part of the Bylaws revisions. ICM had argued in the IRP that the use of the word "arbitration" in the portion of the Bylaws related to Independent Review indicated that IRPs were binding, and while the ICM IRP Panel rejected that argument, to avoid any lingering doubt, ICANN removed the word "arbitration" in conjunction with the amendments to the Bylaws.

38. The amendments to the Bylaws, which occurred following a community process on proposed IRP revisions, added, among other things, a sentence stating that "declarations of the IRP Panel, and the Board's subsequent action on those declarations, are final and have precedential value" (fn. omitted). Vistaprint argues that this new language, which does not actually use the word "binding," nevertheless provides that IRP panel declarations are binding, trumping years of drafting history, the sworn testimony of those who participated in the drafting process, and the plain text of the Bylaws. This argument is meritless.

39. First, relying on the use of the terms "final" and "precedential" is unavailing – a declaration clearly can be both non-binding and also final and precedential:....

40. Second, the language Vistaprint references was added to ICANN's Bylaws to meet recommendations made by ICANN's Accountability Structures Expert Panel (ASEP). The ASEP was comprised of three world-renowned experts on issues of corporate governance, accountability, and international dispute resolution, and was charged with evaluating ICANN's accountability mechanisms, including the Independent Review process. The ASEP recommended, among other things, that an IRP should not be permitted to proceed on the same issues as presented in a prior IRP. The ASEP's recommendations in this regard were raised in light of the second IRP constituted under ICANN's Bylaws, where the claimant presented claims that would have required the IRP Panel to reevaluate the declaration of the IRP Panel in the ICM IRP. To prevent claimants from challenging Board action taken in direct response to a prior IRP panel declaration, the ASEP recommended that "[t]he declarations of the IRP, and ICANN's subsequent actions on those declarations, should have precedential value" (fn. omitted).

41. The ASEP's recommendations in this regard did not convert IRP panel declarations into binding decisions (fn. omitted). One of the important considerations underlying the ASEP's work was the fact that ICANN, while it operates internationally, is a California non-profit public benefit corporation subject to the statutory law of California as determined by United States courts. As Graham McDonald, one of the three ASEP experts, explained, because California law requires that the board "retain responsibility for decision-making," the Board has "final word" on "any recommendation that . . . arises out of [an IRP]" (fn. omitted). The ASEP's recommendations were therefore premised on the understanding that the declaration of an IRP panel is not "binding" on the Board.

102. Authority to award affirmative relief: ICANN contends that any request that the IRP Panel grant affirmative relief goes beyond the Panel's authority.<sup>147</sup> The Panel does not have the authority to award affirmative relief or to require ICANN to undertake specific

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<sup>146</sup> Declaration of IRP Panel, ICM Registry, LLC v. ICANN, ICDR Case No. 50 117 T 00224 08, ¶ 133 (Feb. 19, 2010) ("ICM Registry Final Declaration").

<sup>147</sup> Response, ¶ 78.

conduct. The Panel is limited to declaring whether an action or inaction of the Board was inconsistent with the Articles or Bylaws, and recommending that the Board stay any action or decision, or take any interim action, until such time as the Board reviews and acts upon the opinion of the Panel.<sup>148</sup> ICANN adds that the IRP panel in *ICM Registry Declaration* found that

*“[t]he IRP cannot ‘order’ interim measures but do no more than ‘recommend’ them, and this until the Board ‘reviews’ and ‘acts upon the opinion’ of the IRP.”<sup>149</sup>*

#### **b. SCO Proceedings Claim**

103. ICANN states that Vistaprint is using this IRP as a means to challenge the merits of the Third Expert’s determination in the *Vistaprint SCO*.<sup>150</sup> As ICANN states in its Response:

*12. Ultimately, Vistaprint has initiated this IRP because Vistaprint disagrees with the Expert Panel’s Determination and the BGC’s finding on Vistaprint’s Reconsideration Request. ICANN understands Vistaprint’s disappointment, but IRPs are not a vehicle by which an Expert Panel’s determination may be challenged because neither the determination, nor ICANN accepting the determination, constitutes an ICANN Board action. Nor is an IRP the appropriate forum to challenge a BGC ruling on a Reconsideration Request in the absence of some violation by the BGC of ICANN’s Articles or Bylaws. Here, ICANN followed its policies and processes at every turn with respect to Vistaprint, which is all it is required to do.*

104. ICANN states that the IRP Panel has one chief responsibility – to “determine whether the Board has acted consistently with the provisions of [ICANN’s] Articles of Incorporation and Bylaws.”<sup>151</sup> With respect to Vistaprint’s claim that ICANN’s Board violated its Articles and Bylaws by “blindly accepting” the Third Expert’s SCO determination without reviewing its analysis or result, ICANN responds that there is no requirement for the Board to conduct such an analysis. “Accepting” or “reviewing” the Expert’s determination is not something the Board was tasked with doing or not doing. Per the Guidebook, the “findings of the panel will be considered an expert determination and advice that ICANN will accept within the dispute resolution process.”<sup>152</sup> The Guidebook further provides that “[i]n a case where a gTLD applicant successfully asserts string confusion with another applicant, the only possible outcome is for both applicants to be placed in a contention set and to be referred to a contention resolution procedure (refer to Module 4, String Contention Procedures).”<sup>153</sup> This step is a result not of any ICANN Board action, but a straightforward application of Guidebook provisions for SCO determinations.

105. ICANN states the Board thus took no action with respect to the Third Expert’s determination upon its initial issuance, because the Guidebook does not call for the Board to take any action and it is not required by any Article or Bylaw provision. Accordingly, it cannot be a violation of ICANN’s Articles or Bylaws for the Board to not conduct a

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<sup>148</sup> ICANN’s First Additional Response, ¶ 33 (citing Bylaws, Art. IV, §§ 3.4 and 3.11(d)).

<sup>149</sup> *ICM Registry Final Declaration*, ¶ 133.

<sup>150</sup> Response, ¶ 12; ICANN’s First Additional submission, ¶ 4.

<sup>151</sup> Response, ¶ 2 (citing Bylaws, Art. IV, § 3.4).

<sup>152</sup> Response, ¶ 9 (citing Guidebook, § 3.4.6).

<sup>153</sup> Response, ¶ 9 (citing Guidebook, § 3.2.2.1).

substantive review of an expert's SCO determination. And as such, there is no Board action in this regard for the IRP Panel to review.

106. ICANN states that “the sole Board action that Vistaprint has identified in this case is the BGC’s rejection of Vistaprint’s Reconsideration Request. However, ICANN maintains that nothing about the BGC’s handling of the RFR violated ICANN’s Articles or Bylaws.”<sup>154</sup>
107. In this regard, ICANN states that the BGC was not required, as Vistaprint contends, to refer Vistaprint’s Reconsideration Request to the entire ICANN Board.<sup>155</sup> The Bylaws provide that the BGC has the authority to “make a final determination of Reconsideration Requests regarding staff action or inaction, without reference to the Board of Directors.”<sup>156</sup> Because Vistaprint’s Reconsideration Request was a challenge to alleged staff action, the BGC was within its authority, and in compliance with the Bylaws, when it denied Vistaprint’s Reconsideration Request without making a referral to the full Board.
108. ICANN states that the BGC did what it was supposed to do in reviewing Vistaprint’s Reconsideration Request – it reviewed the Third Expert’s and ICANN staff’s compliance with policies and procedures, rather than the substance of the Third Expert’s SCO determination, and found no policy or process violations.<sup>157</sup> ICANN urges that Vistaprint seeks to use the IRP to challenge the substantive decision of the Third Expert in the *Vistaprint SCO*. However, this IRP may only be used to challenge ICANN Board actions on the grounds that they do not comply with the Articles or Bylaws, neither of which is present here.
109. ICANN nevertheless responds to Vistaprint’s allegations regarding errors of process and substance in the SCO proceedings, and contends that the BGC properly handled its review of the *Vistaprint SCO*. ICANN’s specific responses on these points are as follows:
  - (i) As to Vistaprint’s claim that the ICDR’s appointment of the First Expert was untimely, missing the deadline by 5 days, ICANN states that the BGC determined that Vistaprint failed to provide any evidence that it contemporaneously challenged the timeliness of the ICDR’s appointment of the First Expert, and that a Reconsideration Request was not the appropriate mechanism to raise the issue for the first time. In addition, the BGC concluded that Vistaprint had failed to show that it was “materially” and “adversely” affected by the brief delay in appointing the First Expert, rendering reconsideration inappropriate.
  - (ii) Regarding Vistaprint’s claim that the First Expert (and Third Expert) improperly accepted and considered unsolicited supplemental filings, violating Articles 17 and 18 of the New gTLD Objections Procedure, ICANN states that Article 17 provides the

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<sup>154</sup> ICANN’s First Additional Submission, ¶ 4.

<sup>155</sup> Response, ¶ 43.

<sup>156</sup> Response, ¶ 44 (citing Bylaws, Art. IV, § 2.3(f)).

<sup>157</sup> Response, ¶ 11.

expert panel with the discretion to accept such a filing:<sup>158</sup> “The Panel *may decide* whether the parties shall submit any written statements in addition to the Objection and the Response, and it shall fix time limits for such submissions.”<sup>159</sup> Thus, as the BGC correctly found, it was not the BGC’s place to second-guess the First (or Third) Expert’s exercise of permitted discretion.

- (iii) As to Vistaprint’s claim that the ICDR violated Article 21 of the New gTLD Objections Procedure by failing to ensure the timely issuance of an expert SCO determination, ICANN contends that the BGC properly determined that Vistaprint’s claims in this regard did not support reconsideration for two reasons. First, on October 1, 2013, before the determination was supposed to be issued by the First Expert, the ICDR removed that expert. The BGC therefore could not evaluate whether the First Expert rendered an untimely determination in violation of the Procedure. Second, the BGC correctly noted that 45-day timeline applies to an expert’s submission of the determination “in draft form to the [ICDR’s] scrutiny as to form before it is signed” and the ICDR and the Expert are merely required to exercise “reasonable efforts” to issue a determination within 45 days of the constitution of the Panel.<sup>160</sup>
- (iv) Regarding Vistaprint’s claim that the First Expert failed to maintain independence and impartiality, in violation of Article 13(c) of the New gTLD Objections Procedure, ICANN argues this claim is unsupported.<sup>161</sup> As the BGC noted, Vistaprint provided no evidence demonstrating that the First Expert failed to follow the applicable ICDR procedures for independence and impartiality. Rather, all indications are that the First Expert and the ICDR complied with these rules as to this “new conflict,” which resulted in a removal of the First Expert. Further, Vistaprint presented no evidence of being materially and adversely affected by the First Expert’s removal, which is another justification for the BGC’s denial of the Reconsideration Request.
- (v) Vistaprint claimed that the ICDR unjustifiably accepted a challenge to the Second Expert (or created the circumstances for such a challenge), in violation of Article 2 of the ICDR’s Supplementary Procedures for String Confusion Objections.<sup>162</sup> ICANN contends that the BGC properly determined that this claim did not support reconsideration. The ICDR Rules for SCOs make clear that the ICDR had the “sole discretion” to review and decide challenges to the appointment of expert panelists. While Vistaprint may disagree with the ICDR’s decision to accept the Objector’s challenge, it is not the BGC’s role to second guess the ICDR’s discretion, and it was

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<sup>158</sup> Response, ¶ 50.

<sup>159</sup> New gTLD Objections Procedure, Art. 17.

<sup>160</sup> Response, ¶ 53, citing New gTLD Objections Procedure, Art. 21(a)-(b).

<sup>161</sup> Response, ¶¶ 54-56.

<sup>162</sup> Article 2, § 3 of the ICDR’s Supplementary Procedures for String Confusion Objections provides that:

*Upon review of the challenge the DRSP in its sole discretion shall make the decision on the challenge and advise the parties of its decision.*  
*[Underlining added]*

not a violation of the Articles or Bylaws for the BGC to deny reconsideration on this ground.

- (vi) Vistaprint claimed that the determination of the Third Expert was untimely, in violation of Article 21(a) of the New gTLD Objections Procedure. ICANN claims that the BGC properly held that this claim did not support reconsideration.<sup>163</sup> On November 20, 2013, the ICDR appointed the Third Expert. Vistaprint claimed in its Reconsideration Request that pursuant to Article 21, the determination therefore “should have been rendered by January 4, 2014,” which was forty-five (45) days after the Panel was constituted. Because “it took this Panel until January 24, 2014 to render the Decision,” Vistaprint contended that the determination was untimely because it was twenty days late. ICANN states that, according to the Procedure, the Expert must exercise “reasonable efforts” to ensure that it submits its determination “in draft form to the DRSP’s scrutiny as to form before it is signed” within forty-five (45) days of the Expert Panel being constituted. As the BGC noted, there is no evidence that the Third Expert failed to comply with this Procedure, and reconsideration was therefore unwarranted on this ground.
- (vii) ICANN responded to Vistaprint’s claim that the Third Expert incorrectly applied the Objector’s burden of proof, in violation of section 3.5 of the Guidebook and Article 20(c) of the New gTLD Objections Procedure (which place the burden on the Objector). Vistaprint claimed that the Third Expert contravened ICANN’s process because the Expert did not give an analysis showing that the Objector had met the burden of proof.<sup>164</sup> ICANN states that the BGC found the Expert extensively detailed support for the conclusion that the .WEBS string so nearly resembles .WEB – visually, aurally and in meaning – that it is likely to cause confusion. The BGC noted that the Expert had adhered to the procedures and standards set forth in the Guidebook relevant to determining string confusion and reconsideration was not warranted on this basis.
- (viii) Finally, as to Vistaprint’s claim that the Third Expert incorrectly applied ICANN’s substantive standard for evaluation of String Confusion Objections (as set out in Section 3.5.1 of the Guidebook), ICANN contends the BGC properly found that reconsideration was not appropriate.<sup>165</sup> Vistaprint contended that the Expert failed to apply the appropriate high standard for assessing likelihood of confusion.<sup>166</sup> ICANN states that Section 3.5.1 of the Guidebook provides that

*“[f]or the likelihood of confusion to exist, it must be probable, not merely possible that confusion will arise in the mind of the average, reasonable Internet user.”*

ICANN claims that disagreement as to whether this standard should have resulted in a finding in favor of Vistaprint does not mean that the Third Expert violated any policy or process in reaching his decision. Vistaprint also claimed that the Third

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<sup>163</sup> Response, ¶¶ 61-62.

<sup>164</sup> Response, ¶¶ 63-64.

<sup>165</sup> Response, ¶¶ 65-68.

<sup>166</sup> Request, ¶ 47.

Expert “failed to apply the burden of proof and the standards imposed by ICANN” because the Expert questioned whether the co-existence between Vistaprint’s domain name, <webs.com>, and the Objector’s domain name, <web.com> for many years without evidence of actual confusion is relevant to his determination. ICANN states that, as the BGC noted, the relevant consideration for the Expert is whether the *applied-for gTLD string* is likely to result in string confusion, not whether there is confusion between second-level domain names. Vistaprint does not cite any provision of the Guidebook, the Procedure, or the Rules that have been contravened in this regard.

110. In sum, ICANN contends that the BGC did its job, which did not include evaluating the merits of Third Expert’s determination, and the BGC followed applicable policies and procedures in considering the RFR.<sup>167</sup>

111. Regarding Vistaprint’s claims of ICANN’s breach of various Articles and Bylaws, ICANN responds as follows in its Response:

*71. First, Vistaprint contends that ICANN failed to comply with the general principle of “good faith.” But the only reason Vistaprint asserts ICANN failed to act in good faith is in “refus[ing] to reconsider the substance” of the Determination or to “act with independent judgment” (fn. omitted). The absence of an appeal mechanism by which Vistaprint might challenge the Determination does not form the basis for an IRP because there is nothing in ICANN’s Bylaws or Articles of Incorporation requiring ICANN to provide one.*

*72. Second, Vistaprint contends that ICANN failed to apply its policies in a neutral manner. Here, Vistaprint complains that other panels let other applications proceed without being placed into a contention set, even though they, in Vistaprint’s opinion, presented “at least equally serious string similarity concerns” as .WEBS/.WEB (fn. omitted). Vistaprint’s claims about ICDR’s treatment of other string similarity disputes cannot be resolved by IRP, as they are even further removed from Board conduct. Different outcomes by different expert panels related to different gTLDs are to be expected. Claiming that other applicants have not suffered adverse determinations does not convert the Expert Panel’s Determination into a “discriminatory ICANN Board act.”*

*73. Third, Vistaprint contends that the ICANN Board violated its obligation to act transparently for not investigating the “impartiality and independence” of the Expert Panel and thereby “did not seek to communicate with [ICDR] to optimize [its] service” (fn. omitted). Aside from the disconnect between the particular Bylaws provision invoked by Vistaprint requiring ICANN’s transparency, and the complaint that the ICDR did not act transparently, Vistaprint fails to identify any procedural deficiency in the ICDR’s actions regarding the removal of the First Expert, as set forth above. Moreover, Vistaprint cites no obligation in the Articles or Bylaws that the ICANN Board affirmatively investigate the impartiality of an Expert Panel, outside of the requirement that the ICDR follow its policies on conflicts, which the ICDR did.*

*74. Fourth, Vistaprint contends that ICANN “has not created any general process for challenging the substance of the so-called expert determination,” and thus has “brashly flouted” its obligation to remain accountable (fn. omitted). But again, Vistaprint does not identify any provision of the Articles or Bylaws that requires ICANN to provide such an appeals process.*

*75. Fifth, Vistaprint “concludes” that the ICANN Board neglected its duty to promote competition and innovation (fn. omitted) when it failed to overturn the Expert Panel’s Determination. Vistaprint claims that the Objector’s “motive in filing the objection was to prevent a potential competitor from entering*

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<sup>167</sup> Response, ¶ 69.

the gTLD market” and therefore ICANN’s “acceptance” of the objection purportedly contravenes ICANN’s core value of promoting competition. But every objection to a gTLD application by an applicant for the same string seeks to hinder a competitor’s application. By Vistaprint’s logic, ICANN’s commitment to promoting competition requires that no objections ever be sustained and every applicant obtains the gTLD it requests. There is no provision in the Articles or Bylaws that require such an unworkable system.

76. All in all, Vistaprint’s attempt to frame its disappointment with the Expert Panel’s decision as the ICANN Board’s dereliction of duties does not withstand scrutiny.

### c. Disparate Treatment Claim

112. ICANN states that Vistaprint objects to the Board’s exercise of its independent judgement in determining not to intervene further (beyond the review of the BGC) with respect to the Third Expert’s determination in the *Vistaprint SCO*, as the Board did with respect to expert determinations on String Confusion Objections regarding the strings (1) .COM/.CAM, (2) .CAR/.CARS, and (3) .SHOP/.通販 (online shopping in Japanese).<sup>168</sup>
113. ICANN states that the Guidebook provides that in “exceptional circumstances,” such as when accountability mechanisms like RFR or IRP are invoked, “the Board might individually consider an application”<sup>169</sup> and that is precisely what occurred in Vistaprint’s case. Because Vistaprint sought reconsideration, the BGC considered Vistaprint’s Reconsideration Request and concluded that the ICDR and Third Expert had not violated any relevant policy or procedure in rendering the Expert’s determination.
114. ICANN states that the ICANN Board only intervened with respect to these other expert determinations because there had been several independent expert determinations regarding the same strings that were seemingly inconsistent with one another. That is not the case with respect to Vistaprint’s applications – no other expert determinations were issued regarding the similarity of .WEB and .WEBS.<sup>170</sup> “Unlike .WEB/.WEBS, the COM/.CAM, .CAR/.CARS, and .SHOP/.通販 strings were all the subject of several, seemingly inconsistent determinations on string confusion objections by different expert panels. So, for example, while one expert upheld a string confusion objection asserting that .CAM was confusingly similar to .COM, another expert overruled a separate string confusion objection asserting precisely the same thing.”<sup>171</sup>
115. Further, ICANN explains that

16. Given what were viewed by some as inconsistent determinations, the BGC requested that ICANN staff draft a report for the ICANN Board’s New gTLD Program Committee (“NGPC”), “setting out

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<sup>168</sup> ICANN’s First Additional Submission, ¶ 14.

<sup>169</sup> ICANN’s First Additional Submission, ¶ 5 (citing Guidebook, § 5.1). ICANN quotes the *Booking.com Final Declaration*, where the IRP Panel stated in relation to § 5.1 “the fact that the ICANN Board enjoys such discretion [to individually consider an application for a New gTLD] and may choose to exercise it at any time does not mean that it is bound to exercise it, let alone at the time and in the manner demanded by *Booking.com*.”

<sup>170</sup> ICANN’s First Additional Submission, ¶ 5.

<sup>171</sup> ICANN’s First Additional Submission, ¶ 15.

options for dealing...[with] differing outcomes of the String Confusion Objection Dispute Resolution process in similar disputes...."<sup>172</sup> The NGPC subsequently considered potential approaches to addressing perceived inconsistent determinations on string confusion objections, including possibly implementing a new review mechanism.<sup>173</sup> ICANN staff initiated a public comment period regarding framework principles of a potential such review mechanism.<sup>174</sup> Ultimately, having considered the report drafted by ICANN staff, the public comments received, and the string confusion objection process set forth in the Guidebook, the NGPC determined that the inconsistent expert determinations regarding .COM/.CAM and .SHOP/.通販 were "not[] in the best interest of the New gTLD Program and the Internet community" and directed ICANN staff to establish a process whereby the ICDR would appoint a three-member panel to re-evaluate those expert determinations.<sup>175</sup>

116. ICANN contends that Vistaprint has identified no Articles or Bylaws provision violated by the Board in exercising its independent judgment to intervene with respect to inconsistent determinations in certain SCO cases, but not with respect to the single expert SCO determination regarding .WEBS/.WEB. The Board was justified in exercising its discretion to intervene with respect to the inconsistent expert determinations regarding .COM/.CAM, .CAR/.CARS and .SHOP/.通販 - the Board acted to bring certainty to multiple and differing expert determinations on String Confusion Objections regarding the same strings.<sup>176</sup> That justification was not present with respect to the single *Vistaprint* SCO determination at issue here. Thus, ICANN contends Vistaprint was not treated differently than other similarly-situated gTLD applicants.

117. Timing: Finally, ICANN also states that the time for Vistaprint to challenge the Guidebook and its standards has past. The current version of the Guidebook was published on June 4, 2012 following an extensive review process, including public comment on multiple drafts.<sup>177</sup> Despite having ample opportunity, Vistaprint did not object to the Guidebook at the time it was implemented. If Vistaprint had concerns related to the issues it now raises, it should have pursued them at the time, not years later and only after receiving the determination in the *Vistaprint* SCO. ICANN quotes the *Booking.com* Final Declaration, where the IRP stated,

*"the time has long since passed for Booking.com or any other interested party to ask an IRP panel to review the actions of the ICANN Board in relation to the establishment of the string similarity review process, including Booking.com's claims that specific elements of the process and the Board decisions to implement those elements are inconsistent with ICANN's Articles and Bylaws. Any such claims, even if they had any merit, are long since time-barred by the 30-day limitation period set out in Article IV, Section 3(3) of the Bylaws."*<sup>178</sup>

118. ICANN states that while the Guidebook process at issue in this case is different for the

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<sup>172</sup> See BGC Determination on Reconsideration Request 13-10, at 11.

<sup>173</sup> See Rationale for NGPC Resolution 2014.02.05.NG02, at <https://www.icann.org/resources/board-material/resolutions-new-gtld-2014-02-05-en> (last accessed Sept. 15, 2015).

<sup>174</sup> See <https://www.icann.org/public-comments/sco-rramework-principles-2014-02-11-en> (last accessed Sept. 15, 2015).

<sup>175</sup> ICANN's First Additional Submission, ¶ 16; see NGPC Resolution 2014.1 0.12.NG02, at <https://www.icann.org/resources/board-material/resolutions-new-gtld-2014-1-0-12-en#2.b> (last accessed Sept. 15, 2015).

<sup>176</sup> ICANN's First Additional Submission, ¶ 18.

<sup>177</sup> ICANN's First Additional Response, ¶ 27.

<sup>178</sup> *Booking.com* final Declaration, ¶ 129.



process at issue in the *Booking.com IRP* – the SCO process rather than the string similarity review process – the Booking.com IRP panel's reasoning applies equally. ICANN argues that because both processes were developed years ago, as part of the development of the Guidebook, challenges to both are time-barred.<sup>179</sup>

## V. Analysis and Findings

### a. IRP Panel's Authority

119. Standard of Review: The IRP Panel has benefited from the parties' submissions on this issue, noting their agreement as to the Panel's primary task: comparing contested actions (or inactions)<sup>180</sup> of ICANN's Board to its Articles and Bylaws and declaring whether the Board has acted consistently with them. Yet when considering this Panel's comparative task, the parties disagree as to the level of deference to be accorded by the Panel in assessing the Board's actions or inactions.

120. Vistaprint has sought independent review through this IRP, claiming that it has been "harmed" (i.e., its .WEBS application has not been allowed to proceed and has been placed in a Contention Set) by the Board's alleged violation of the Articles and Bylaws. In accordance with Article IV, § 3.2 of the Bylaws:

*Any person materially affected by a decision or action by the Board that he or she asserts is inconsistent with the Articles of Incorporation or Bylaws may submit a request for independent review of that decision or action. In order to be materially affected, the person must suffer injury or harm that is directly and causally connected to the Board's alleged violation of the Bylaws or the Articles of Incorporation, and not as a result of third parties acting in line with the Board's action.*

121. As noted above, Article IV, § 1 of the Bylaws emphasizes that the IRP is an accountability mechanism:

*The provisions of this Article, creating processes for reconsideration and independent review of ICANN actions and periodic review of ICANN's structure and procedures, are intended to reinforce the various accountability mechanisms otherwise set forth in these Bylaws.*

122. The Bylaws in Article IV, § 3.4 detail the IRP Panel's charge and issues to be considered in a defined standard of review:

*Requests for such independent review shall be referred to an Independent Review Process Panel ("IRP Panel"), which shall be charged with comparing contested actions of the Board to the Articles of Incorporation and Bylaws, and with declaring whether the Board has acted consistently with the provisions of those Articles of Incorporation and Bylaws. The IRP Panel must apply a defined standard of review to the IRP request, focusing on:*

- a. did the Board act without conflict of interest in taking its decision?;*
- b. did the Board exercise due diligence and care in having a reasonable amount of facts in front of them?; and*

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<sup>179</sup> ICANN's First Additional Submission, ¶ 28.

<sup>180</sup> Bylaws, Art. IV, § 3.11(c) ("The IRP Panel shall have the authority to...(c) declare whether an action or inaction of the Board was inconsistent with the Articles of Incorporation or Bylaws" (underlining added)).

c. *did the Board members exercise independent judgment in taking the decision, believed to be in the best interests of the company?*<sup>181</sup>

[Underlining added]

123. The Bylaws state the IRP Panel is “*charged*” with “*comparing*” contested actions of the Board to the Articles and Bylaws and “*declaring*” whether the Board has acted consistently with them. The Panel is to focus, in particular, on whether the Board acted without conflict of interest, exercised due diligence and care in having a reasonable amount of facts in front of it, and exercised independent judgment in taking a decision believed to be in the best interests of ICANN. In the IRP Panel’s view this more detailed listing of a defined standard cannot be read to remove from the Panel’s remit the fundamental task of comparing actions or inactions of the Board with the Articles and Bylaws and declaring whether the Board has acted consistently or not. Instead, the defined standard provides a list of questions that can be asked, but not to the exclusion of other potential questions that might arise in a particular case as the Panel goes about its comparative work. For example, the particular circumstances may raise questions whether the Board acted in a transparent or non-discriminatory manner. In this regard, the ICANN Board’s discretion is limited by the Articles and Bylaws, and it is against the provisions of these instruments that the Board’s conduct must be measured.
124. The Panel agrees with ICANN’s statement that the Panel is neither asked to, nor allowed to, substitute its judgment for that of the Board. However, this does not fundamentally alter the lens through which the Panel must view its comparative task. As Vistaprint has urged, the IRP is the only accountability mechanism by which ICANN holds itself accountable through *independent third-party review* of its actions or inactions. Nothing in the Bylaws specifies that the IRP Panel’s review must be founded on a deferential standard, as ICANN has asserted. Such a standard would undermine the Panel’s primary goal of ensuring accountability on the part of ICANN and its Board, and would be incompatible with ICANN’s commitment to maintain and improve robust mechanisms for accountability, as required by ICANN’s Affirmation of Commitments, Bylaws and core values.

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<sup>181</sup> The Supplementary Rules provide similarly in section 1 that the IRP is designed “to review ICANN Board actions or inactions alleged to be inconsistent with ICANN’s Bylaws or Articles of Incorporation” with the standard of review set forth in section 8:

*8. Standard of Review*

*The IRP is subject to the following standard of review: (i) did the ICANN Board act without conflict of interest in taking its decision; (ii) did the ICANN Board exercise due diligence and care in having sufficient facts in front of them; (iii) did the ICANN Board members exercise independent judgment in taking the decision, believed to be in the best interests of the company?*

*If a requestor demonstrates that the ICANN Board did not make a reasonable inquiry to determine it had sufficient facts available, ICANN Board members had a conflict of interest in participating in the decision, or the decision was not an exercise in independent judgment, believed by the ICANN Board to be in the best interests of the company, after taking account of the Internet community and the global public interest, the requestor will have established proper grounds for review.*

125. The IRP Panel is aware that three other IRP panels have considered this issue of standard of review and degree of deference to be accorded, if any, when assessing the conduct of ICANN's Board. All of them have reached the same conclusion: the Board's conduct is to be reviewed and appraised by the IRP Panel using an objective and independent standard, without any presumption of correctness.<sup>182</sup> As the IRP Panel reasoned in the *ICM Registry Final Declaration*:

*ICANN is no ordinary non-profit California corporation. The Government of the United States vested regulatory authority of vast dimension and pervasive global reach in ICANN. In "recognition of the fact that the Internet is an international network of networks, owned by no single nation, individual or organization" – including ICANN – ICANN is charged with "promoting the global public interest in the operational stability of the Internet..." ICANN "shall operate for the benefit of the Internet community as a whole, carrying out its activities in conformity with relevant principles of international law and applicable international conventions and local law..." Thus, while a California corporation, it is governed particularly by the terms of its Articles of Incorporation and Bylaws, as the law of California allows. Those Articles and Bylaws, which require ICANN to carry out its activities in conformity with relevant principles of international law, do not specify or imply that the International Review Process provided for shall (or shall not) accord deference to the decisions of the ICANN Board. The fact that the Board is empowered to exercise its judgment in the application of ICANN's sometimes competing core values does not necessarily import that that judgment must be treated deferentially by the IRP. In the view of the Panel, the judgments of the ICANN Board are to be reviewed and appraised by the Panel objectively, not deferentially. The business judgment rule of the law of California, applicable to directors of California corporations, profit and nonprofit, in the case of ICANN is to be treated as a default rule that might be called upon in the absence of relevant provisions of ICANN's Articles and Bylaws and of specific representations of ICANN...that bear on the propriety of its conduct. In the instant case, it is those Articles and Bylaws, and those representations, measured against the facts as the Panel finds them, which are determinative.<sup>183</sup>*

126. The IRP Panel here agrees with this analysis. Moreover, Article IV, §3.21 of the Bylaws provides that "declarations of the IRP Panel, and the Board's subsequent action on those declarations, are final and have precedential value" (underlining added). The IRP Panel recognizes that there is unanimity on the issue of degree of deference, as found by the three IRP panels that have previously considered it. The declarations of those panels have precedential value. The Panel considers that the question on this issue is now settled. Therefore, in this IRP the ICANN Board's conduct is to be reviewed and appraised by this Panel objectively and independently, without any presumption of correctness.

127. On a related point as to the scope of the IRP Panel's review, the Panel agrees with ICANN's point of emphasis that, because the Panel's review is limited to addressing challenges to conduct by ICANN's Board, the Panel is not tasked with reviewing the

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<sup>182</sup> *ICM Registry Final Declaration*, ¶ 136 ("the judgments of the ICANN Board are to be reviewed and appraised by the Panel objectively, not deferentially"); *Booking.com final Declaration*, ¶ 111 ("the IRP Panel is charged with 'objectively' determining whether or not the Board's actions are in fact consistent with the Articles, Bylaws and Guidebook, which the Panel understands as requiring that the Board's conduct be appraised independently, and without any presumption of correctness."); Final Declaration of the IRP Panel in *DotConnectAfrica Trust v. ICANN*, ICDR Case No. 50-2013-001083, ¶ 76 (July 9, 2015) ("*DCA Final Declaration*"), at <https://www.icann.org/en/system/files/files/final-declaration-2-redacted-09jul15-en.pdf> (last accessed on Sept. 15, 2015) ("The Panel therefore concludes that the "standard of review" in this IRP is a *de novo*, objective and independent one, which does not require any presumption of correctness").

<sup>183</sup> *ICM Registry Final Declaration*, ¶ 136.

actions or decisions of ICANN staff or other third parties who may be involved in ICANN activities or provide services to ICANN (such as the ICDR or the experts in the *Vistaprint SCO*). With this in mind, and with the focus on the Board, the only *affirmative* action of the Board in relation to Vistaprint's .WEBS gTLD application was through the BGC, which denied Vistaprint's Reconsideration Request.<sup>184</sup> ICANN states that "the sole Board action that Vistaprint has identified in this case is the Board Governance Committee's ('BGC') rejection of Vistaprint's Reconsideration Request, which sought reconsideration of the Expert Determination."<sup>185</sup> It appears that ICANN's focus in this statement is on affirmative action taken by the BGC in rejecting Vistaprint's Reconsideration Request; however, this does not eliminate the IRP Panel's consideration of whether, in the circumstances, inaction (or omission) by the BGC or the full ICANN Board in relation to the issues raised by Vistaprint's application would be considered a potential violation of the Articles or Bylaws.

128. As discussed below, the Panel considers that a significant question in this IRP concerns one of "omission" – the ICANN Board, through the BGC or otherwise, did not provide relief to Vistaprint in the form of an additional review mechanism, as it did to certain other parties who were the subject of an adverse SCO determination.
129. IRP declaration binding or non-binding: As noted above, Vistaprint contends that the outcome of this IRP is binding on ICANN, and that any other result would be incompatible with ICANN's obligation to maintain and improve robust mechanisms for accountability. ICANN, on the other hand, contends that the IRP Panel's declaration is intended to be advisory and non-binding.
130. In analyzing this issue, the IRP Panel has carefully reviewed the three charter instruments that give the Panel its authority to act in this case: the Bylaws, the Supplementary Procedures, and the ICDR Rules. The Panel views that it is important to distinguish between (i) the findings of the Panel on the question of whether the ICANN Board's conduct is consistent (or not) with the Articles and Bylaws, and (ii) any consequent remedial measures to be considered as a result of those findings, at least insofar as those

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<sup>184</sup> The BGC is a committee of the Board established pursuant to Article XII, § 1 of the Bylaws. Article IV, § 2.3 of the Bylaws provide for the delegation of the Board's authority to the BGC to consider Requests for Reconsideration and indicate that the BGC shall have the authority to:

- a. evaluate requests for review or reconsideration;
- b. summarily dismiss insufficient requests;
- c. evaluate requests for urgent consideration;
- d. conduct whatever factual investigation is deemed appropriate;
- e. request additional written submissions from the affected party, or from other parties;
- f. make a final determination on Reconsideration Requests regarding staff action or inaction, without reference to the Board of Directors; and
- g. make a recommendation to the Board of Directors on the merits of the request, as necessary.

The BGC has discretion to decide whether to issue a final decision or make a recommendation to ICANN's Board. In this case, the BGC decided to make a final determination on Vistaprint's RFR.

<sup>185</sup> ICANN's First Additional Submission, ¶ 4. By contrast to the IRP Panel's focus on the Board's conduct, the BGC in its decision on Vistaprint's Reconsideration request considered the action or inaction of ICANN staff and third parties providing services to ICANN (i.e., the ICDR and SCO experts).

measures would direct the Board to take or not take any action or decision. The Panel considers that, as to the first point, the findings of the Panel on whether the Board has acted in a manner that is consistent (or not) with the Articles or Bylaws is akin to a finding of breach/liability by a court in a contested legal case. This determination by the Panel is “binding” in the sense that ICANN’s Board cannot overrule the Panel’s declaration on this point or later decide for itself that it disagrees with the Panel and that there was no inconsistency with (or violation of) the Articles and Bylaws. However, when it comes to the question of whether or not the IRP Panel can *require* that ICANN’s Board implement any form of redress based on a finding of violation, here, the Panel believes that it can only raise remedial measures to be considered by the Board in an advisory, non-binding manner. The Panel concludes that this distinction – between a “binding” declaration on the violation question and a “non-binding” declaration when it comes to recommending that the Board stay or take any action – is most consistent with the terms and spirit of the charter instruments upon which the Panel’s jurisdiction is based, and avoids conflating these two aspects of the Panel’s role.

131. The IRP Panel shares some of Vistaprint’s concerns about the efficacy of the IRP as an accountability mechanism if any affirmative relief that might be considered appropriate by the Panel is considered non-binding on ICANN’s Board (see discussion below); nevertheless, the Panel determines on the basis of the charter instruments, as well as the drafting history of those documents, that its declaration is binding only with respect to the finding of compliance or not with the Articles and Bylaws, and non-binding with respect to any measures that the Panel might recommend the Board take or refrain from taking. The Panel’s Declaration will have “precedential value” and will possibly be made publicly available on ICANN’s website.<sup>186</sup> Thus, the declaration of violation (or not), even without the ability to order binding relief vis-à-vis ICANN’s Board, will carry more weight than would be the case if the IRP was a confidential procedure with decisions that carried no precedential value.

132. To the extent that there is ambiguity on the nature of the IRP Panel’s declaration (which perhaps could have been avoided in the first place), it is because there is ambiguity and an apparent contradiction created by some of the key terms of the three charter instruments – the Bylaws, the Supplementary Procedures, and the ICDR Rules. In terms of a potential interpretive hierarchy for these documents – to the extent that such hierarchy is relevant – the Bylaws can be said to have created the IRP and its terms of reference: the IRP is established as an accountability mechanism pursuant to the Bylaws, Article IV, § 3 (Independent Review of Board Actions). Article IV, § 3.8 of the Bylaws, in turn, delegates to the “IRP Provider” the task of establishing rules and procedures that are supposed to be consistent with Article IV, § 3:

*Subject to the approval of the Board, the IRP Provider shall establish operating rules and procedures,*

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<sup>186</sup> The Panel observes the final declarations in all previous IRPs that have gone to decision, as well as declarations concerning procedure and interim relief, have been posted on ICANN’s website. In this respect, Supplementary Procedures, Rule 10(c) provides that a “Declaration may be made public only with the consent of all parties or as required by law”. However, ICANN has also agreed in Rule 10(c) that subject to the redaction of confidential information or unforeseen circumstances, “ICANN will consent to publication of a Declaration if the other party so requests.”

which shall implement and be consistent with this Section 3.

[Underlining added]

133. Thus, the Supplementary Procedures and ICDR Rules were established pursuant to Article IV, § 3.8 of the Bylaws; however, the requirement of consistency as between the texts was imperfectly implemented, at least with respect to the ICDR Rules, as discussed below. As between the Supplementary Procedures and the ICDR Rules, the Supplementary Procedures will control, as provided in Supplementary Rule 2:

*In the event there is any inconsistency between these Supplementary Procedures and the Rules, these Supplementary Procedures will govern.*

134. The Bylaws in Article IV, § 3.4 provide that the Panel *shall* be charged with *comparing* contested actions of the Board to the Articles and Bylaws, and with “*declaring*” whether the Board has acted consistently with them. The IRP panel in the *ICM Registry Final Declaration* stressed that the IRP panel’s task is “to ‘declare’, not to ‘decide’ or to ‘determine’.”<sup>187</sup> However, the word “declare”, alone, does not conclusively answer the question of whether the IRP’s declaration (or any part of it) is binding or not. “To declare” means “*to announce or express something clearly and publicly, especially officially.*”<sup>188</sup> Declarations can and do serve as the predicate for binding or non-binding consequences in different contexts. For example, a declaratory relief action – in which a court resolves legal uncertainty by determining the rights of parties under a contract or statute without ordering anything be done or awarding damages – can have a binding result because it may later preclude a lawsuit by one of the parties to the declaratory lawsuit. Further, in a non-legal context, “declaring” a state of emergency in a particular state or country can have binding consequences. Thus, the word “declare,” in itself, does not answer the issue.

135. Moreover, nothing in the Bylaws, Supplementary Procedures or ICDR Rules suggests that the IRP Panel’s declaration is non-binding with respect to the Panel’s core task of deciding whether the Board did, or did not, comply the Articles or Bylaws. There is no provision that states the ICANN Board can reconsider this independent and important declaration. To the contrary, the ICDR Rules, which apply to the IRP proceedings, can be read to suggest that both the Panel’s finding of compliance (or not) by ICANN’s Board, and the Panel’s possible reference to any remedial measures, are binding on ICANN. As Vistaprint indicates, the preamble of the ICDR Rules provide that “[a] dispute can be submitted to an arbitral tribunal for a final and binding decision,” and Article 30(1) of those Rules specifies that “[a]wards shall be made in writing by the arbitral tribunal and shall be final and binding on the parties” (*emphasis added*).

136. However, these terms in the ICDR Rules arguably contradict specific provisions of the Bylaws and Supplementary Procedures, at least to the extent that they are read to cover any measures that the IRP Panel would direct the ICANN Board to take or not take. In this way, if there is a contradiction between the texts, the Bylaws and Supplemental rules would govern. However, focusing on the relief that the Panel is authorized to grant

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<sup>187</sup> *ICM Registry Final Declaration*, ¶ 133.

<sup>188</sup> Cambridge English Online Dictionary (United States version).

provides a decisive clue as to the question of whether the IRP declaration, or any part of it, is binding or non-binding, and produces a faithful and harmonized reading of all the texts. While the Bylaws and Supplementary Procedures say nothing to limit the binding effect of the IRP Panel’s “liability” declaration, they both contain provisions that expressly indicate the Panel may only “recommend” that the Board stay or take any action or decision. In particular, the Bylaws in Article IV, § 3.11 sets out the IRP Panel’s authority in terms of alternative actions that it may take once it has an IRP case before it:

*The IRP Panel shall have the authority to:*

- a. summarily dismiss requests brought without standing, lacking in substance, or that are frivolous or vexatious;
- b. request additional written submissions from the party seeking review, the Board, the Supporting Organizations, or from other parties;
- c. declare whether an action or inaction of the Board was inconsistent with the Articles of Incorporation or Bylaws; and
- d. recommend that the Board stay any action or decision, or that the Board take any interim action, until such time as the Board reviews and acts upon the opinion of the IRP;
- e. consolidate requests for independent review if the facts and circumstances are sufficiently similar; and
- f. determine the timing for each proceeding.

*[Underlining added]<sup>189</sup>*

137. Article IV, § 3.11(a) provides that the Panel may summarily dismiss an IRP request in certain circumstances. A fair reading of this term is that an IRP panel’s dismissal of a case pursuant to § 3.11(a) would be a binding decision, both for the party who brought the IRP request and for ICANN. In other words, ICANN could not require that the IRP panel take-up the case again once it has been dismissed by the panel.<sup>190</sup> Further, the IRP panel can “request additional written submissions” from the parties (including the Board) or certain third parties. Here again, a fair reading of this term is that it is not subject to any review by ICANN Board before it can be implemented and is therefore binding on those who receive such a request.

138. By comparison, any form of relief whereby the IRP Panel *would direct the Board* to take, or refrain from taking, any action or decision, as specified in § 3.11(d), must be “recommend[ed]” to the Board, which then “reviews and acts upon the opinion of the IRP.”<sup>191</sup> The Panel’s authority is thus limited (and in this sense non-binding) when it

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<sup>189</sup> Bylaws, Art. IV, § 3.11.

<sup>190</sup> Supplementary Rule 6 provides similarly that:

*An IRP Panel may summarily dismiss any request for Independent Review where the requestor has not demonstrated that it meets the standing requirements for initiating the Independent Review.*

*Summary dismissal of a request for Independent Review is also appropriate where a prior IRP on the same issue has concluded through Declaration.*

*An IRP Panel may also dismiss a querulous, frivolous or vexatious request for Independent Review.*

<sup>191</sup> Supplementary Rule 7 provides similarly (as regards interim measures of protection) that:

*An IRP Panel may recommend that the Board stay any action or decision, or that the Board take any interim action, until such time as the Board reviews and acts upon the IRP declaration. Where the IRP*

(Continued...)

comes to providing ICANN's Board with potential courses of action or inaction in view of Board's non-compliance with the Articles or Bylaws.<sup>192</sup>

139. Several other provisions of the Bylaws and Supplementary Procedures can be fairly read to relate to decisions of the IRP panel that would be considered binding, even as to ICANN's Board. Article IV, § 3.18 provides “[t]he IRP Panel shall make its declaration based solely on the documentation, supporting materials, and arguments submitted by the parties, and in its declaration shall specifically designate the prevailing party.” There is no mechanism for the Board to overrule the IRP panel's designation as to which party is the prevailing party. Article IV, § 3.20 provides “[t]he IRP Panel may, in its discretion, grant a party's request to keep certain information confidential, such as trade secrets.” A fair reading of this provision is that the IRP panel's decision concerning such questions of confidentiality would be binding on all parties (including ICANN) in the IRP procedure. Consolidating IRP requests and determining the timing for each IRP proceeding are also decisions of the panel that are binding and not subject to review. Finally, Supplemental Procedures, Rule 11, directs that “[t]he IRP Panel shall fix costs in its Declaration.” Here too, this decision of the IRP panel can be fairly read to be binding on the parties, including the Board.

140. Thus, the IRP Panel's authority to render binding or non-binding decisions, orders or relief can be considered in relation to four basic areas:

(i) summary dismissals by the IRP Panel (for different reasons as stated in the Bylaws and Supplementary Procedures) are final and binding on the parties. There is no mechanism for appeal of such dismissals and they have precedential value.

(ii) the designation of prevailing party, fixing costs for the IRP, and other orders in support of the IRP proceedings (e.g., timing of proceedings, confidentiality, requests for additional submissions, consolidation of IRP cases) are binding decisions of the IRP Panel, with no review by the Board or any other body.

(iii) the IRP Panel's declaration of whether or not the Board has acted consistently with the provisions of the Articles and Bylaws is final and binding, in the sense that there is no appeal on this point to ICANN's Board or any other body; it is a final determination and has precedential value.

(iv) any form of relief in which the IRP Panel would direct the Board to take, or refrain from taking, any action or decision is only a recommendation to the Board. In this sense,

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*Panel is not yet comprised, the Chair of the standing panel may provide a recommendation on the stay of any action or decision*

<sup>192</sup> The word “recommend” is also not free of ambiguity. For example, Article 47 of the ICSID Convention (concerning investor-State arbitration) provides in relevant part that “the Tribunal may, if it considers that the circumstances so require, *recommend* any provisional measures which should be taken to preserve the respective rights of either party” (emphasis added). The use of the word “recommend” in this context may refer to an order of the Tribunal that is intended to be binding on the parties. Nevertheless, in the context of the IRP, the Panel considers that use of the word “recommend” conveys that the Panel's direction of any action or inaction on the part of the Board is a non-binding reference.



such a recommendation is not binding on the Board. The Bylaws and Supplementary Procedures provide specific and detailed guidance in this key area – i.e., relief that would require the Board to take or refraining from taking any action or decision – where the IRP Panel’s decisions would not be binding on the Board, but would serve only as a recommendation to be reviewed and acted upon by the Board.

141. The other decisions of the IRP panel, as outlined above and including the declaration of whether or not the Board violated the Articles and Bylaws, would be binding, consistent with the Bylaws, Supplementary Procedures and ICDR Rule Article 30(1). This approach provides a reading that harmonizes the terms of the three charter instruments. It also provides interpretive context for Article IV, § 3.21 of the Bylaws, providing that “[w]here feasible, the Board shall consider the IRP Panel declaration at the Board’s next meeting.” The IRP panel in the *ICM Registry Final Declaration* stated that “[t]his relaxed temporal proviso to do no more than ‘consider’ the IRP declaration, and to do so at the next meeting of the Board ‘where feasible’, emphasizes that it is not binding.”<sup>193</sup> However, consistent with the analysis above, the IRP Panel here reads this statement in the *ICM Registry Final Declaration* to relate only to an IRP panel’s decision to “recommend” that the Board take, or refrain from taking, any action or decision. It does not relate to the other decisions or duties of the IRP panel, as explained above.
142. Vistaprint contends that the second sentence in Article IV, § 3.21 – providing “[t]he declarations of the IRP Panel, and the Board’s subsequent action on those declarations, are final and have precedential value” – which was added in April 2013 after the issuance of *ICM Registry Final Declaration*, was a change that supports the view that the IRP panel’s outcome, including any references to remedial relief, is binding. However, the Panel agrees with ICANN’s view that “a declaration clearly can be both non-binding and also final and precedential.”<sup>194</sup> Further, the preparatory work and drafting history for the relevant provisions of the Bylaws relating to the IRP procedure indicate the intention for a non-binding procedure with respect to the Panel’s authority to advise the Board to take, or refrain from taking, any action or decision. As summarized in ICANN’s contentions above, ICANN has submitted evidence that those who were initially involved in establishing the IRP considered that it should be an advisory, non-binding procedure *in relation to any policies that the Board might be requested to consider and implement by the IRP panel*.<sup>195</sup>
143. Thus, the Bylaws and the Supplementary Procedures draw a line: when the measures that an IRP panel might consider as a result of its core task require that the Board take or refrain from taking any action or decision, the panel may only “recommend” this course of action. On the other hand, if the IRP panel decides that the Board had violated its Articles or Bylaws, or if the panel decides to dismiss the IRP request, designate a prevailing party,

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<sup>193</sup> *ICM Registry Final Declaration*, ¶ 133.

<sup>194</sup> ICANN’s First Additional Submission, ¶ 39.

<sup>195</sup> ICANN’s First Additional Submission, ¶ 38, n 53 (Vint Cerf, the former Chair of ICANN’s Board, testified in the *ICM IRP* that the independent review panel “is an advisory panel. It makes recommendations to the board but the board has the ultimate responsibility *for deciding policy for ICANN*” (*italics added*)). *ICM v. ICANN*, Hearing Transcript, September 23, 2009, at 592:7-11).

set conditions for confidentiality, consolidate IRP requests, request additional written submissions or fix costs, a fair reading of the Bylaws, Supplementary Procedures and ICDR Rules relevant to these determinations would be that the IRP panel's decisions on these matters are binding on both parties, including ICANN.

144. Finally, in view of Article IV, § 3.21 providing that the declarations of IRP panels are final and *have precedential value*, the IRP Panel here recognizes that, in addition to the *ICM Registry Final Declaration*, two other IRP panels have considered the question of the IRP panel's authority. In the *Booking.com Final Declaration*, the IRP panel focused on the independent and objective standard of review to be applied to the panel's core task of assessing whether the Board's actions were consistent with the Articles, Bylaws and Guidebook.<sup>196</sup> However, the IRP panel in *Booking.com*, as ICANN acknowledges in its Second Additional Response, did not directly address whether an IRP panel may issue a binding declaration (although ICANN contends that the panel implicitly acknowledged that it cannot).<sup>197</sup>
145. In the *DCA Final Declaration*, the IRP panel addressed directly the question of whether or not the panel's declaration was binding. The panel ruled that its declarations, both as to the procedure and the merits of the case, were binding. The IRP panel in that case raised some of the same concerns that Vistaprint has raised here<sup>198</sup>:

*110. ICANN points to the extensive public and expert input that preceded the formulation of the Supplementary Procedures. The Panel would have expected, were a mere advisory decision, opinion or declaration the objective of the IRP, that this intent be clearly articulated somewhere in the Bylaws or the Supplementary Procedures. In the Panel's view, this could have easily been done.*

*111. The force of the foregoing textual and construction considerations as pointing to the binding effect of the Panel's decisions and declarations are reinforced by two factors: 1) the exclusive nature of the IRP whereby the non-binding argument would be clearly in contradiction with such a factor; and, 2) the special, unique, and publicly important function of ICANN. As explained before, ICANN is not an ordinary private non-profit entity deciding for its own sake who it wishes to conduct business with, and who it does not. ICANN rather, is the steward of a highly valuable and important international resource.*

[...]

*115. Moreover, assuming for the sake of argument that it is acceptable for ICANN to adopt a remedial scheme with no teeth, the Panel is of the opinion that, at a minimum, the IRP should forthrightly explain and acknowledge that the process is merely advisory. This would at least let parties know before embarking on a potentially expensive process that a victory before the IRP panel may be ignored by ICANN. And, a straightforward acknowledgment that the IRP process is intended to be merely advisory might lead to a legislative or executive initiative to create a truly independent compulsory process.*

146. The IRP panel in the *DCA Final Declaration* also emphasized that, according to the terms of the Guidebook, applicants for a new gTLD string waive their right to resort to the courts

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<sup>196</sup> *Booking.com Final Declaration*, ¶¶ 104-115.

<sup>197</sup> ICANN's Second Additional Response, ¶ 29.

<sup>198</sup> *DCA Final Declaration*, ¶ 23 (quoting *DCA Declaration on the IRP Procedure* (Aug. 14, 2014)).

and therefore the IRP serves as the ultimate accountability mechanism for them:<sup>199</sup>

*15. The IRP is the only independent third party process that allows review of board actions to ensure their consistency with the Articles of Incorporation or Bylaws. As already explained in this Panel's 14 August 2014 Declaration on the IRP Procedure ("August 2014 Declaration"), the avenues of accountability for applicants that have disputes with ICANN do not include resort to the courts. Applications for gTLD delegations are governed by ICANN's Guidebook, which provides that applicants waive all right to resort to the courts:*

*"Applicant hereby releases ICANN [...] from any and all claims that arise out of, are based upon, or are in any way related to, any action or failure to act by ICANN [...] in connection with ICANN's review of this application, investigation, or verification, any characterization or description of applicant or the information in this application, any withdrawal of this application or the decision by ICANN to recommend or not to recommend, the approval of applicant's gTLD application. APPLICANT AGREES NOT TO CHALLENGE, IN COURT OR ANY OTHER JUDICIAL FORA, ANY FINAL DECISION MADE BY ICANN WITH RESPECT TO THE APPLICATION, AND IRREVOCABLY WAIVES ANY RIGHT TO SUE OR PROCEED IN COURT OR ANY OTHER JUDICIAL FORA ON THE BASIS OF ANY OTHER LEGAL CLAIM AGAINST ICANN ON THE BASIS OF ANY OTHER LEGAL CLAIM."*

*Thus, assuming that the foregoing waiver of any and all judicial remedies is valid and enforceable, then the only and ultimate "accountability" remedy for an applicant is the IRP.*

147. The IRP Panel in this case considers that the IRP panel in the *DCA Final Declaration*, and Vistaprint, have made several forceful arguments in favor of why the outcome of the IRP should be considered binding, especially to ensure the efficacy of the IRP as an accountability mechanism. Vistaprint has also urged that the IRP, at least with respect to applicants for new gTLD strings, is not merely a corporate accountability mechanism aimed at *internal* stakeholders, but operates to assess ICANN's responsibilities in relation to *external* third parties. And the outcome of the IRP is binding on these third parties, even if it is not binding on ICANN and its Board. In similar circumstances, it would not be uncommon that individuals, companies or even governments, would agree to participate in dispute resolution processes with third parties that are binding, at least *inter partes*.
148. However, as explained above, the IRP Panel concludes that the distinction between a "binding" declaration on the violation/liability question (and certain other matters as discussed above), on the one hand, and a "non-binding" declaration when it comes to recommending that the Board take or refrain from taking any action or decision, on the other hand, is most faithful to the terms and spirit of the charter instruments upon which the Panel's jurisdiction is based. To the extent that there is any disagreement with this approach, it is for ICANN to consider additional steps to address any ambiguities that might remain concerning the authority of the IRP panel and the legal effect of the IRP declaration.
149. Authority to award affirmative relief: The IRP Panel's analysis on this issue is closely related to, and dependent upon, its analysis of the binding vs. non-binding issue

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<sup>199</sup> *DCA Final Declaration*, ¶ 38 (quoting *DCA Third Declaration on IRP Procedure*).

immediately above. To the extent that the IRP Panel renders any form of relief whereby the Panel would direct the Board to take, or refrain from taking, any action or decision, that relief must be “recommend[ed]” to the Board, which then “reviews and acts upon the opinion of the IRP,” as specified in § 3.11(d) of the Bylaws. Relatedly, Supplementary Rule 7 provides that an “IRP Panel may recommend that the Board stay any action or decision, or that the Board take any interim action, until such time as the Board reviews and acts upon the IRP declaration.” Consequently, the IRP Panel finds that it does not have authority to render affirmative relief requiring ICANN’s Board to take, or refrain from taking, any action or decision.

**b. SCO Proceedings Claim**

150. The IRP Panel has carefully reviewed Vistaprint’s arguments concerning ICANN’s alleged violation of its Articles and Bylaws in relation to this *SCO Proceedings Claim*. However, as stated above, the IRP Panel does not review the actions or inactions of ICANN’s staff or any third parties, such as the ICDR or SCO experts, who provided services to ICANN. Instead, the IRP Panel’s focus is on ICANN’s Board and the BGC, which was delegated responsibility from the full Board to consider Vistaprint’s Request for Reconsideration.<sup>200</sup>
151. The core of Vistaprint *SCO Proceedings Claim* is that ICANN’s Board improperly disregarded accumulated errors made by the ICDR and the SCO experts (especially the Third Expert) during the *Vistaprint SCO* proceedings, and in this way ICANN violated Article IV of the Articles of Incorporation and certain provisions of the Bylaws, as well as the Guidebook.
152. Vistaprint contends that ICANN’s Board must verify whether or not, by accepting the SCO expert determination, it is acting consistent with its obligations under its Articles, Bylaws and Affirmation of Commitments,<sup>201</sup> and that ICANN would be in violation of these obligations if it were to blindly accept an expert determination in circumstances where the ICDR and/or the expert had failed to comply with the Guidebook and the New gTLD Objections Procedure and/or the ICDR Rules for SCOs, or where a panel had failed to correctly apply the standard set by ICANN.<sup>202</sup>
153. The IRP Panel disagrees with Vistaprint’s contention on this point. Although the Guidebook provides in § 5.1 that ICANN’s Board of Directors has ultimate responsibility for the New gTLD Program, there is no affirmative duty stated in the Articles, Bylaws or

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<sup>200</sup> Article IV, §2.15 of ICANN’s Bylaws provides that:

*For all Reconsideration Requests brought regarding staff action or inaction, the Board Governance Committee shall be delegated the authority by the Board of Directors to make a final determination and recommendation on the matter. Board consideration of the recommendation is not required. As the Board Governance Committee deems necessary, it may make recommendation to the Board for consideration and action. The Board Governance Committee’s determination on staff action or inaction shall be posted on the Website. The Board Governance Committee’s determination is final and establishes precedential value.*

<sup>201</sup> Request, ¶ 6.

<sup>202</sup> Request, ¶ 6.

Guidebook that the Board must to review the result in each and every SCO case. Instead, the Guidebook § 3.4.6 provides that:

*The findings of the [SCO] panel will be considered an expert determination and advice that ICANN will accept within the dispute resolution process.*<sup>203</sup>

[Underlining added]

154. In the case of an adverse SCO determination, the applicant for a new gTLD string is not left without any recourse. Module 6.6 of the Guidebook provides that an applicant “*MAY UTILIZE ANY ACCOUNTABILITY MECHANISM SET FORTH IN ICANN’S BYLAWS FOR PURPOSES OF CHALLENGING ANY FINAL DECISION MADE BY ICANN WITH RESPECT TO THE APPLICATION*” (no emphasis added).<sup>204</sup>

155. The Reconsideration Request is an “accountability mechanism” that can be invoked by a gTLD applicant, as it was used by Vistaprint, to challenge the result in SCO proceedings. Article IV, § 2.2 of the Bylaws provides that:

*Any person or entity may submit a request for reconsideration or review of an ICANN action or inaction (“Reconsideration Request”) to the extent that he, she, or it have been adversely affected by:*

- a. *one or more staff actions or inactions that contradict established ICANN policy(ies); or*
- b. *one or more actions or inactions of the ICANN Board that have been taken or refused to be taken without consideration of material information, except where the party submitting the request could have submitted, but did not submit, the information for the Board’s consideration at the time of action or refusal to act; or*
- c. *one or more actions or inactions of the ICANN Board that are taken as a result of the Board’s reliance on false or inaccurate material information.*

156. In line with Article IV, § 2.2 of the Bylaws, Vistaprint submitted its Reconsideration Request to challenge actions of the ICDR and SCO experts, claiming their conduct contradicted ICANN policies. While Guidebook, § 5.1 permits ICANN’s Board to individually consider new gTLD applications, such as through the RFR mechanism, it does not require that the Board do so in each and every case, *sua sponte*. The Guidebook, § 5.1, provides in relevant part that:

*ICANN’s Board of Directors has ultimate responsibility for the New gTLD Program. The Board reserves the right to individually consider an application for a new gTLD to determine whether approval would be in the best interest of the Internet community. Under exceptional circumstances, the Board may individually consider a gTLD application. For example, the Board might individually consider an application as a result ... the use of an ICANN accountability mechanism.*<sup>205</sup>

157. The IRP Panel determines that in the absence of a party’s recourse to an accountability

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<sup>203</sup> Guidebook, § 3.4.6. The New gTLD Objections Procedure further provides in Article 2(d) that:

*The ‘Expert Determination’ is the decision upon the merits of the Objection that is rendered by a Panel in a proceeding conducted under this Procedure and the applicable DRSP Rules that are identified in Article 4(b).*

<sup>204</sup> Guidebook, § 6.6.

<sup>205</sup> Guidebook, § 5.1.

mechanism such as the RFR, the ICANN Board has no affirmative duty to review the result in any particular SCO case.

158. In this case, Vistaprint did submit a Reconsideration Request and the BGC did engage in a detailed review of the alleged errors in process and procedures raised by Vistaprint. The BGC explained what it considered to be the scope of its review, which is consistent with the mandate in Article IV, § 2.2 of the Bylaws for review of “staff actions or inactions that contradict established ICANN policies”:

*In the context of the New gTLD Program, the reconsideration process does not call for the BGC to perform a substantive review of expert determinations. Accordingly, the BGC is not to evaluate the Panel’s substantive conclusion that the Requester’s applications for .WEBS are confusingly similar to the Requester’s application for .WEB. Rather, the BGC’s review is limited to whether the Panel violated any established policy or process in reaching that Determination.*<sup>206</sup>

159. In contrast to Vistaprint’s claim that the BGC failed to perform its task properly and “turned a blind eye to the appointed Panel’s lack of independence and impartiality”, the IRP Panel finds that the BGC provided in its 19-page decision a detailed analysis of (i) the allegations concerning whether the ICDR violated its processes or procedures governing the SCO proceedings and the appointment of, and challenges to, the experts, and (ii) the questions regarding whether the Third Expert properly applied the burden of proof and the substantive standard for evaluating a String Confusion Objection. On these points, the IRP Panel finds that the BGC’s analysis shows serious consideration of the issues raised by Vistaprint and, to an important degree, reflects the IRP Panel’s own analysis.<sup>207</sup>

160. For example, in relation to Vistaprint’s contention that the First Expert failed to maintain independence and impartiality, in violation of Article 13(c) of the New gTLD Objections Procedure, the BGC reasoned:

*The only evidence the [Vistaprint] cites in support of its argument that Mr. Koh failed to maintain his independence during the proceeding is the ICDR’s statement that it had decided to remove Mr. Koh “due to a new conflict.” (Request, Section 10, Pgs. 9-10.) The ICDR did not provide any further information as to the nature of the conflict. Conflicts can take many forms, such as scheduling or personal conflicts unrelated to the proceedings. There is no evidence that the conflict that inflicted*

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<sup>206</sup> BGC Determination, p. 7, Request, Annex 26.

<sup>207</sup> Vistaprint also asserted that based on the Third Expert’s determination in the *Vistaprint SCO*, the Third Expert lacked impartiality and independence, or alternatively lacked qualification. On a complete review of the entire record in this case, including the SCO proceedings and the Reconsideration Request before the BGC, the IRP Panel has found no foundation for these allegations against the Third Expert, and no violation of ICANN’s Articles or Bylaws in the manner in which the BGC handled these assertions. The BGC found that these assertions were insufficient to merit reconsideration, as stated in its RFR decision, in footnote 10:

*[Vistaprint] concludes with the following claim: “The cursory nature of the Decision and the arbitrary and selective discussion of the parties’ arguments by the Panel show the lack of either the Panel’s independence and impartiality or the Panel’s appropriate qualifications.” (Request, Section 10, Pg. 23.) [Vistaprint’s] assertion is not accompanied by any discussion or further explanation for how ICANN processes were purportedly violated. [Vistaprint’s] summary conclusions are without merit and insufficient to warrant reconsideration. Furthermore, [Vistaprint’s] claim that the Determination was “cursory” and only contained “selective discussion of the parties’ arguments” is unsupported. The Determination was eighteen pages long and contained more than six pages of discussion of the parties’ arguments and evidence.*

*Mr. Koh was related to the instant proceedings or otherwise impacted Mr. Koh's ability to remain impartial and independent.*

*Furthermore, [Vistaprint] neither claims to have been, nor presents any evidence of being, materially and adversely affected by Mr. Koh's removal. Indeed, had [Vistaprint] successfully challenged Mr. Koh for lack of independence at the time he was removed, the remedy under the applicable ICDR procedures would have been the removal of Mr. Koh, which was the result here.<sup>208</sup>*

161. The BGC concluded that Vistaprint provided no evidence of being materially and adversely affected by the First Expert's removal. Moreover, to the extent that there was an impact due to the First Expert stepping down, this conduct was attributable to the First Expert, not to the ICDR. As the BGC states, had there been a concern about the First Expert's lack of independence, the remedy under the applicable ICDR procedures would have been the removal of that expert, which is what actually occurred.

162. Vistaprint also argued that the BGC conducted no investigation as to the nature of the new conflict that confronted the First Expert and instead "developed baseless hypotheses for the other reasons that could have led to this Panel stepping down."<sup>209</sup> In this respect, perhaps the BGC could have sought to develop evidence on this issue by inquiring with the ICDR about the circumstances concerning the First Expert. Article IV, § 2.13 of the Bylaws provides the BGC "may also request information relevant to the request from third parties," but it does not require that the BGC do so. However, it would not have changed the outcome, as noted above. It is also noteworthy that Article IV, § 2.2(b) of the Bylaws provides that a party may submit a Reconsideration Request to the extent that the party has been adversely affected by:

*one or more actions or inactions of the ICANN Board that have been taken or refused to be taken without consideration of material information, except where the party submitting the request could have submitted, but did not submit, the information for the Board's consideration at the time of action or refusal to act.*

163. Here, there was no showing that Vistaprint attempted to develop information concerning how the removal of the First Expert might have had a material and adverse impact on Vistaprint, or information concerning the reasons for the First Expert stepping down.

164. Vistaprint also alleged that the ICDR unjustifiably accepted a challenge to the Second Expert, or created the circumstances for such a challenge. As the BGC noted, the procedure governing challenges to experts is set forth in Article 2 § 3 of the ICDR's New gTLD Objections Procedure, which provides:

*Upon review of the challenge the DRSP in its sole discretion shall make the decision on the challenge and advise the parties of its decision.*

165. The BGC reasoned that while Vistaprint may disagree with the ICDR's decision to accept the challenge to the Second Expert, that decision was in the "sole discretion" of the ICDR and it was not the BGC's role to second guess the ICDR's discretion in this regard.<sup>210</sup> The IRP Panel finds that the BGC violated no Article, Bylaw or the Guidebook by taking this

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<sup>208</sup> BGC Determination, p. 12, Request, Annex 26.

<sup>209</sup> Request, ¶ 77.

<sup>210</sup> BGC Determination, p. 12, Request, Annex 26.

view. However, it does appear that the ICDR might have avoided the challenge situation in the first place by appointing someone other than the Second Expert – who had served as the expert panel in previous SCO case administered by the ICDR – given that the basis for the challenge against him, which the ICDR accepted, was his involvement in the previous case.

166. Vistaprint also claimed that the Third Expert incorrectly applied both the burden of proof and the substantive criteria for evaluating the String Confusion Objection. The BGC rejected these contentions and the IRP Panel agrees. The BGC’s decision looked closely at the standard to be applied in String Confusion Objection proceedings, as well as how the Third Expert extensively detailed the support for his conclusion that the .WEBS string so nearly resembles .WEB – visually, aurally and in meaning – that it is likely to cause confusion.<sup>211</sup> In this respect, the BGC did not violate ICANN’s Articles or Bylaws by determining that the Third Expert properly applied the relevant Guidebook policy for String Confusion Objections. As the BGC noted,

*The Requester’s disagreement as to whether the standards should have resulted in a finding in favor of Requester’s application does not mean that the panel violated any policy or process in reaching the decision.*<sup>212</sup>

167. The Guidebook provides that the following evaluation standard is to be applied in String Confusion Objection proceedings:

*3.5.1 String Confusion Objection*

*A DRSP panel hearing a string confusion objection will consider whether the applied-for gTLD string is likely to result in string confusion. String confusion exists where a string so nearly resembles another that it is likely to deceive or cause confusion. For a likelihood of confusion to exist, it must be probable, not merely possible that confusion will arise in the mind of the average, reasonable Internet user. Mere association, in the sense that the string brings another string to mind, is insufficient to find a likelihood of confusion.*

168. Vistaprint in its Request emphasized that ICANN has indicated that the SCO test sets a high bar<sup>213</sup>:

22. *At various times, ICANN has indicated that the string confusion test sets a high bar:*

- “[T]he standard indicates that confusion must be probable, not merely possible, in order for this sort of harm to arise. Consumers also benefit from competition. For new gTLDs, the similarity test is a high bar, as indicated by the wording of the standard.[...] Therefore, while the objection and dispute resolution process is intended to address all types of similarity, the process is not intended to hobble competition or reserve a broad set of string [sic] for a first mover.” (fn. omitted)

- “Policy discussions indicate that the most important reason to disallow similar strings as top-level domain names is to protect Internet users from the increased exposure to fraud and other risks that could ensue from confusion of one string for another. This reasoning must be balanced against unreasonable exclusion of top-level labels and denial of applications where considerable investment

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<sup>211</sup> BGC Recommendation, pp. 15-18, Request, Annex 26.

<sup>212</sup> BGC Determination, p. 17, Request, Annex 26.

<sup>213</sup> Request, ¶¶ 22-23.



*has already been made. As the top-level grows in number of registrations, drawing too large a circle of “similarity protection” around each existing string will quickly result in the unnecessary depletion of available names. The unnecessary exclusion of names would also tend to stifle the opportunity of community representation at the top-level and innovation.” (fn. omitted)*

23. ICANN’s high standard for dealing with string confusion objections has been explicitly confirmed by the NGPC, which states that in the Applicant Guidebook ‘similar’ means:

*“strings so similar that they create a probability of user confusion if more than one of the strings is delegated into the root zone. During the policy development and implementation design phases of the New gTLD Program, aural and conceptual string similarities were considered. These types of similarity were discussed at length, yet ultimately not agreed to be used as a basis for the analysis of the string similarity panels’ consideration because on balance, this could have unanticipated results in limiting the expansion of the DNS as well as the reach and utility of the Internet. [...] The NGPC reflected on existing string similarity in the DNS and considered the positive and negative impacts. The NGPC observed that numerous examples of similar strings, including singulars and plurals exist within the DNS at the second level. Many of these are not registered to or operated by the same registrant. There are thousands of examples [...]” (NGPC Resolution 2014.02.056. NG02).*

169. The passages quoted by Vistaprint, referencing ICANN materials and a resolution of the NGPC, arguably provide useful context in applying the test for String Confusion Objections. After citing these passages, however, Vistaprint contends in its Request that

*“[a]s a result, two strings should only be placed in a contention set if they are so similar that they would create a probability of user confusion were both to be delegated into the root zone, and the finding of confusing similarity must be balanced against the risk of unreasonable exclusion of top-level labels and the denial of applications” (no underlining added).<sup>214</sup>*

170. However, the problem with the test as posited by Vistaprint is that it would add a balancing element that is not in the Guidebook’s standard: according to Vistaprint the finding of confusing similarity must be balanced against the risk of unreasonable exclusion of top-level labels and the denial of applications. This part of the standard (as advanced by Vistaprint) is not in the Guidebook, although the concerns it represents were reflected in the other ICANN materials. The Guidebook standard is as follows:

*String confusion exists where a string so nearly resembles another that it is likely to deceive or cause confusion. For a likelihood of confusion to exist, it must be probable, not merely possible that confusion will arise in the mind of the average, reasonable Internet user. Mere association, in the sense that the string brings another string to mind, is insufficient to find a likelihood of confusion.*

171. There is no reference in this standard to balancing the likelihood of confusion against the needs to promote competition and to guard against the unreasonable exclusion of top-level strings. While it might be advisable to consider whether the standard for String Confusion Objections should be revised to incorporate such a balancing test, these elements were not in the policy that was applied by the Third Expert. Nor was there a violation, by the BGC or the ICANN Board, of any Articles or Bylaws in formulating the SCO standard as it was formulated (based on community input), and in determining that the Third Expert properly applied this policy.

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<sup>214</sup> Request, ¶ 24.

172. ICANN has argued that the time for Vistaprint to have objected to the Guidebook and its SCO policy has long since passed. Vistaprint has responded that it contests the *implementation* of the Guidebook and its *policies*, not just the policies themselves. Even assuming that the Guidebook's policies could be challenged at this point, the IRP Panel finds that the relevant policies, such as the standard for evaluating String Confusion Objections, do not violate any of ICANN's Articles or Bylaws reflecting principles such as good faith, fairness, transparency and accountability. However, the Panel does agree with ICANN that the time for challenging the Guidebook's standard for evaluating String Confusion Objections – which was developed in an open process and with extensive input – has passed.
173. Vistaprint has also complained that it was not provided with the opportunity to appeal the Third Expert's decision on the merits, such that the BGC or some other entity would re-evaluate the Expert's string confusion determination. As noted above, the BGC's review focused on whether the ICDR and the Third Expert properly applied the relevant rules and policies, not on whether the BGC, if it had considered the matter *de novo*, would have found string confusion as between the .WEBS and .WEB strings.
174. The IRP Panel finds that the lack of an appeal mechanism to contest the merits of the Third Expert's SCO determination is not, in itself, a violation of ICANN's Articles or Bylaws. ICANN's commitment through its Articles and Bylaws to act in good faith and with accountability and transparency, and to apply documented policies neutrally, objectively and fairly, does not require that it must have designed the SCO mechanism so that the result of a string confusion determination would be subject to a right of appeal. Other significant dispute resolution systems – such as the international legal regime for commercial arbitration regarding awards as final and binding<sup>215</sup> – do not normally provide for a right of appeal on the merits.
175. In respect of Vistaprint's *SCO Proceedings Claim*, the IRP Panel denies each of Vistaprint's claims concerning ICANN's alleged breaches of obligations under the Articles, Bylaws and Affirmation of Commitments, as follows:
- (1) Vistaprint claims that ICANN failed to comply with its obligation under Article 4 of the Articles and IV § 3.4 of the Bylaws to act in good faith with due diligence and independent judgment by failing to provide due process to Vistaprint's .WEBS applications.<sup>216</sup> The IRP Panel denies Vistaprint's claim that Vistaprint was not given a fair opportunity to present its case; was deprived of procedural fairness and the opportunity to be heard by an independent panel applying the appropriate rules; and was not given any meaningful opportunity for remedy or redress once the SCO determination was made, even in the RFR procedure.
  - (2) Vistaprint claims ICANN failed to comply with its obligation under Article I § 2.8 to neutrally, objectively and fairly apply documented policies as established in the

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<sup>215</sup> See *Convention on the Recognition and Enforcement of Foreign Arbitral Awards (New York, 1958)*.

<sup>216</sup> Request, ¶¶ 69-71.

Guidebook and Bylaws.<sup>217</sup> As discussed above, the IRP Panel rejects Vistaprint's claim that the *Vistaprint SCO* determination – finding that the .WEBS and .WEB gTLD strings are confusingly similar – is contradictory to ICANN's policy for String Confusion Objections as established in the Guidebook.

- (3) Vistaprint claims ICANN failed to comply with its obligation to act fairly and with due diligence and independent judgment as called for under Article 4 of the Articles of Incorporation, Articles I § 2.8 and IV § 3.4 of the Bylaws by accepting the SCO determination made by the Third Expert, who was allegedly not independent and impartial.<sup>218</sup> As noted above, the IRP Panel finds that there was no failure of the BGC to act with due diligence and independent judgment, and to act in good faith as required by ICANN's Bylaws and Articles, when it determined that Vistaprint's claim – that the Third Expert was not independent and impartial and/or was not appropriately qualified – did not merit reconsideration.
- (4) Vistaprint claims that ICANN failed to comply with its obligations under the Article 4 of the Articles, and Article I §§ 2.7 and 2.8 and Article III § 1 of the Bylaws (and Article 9.1 of the Affirmation of Commitments) to act fairly and transparently by failing to disclose/perform any efforts to optimize the service that the ICDR provides in the New gTLD Program.<sup>219</sup> The IRP Panel rejects Vistaprint's contention that the BGC's Reconsideration determination shows that the BGC made no investigation into Vistaprint's fundamental questions about the Third Expert's arbitrariness, lack of independence, partiality, inappropriate qualification, or that the BGC did not exercise due diligence in making its determination on this issue.
- (5) Vistaprint claims ICANN failed to comply with its obligation to remain accountable under Articles I § 2.10 and IV § 1 of the Bylaws (and Articles 3(a) and 9.1 of the Affirmation of Commitments) by failing to provide any remedy for its mistreatment of Vistaprint's gTLD applications.<sup>220</sup> The IRP Panel disagrees with Vistaprint's claim that ICANN's Board and the BGC adopted the Third Expert's SCO determination without examining whether it was made in accordance with ICANN's policy and fundamental principles under its Articles and Bylaws. In particular, as described above, the IRP Panel rejects Vistaprint's claim that the *Vistaprint SCO* determination is contradictory to ICANN's policy as established in the Guidebook and agrees with the BGC's analysis on this issue. Regarding Vistaprint's contention that ICANN should have created a review mechanism for challenging the substance of SCO expert determinations, as discussed above, the IRP Panel finds that the lack of such a general appeal mechanism creates no inconsistency with ICANN's Articles or Bylaws.
- (6) Vistaprint claims ICANN failed to promote competition and innovation under Articles I § 2.2 (and Article 3(c) of the Affirmation of Commitments) by accepting the Third

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<sup>217</sup> Request, ¶ 72.

<sup>218</sup> Request, ¶ 73.

<sup>219</sup> Request, ¶¶ 52 and 77.

<sup>220</sup> Request, ¶¶ 78-79.

Expert's determination.<sup>221</sup> Finally, the IRP Panel disagrees with Vistaprint's contention that the Board's acceptance of the determination in the *Vistaprint SCO* was contrary to ICANN's Bylaws because it was contrary to the interests of competition and consumers.

### c. Disparate Treatment Claim

176. Vistaprint's final claim is one that raises a close question for this IRP Panel. Vistaprint contends that ICANN's Board discriminated against Vistaprint through the Board's (and the BGC's) acceptance of the Third Expert's determination in the *Vistaprint SCO*, while allowing other gTLD applications with equally serious string similarity concerns to proceed to delegation<sup>222</sup>, or permitting still other applications that were subject to an adverse SCO determination to go through a separate additional review mechanism.

177. The IRP Panel agrees with Vistaprint's statement that the "IRP Panel's mandate includes a review as to whether or not ICANN's Board discriminates in its interventions on SCO expert determinations."<sup>223</sup> As discussed above, in the Guidebook, § 5.1, ICANN has reserved the right to individually consider an application for a new gTLD to determine whether approval would be in the best interest of the Internet community:

*....The Board reserves the right to individually consider an application for a new gTLD to determine whether approval would be in the best interest of the Internet community. Under exceptional circumstances, the Board may individually consider a gTLD application....*<sup>224</sup>

178. However, as a counterbalance against this reserved power to individually consider new gTLD applications, the ICANN Board must also comply with Article II, § 3 of ICANN's Bylaws, providing for non-discriminatory treatment:

#### *Section 3 (Non-Discriminatory Treatment)*

*ICANN shall not apply its standards, policies, procedures, or practices inequitably or single out any particular party for disparate treatment unless justified by substantial and reasonable cause, such as the promotion of effective competition.*

179. As Vistaprint maintains in its First Additional Submission, "[w]hen the ICANN Board individually considers an application, it must make sure that it does not treat applicants inequitably and that it does not discriminate among applicants."<sup>225</sup>

180. As discussed above in relation to standard of review, the IRP Panel considers that the Board's actions or omissions in this area of alleged non-discriminatory treatment bear the scrutiny of independent and objective review, without any presumption of correctness. Moreover, ICANN's Bylaws in Article I, § 2 set out its core values that should guide the

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<sup>221</sup> Request, ¶ 80.

<sup>222</sup> ICANN has permitted the delegation of the .car and .cars gTLDs, the .auto and .autos gTLDs, the .accountant and .accountants gTLDs, the .fan and .fans gTLDs, the .gift and .gifts gTLDs, the .loan and .loans gTLDs, the .new and .news gTLDs and the .work and .works gTLDs.

<sup>223</sup> Vistaprint's Second Additional Submission, ¶ 20.

<sup>224</sup> Guidebook, § 5.1.

<sup>225</sup> Vistaprint's First Additional Submission, ¶ 31.

decisions and actions of ICANN, including the requirement, when balancing among competing core values, to exercise judgment to determine which core values are the most relevant and how they apply to the specific circumstances at hand. Of particular relevance to Vistaprint's disparate treatment claim are the core values set out in §§ 2.8 and 2.9:

*8. Making decisions by applying documented policies neutrally and objectively, with integrity and fairness.*

\* \* \* \*

*10. Remaining accountable to the Internet community through mechanisms that enhance ICANN's effectiveness.*

*These core values are deliberately expressed in very general terms, so that they may provide useful and relevant guidance in the broadest possible range of circumstances. Because they are not narrowly prescriptive, the specific way in which they apply, individually and collectively, to each new situation will necessarily depend on many factors that cannot be fully anticipated or enumerated; and because they are statements of principle rather than practice, situations will inevitably arise in which perfect fidelity to all eleven core values simultaneously is not possible. Any ICANN body making a recommendation or decision shall exercise its judgment to determine which core values are most relevant and how they apply to the specific circumstances of the case at hand, and to determine, if necessary, an appropriate and defensible balance among competing values.*

*[Underlining added]*

181. Vistaprint's disparate treatment claim is based on the following allegations:

- On June 25, 2013, the NGPC, a sub-committee of ICANN's Board, determined in Resolution 2013.06.25.NG07 that no changes were needed to the existing mechanisms in the Guidebook to address potential consumer confusion from allowing singular and plural versions of the same gTLD string. The NGPC had addressed this issue in response to advice from the ICANN's Government Advisory Committee ("GAC") that due to potential consumer confusion, the Board should "reconsider its decision to allow singular and plural version of the same strings."
- On February 5, 2014, the day before Vistaprint submitted its Reconsideration Request to the BGC on February 6, 2014, the NGPC approved Resolution 2014.02.05.NG02, which directed ICANN's President to initiate a public comment period on framework principles of a potential review mechanism to address perceived inconsistent String Confusion Objection expert determinations. The NGPC resolution provides in relevant part:

*Whereas, on 10 October 2013 the Board Governance Committee (BGC) requested staff to draft a report for the NGPC on String Confusion Objections "setting out options for dealing with the situation raised within this Request, namely the differing outcomes of the String Confusion Objection Dispute Resolution process in similar disputes involving Amazon's Applied-for String and TLDH's Applied-for String."*

*Whereas, the NGPC is considering potential paths forward to address the perceived inconsistent Expert Determinations from the New gTLD Program String Confusion Objections process, including implementing a review mechanism. The review will be limited to the String Confusion Objection Expert Determinations for .CAR/.CARS and .CAM/.COM.*

*Whereas, the proposed review mechanism, if implemented, would constitute a change to the current String Confusion Objection process in the New gTLD Applicant Guidebook.*

*Whereas, the NGPC is undertaking this action pursuant to the authority granted to it by the*

Board on 10 April 2012, to exercise the ICANN Board's authority for any and all issues that may arise relating to the New gTLD Program.

Resolved (2014.02.05.NG02), the NGPC directs the President and CEO, or his designee, to publish for public comment the proposed review mechanism for addressing perceived inconsistent Expert Determinations from the New gTLD Program String Confusion Objections process.

[Underlining added]

- Vistaprint emphasizes that ICANN's Board (through the NGPC) took this decision the day before Vistaprint filed its Reconsideration Request; however, this did not prevent the BGC from denying Vistaprint's RFR less than one month later without considering whether such a review mechanism might also be appropriate for dealing with the SCO determination involving .WEBS/.WEB.<sup>226</sup>
- Vistaprint's Reconsideration Request and the BGC's decision on that Request rendered on February 27, 2014 contain no reference to the concerns that had been raised both by the BGC (on October 10, 2013 in a prior RFR determination) and the NGPC in its February 5, 2014 resolution concerning inconsistent expert SCO determinations, some of which involved plural and singular versions of the same gTLD string. Neither Vistaprint nor the BGC raised any discussion of disparate treatment at that time. The BGC's determined that its decision on Vistaprint's Reconsideration Request "shall be final and does not require Board (or NGPC) consideration."<sup>227</sup>
- On October 12, 2014, approximately 8 months after the BGC's decision on Vistaprint's Reconsideration Request, and after Vistaprint had filed its Request in this IRP (in June 2014), the NGPC approved Resolution 2014.10.12.NG02, in which it identified certain SCO expert determinations "as not being in the best interest of the New gTLD Program and the Internet community," and directed ICANN's President to establish processes and procedures to re-evaluate certain previous SCO expert determinations. Resolution 2014.10.12.NG02 also stated in its rationale:

*The NGPC also considered whether there was a reasonable basis for certain perceived inconsistent Expert Determinations to exist, and particularly why the identified Expert Determinations should be sent back to the ICDR while other Expert Determinations should not. The NGPC notes that while on their face some of the Expert Determinations may appear inconsistent, including other SCO Expert Determinations, and Expert Determinations of the Limited Public Interest and Community Objection processes, there are reasonable explanations for these seeming discrepancies, both procedurally and substantively.*

*First, on a procedural level, each expert panel generally rests its Expert Determination on materials presented to it by the parties to that particular objection, and the objector bears the burden of proof. Two panels confronting identical issues could – and if appropriate should – reach different determinations, based on the strength of the materials presented.*

*Second, on a substantive level, certain Expert Determinations highlighted by the community that purportedly resulted in "inconsistent" or "unreasonable" results, presented nuanced distinctions*

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<sup>226</sup> Request, ¶ 52.

<sup>227</sup> BGC Recommendation, p. 19, Request, Annex 26.

relevant to the particular objection. These nuances should not be ignored simply because a party to the dispute disagrees with the end result. Further, the standard guiding the expert panels involves some degree of subjectivity, and thus independent expert panels would not be expected to reach the same conclusions on every occasion. However, for the identified Expert Determinations, a reasonable explanation for the seeming discrepancies is not as apparent, even taking into account all of the previous explanations about why reasonably "discrepancies" may exist. To allow these Expert Determinations to stand would not be in the best interests of the Internet community.

The NGPC considered whether it was appropriate, as suggested by some commenters, to expand the scope of the proposed review mechanism to include other Expert Determinations, such as some resulting from Community and Limited Public Objections, as well as other String Confusion Objection Expert Determinations, and possibly singular and plural versions of the same string. The NGPC determined that to promote the goals of predictability and fairness, establishing a review mechanism more broadly may be more appropriate as part of future community discussions about subsequent rounds of the New gTLD Program. Applicants have already taken action in reliance on many of the Expert Determinations, including signing Registry Agreements, transitioning to delegation, withdrawing their applications, and requesting refunds. Allowing these actions to be undone now would not only delay consideration of all applications, but would raise issues of unfairness for those that have already acted in reliance on the Applicant Guidebook.

It should also be noted that in response to advice from the Governmental Advisory Committee (GAC), the NGPC previously considered the question of whether consumer confusion may result from allowing singular and plural versions of the same strings. On 25 June 2013, the NGPC adopted a resolution resolving "that no changes [were] needed to the existing mechanisms in the Applicant Guidebook to address potential consumer confusion resulting from allowing singular and plural versions of the same string" <http://www.icann.org/en/groups/board/documents/resolutions-new-gtld-25jun13-en.htm#2.d>. The NGPC again notes that the topic of singular and plural versions of the same string also may be the subject of further community discussion as it relates to future rounds of the New gTLD Program.

The NGPC considered community correspondence on this issue in addition to comments from the community expressed at the ICANN meetings. The concerns raised in the ICANN meetings and in correspondence have been factored into the deliberations on this matter.

- In view of the NGPC's Resolution 2014.10.12.NG02, Vistaprint describes its disparate treatment claim in its First Additional Submission as follows:

13 .... Since the filing of Vistaprint's request for IRP, the ICANN Board clarified how the string similarity standard must be applied. In its resolutions of 12 October 2014, the ICANN Board identified certain SCO determinations "as not being in the best interest of the New gTLD Program and the Internet community" and set out the rules for a re-evaluation of these SCO determinations (fn. omitted):

- A first SCO determination that needed re-evaluation is the SCO determination in which ICDR's expert accepted Verisign Inc.'s objection to United TLD Holdco Ltd. ('United TLD')'s application for .cam. We refer to this SCO determination as the 'United TLD Determination'. In the United TLD Determination, ICDR's appointed expert found United TLD's application for .cam confusingly similar to Verisign Inc. ('Verisign')'s .com gTLD (RM 23). The ICANN Board decided that (i) the United TLD Determination was not in the best interest of the New gTLD Program and the Internet community and (ii) a new three-member panel must be established to re-evaluate the United TLD Determination (fn. omitted).

Verisign had also raised a SCO on the basis of its .com gTLD against the application for .cam by Dot Agency Limited and the application for .cam by AC Webconnecting Holding B.V. In both cases, the appointed experts determined that no confusing similarity existed between the .cam and .com strings (fn. omitted). We refer to these SCO determinations as the 'Related .cam/.com Determinations'. The ICANN Board decided that the Related .cam/.com Determinations need no

re-evaluation. In addition, the ICANN Board recommended that the three-member panel charged with re-evaluating the United TLD Determination must review the Related .cam/.com Determinations as background (fn. omitted).

- Another SCO determination that needed re-evaluation is the determination in which ICDR's appointed expert accepted Commercial Connect LLC's objection to Amazon EU S.à.r.l. ('Amazon')'s application for .通販 (which means .onlineshopping in Japanese) (fn. omitted). We refer to this SCO determination as the 'Onlineshopping Determination'. ICDR's appointed expert found in the Onlineshopping Determination that Amazon's application for .通販 was confusingly similar to Commercial Connect LLC's application for .shop. Commercial Connect LLC also invoked its application for .shop in a SCO against Top Level Domain Holdings Limited's application .购物 (which means 'shop' in Chinese). ICDR's appointed expert rejected the latter SCO (fn. omitted). We refer to this SCO determination as the 'Related shop/.shop Determination'. The ICANN Board decided that a three-member panel needs to re-evaluate the Onlineshopping Determination and that no re-evaluation is needed for the Related shop/.shop Determination. The ICANN Board decided that the Related shop/.shop Determination must be reviewed as background by the three-member panel that is charged with re-evaluating the Onlineshopping Determination (fn. omitted).

14. The ICANN Board's recommendations to the three-member panels charged with the re-evaluation of the United TLD Determination and the Onlineshopping Determination are clear. Related determinations – involving the same gTLD string(s) and finding that there is no confusing similarity – will not be re-evaluated and must be taken into account in the re-evaluations.

15. Upon instigation of the ICANN Board, ICANN had developed the same process for re-evaluating the SCO determination in which ICDR's appointed expert accepted Charleston Road Registry Inc. ('CRR')'s objection to DERCars, LLC's application for .cars. We refer to this SCO determination as the 'DERCars Determination'. In the DERCars Determination, ICDR's appointed expert found DERCars, LLC's application for .cars confusingly similar to CRR's application for .car. CRR had also objected to the applications for .cars by Uniregistry, Corp. and Koko Castle, LLC, claiming confusing similarity with CRR's application for .car. The latter objections by CRR were not successful. ICANN decided that DERCars, LLC should be given the option of having the DERCars Determination reviewed. ICANN was not allowing a review of the other SCO determinations involving .car and .cars (fn. omitted).

16. The above shows that ICANN and its Board have always decided in favor of co-existence of 'similar' strings. The ICANN Board explicitly allowed singular and plural gTLD strings to co-exist (fn. omitted). To support this view, the ICANN Board referred to the existence of thousands of examples of singular and plurals within the DNS at second level, which are not registered to or operated by the same registrant. The ICANN Board inter alia referred to the co-existing car.com and cars.com (fn. omitted).

17. Why did the ICANN Board intervene in the DERCars determination – involving the strings .car and .cars – but refused to intervene in the SCO Determination involving .web and .webs? In view of the small number of SCO Determinations finding confusing similarity between two strings (fn. omitted), it is a true mystery why the ICANN Board intervened in some matters, but refused to do so in the SCO determinations on Vistaprint's applications for .webs.

18. If anything, the .webs/.web string pair is less similar than the .cars/.car string pair. Cars is commonly used as the plural for car. Web, however, commonly refers to the world wide web, and as such, it is not normally a word where the plural form would be used.

182. Vistaprint contends that ICANN cannot justify the disparate treatment described above. While Vistaprint recognizes that ICANN's Board intervened to address perceived inconsistent or otherwise unreasonable SCO expert determinations, ICANN failed to explain why the SCO determination on Vistaprint's .WEBS applications was not just as unreasonable as the SCO expert determinations involving .cars/.car, .cam/.com, and 通販



/.shop.

183. In response to Vistaprint's disparate treatment claim, ICANN contends that ICANN's Board only intervened with respect to certain SCO expert determinations because there had been several independent expert determinations regarding the same strings that were seemingly inconsistent with one another. ICANN states that is not the case with respect to Vistaprint's applications, as no other expert determinations were issued regarding the similarity of .WEB and .WEBS.<sup>228</sup> ICANN further urges that the Board was justified in exercising its discretion to intervene with respect to the inconsistent SCO expert determinations regarding .COM/.CAM, .CAR/.CARS and .SHOP/.通販, because the Board acted to bring certainty to differing SCO expert determinations regarding the same strings.<sup>229</sup> However, this justification was not present with respect to the single *Vistaprint SCO*.
184. Finally, ICANN stated that "Vistaprint has identified no Articles or Bylaws provision violated by the ICANN Board *in exercising its independent judgment to intervene with respect to certain inconsistent expert determinations on string confusion objections unrelated to this matter, but not with respect to the single Expert Determination regarding .WEB/.WEBS*" (italics added).<sup>230</sup>
185. The IRP Panel has considered carefully the parties' contentions regarding Vistaprint's disparate treatment claim. The Panel finds that, contrary to what ICANN has stated above, ICANN's Board did not have an opportunity to "exercise its independent judgment" – in particular, in view of its decisions to implement an additional review mechanism for certain other inconsistent SCO expert determinations – to consider specifically whether it should intervene with respect to the adverse SCO expert determination involving Vistaprint's .WEBS applications.
186. It is clear that ICANN's Board, through the BGC and the NGPC, was aware of the concerns involving inconsistent decisions in SCO proceedings when it decided Vistaprint's Reconsideration Request in February 2014. The NGPC, on the day (February 5, 2014) before Vistaprint filed its Reconsideration Request and in response to a request from the BGC, initiated a public comment period on framework principles for a potential review mechanism to address perceived inconsistent SCO expert determinations. However, the BGC's decision on the Reconsideration Request rendered on February 27, 2014 made no mention of these issues.<sup>231</sup> By comparison, there is no evidence that

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<sup>228</sup> ICANN's First Additional Submission, ¶ 5.

<sup>229</sup> ICANN's First Additional Submission, ¶ 18.

<sup>230</sup> ICANN's Second Additional submission, ¶ 21.

<sup>231</sup> In this regard, the IRP panel in the *Booking.com final Declaration* (¶ 119) quoted Mr. Sadowsky, a member of the Board's NGPC committee, commenting on the Reconsideration process as follows:

*The reconsideration process is a very narrowly focused instrument, relying solely upon investigating deviations from established and agreed upon process. As such, it can be useful, but it is limited in scope. In particular, it does not address situations where process has in fact been followed, but the results of such process have been regarded, sometimes quite widely, as being contrary to what might be best for significant or all segments of the...community and/or Internet users in general.*

Vistaprint was aware of these issues at the time it filed its Reconsideration Request on February 6, 2014. Vistaprint has raised them for the first time in a timely manner during the pendency of this IRP.

187. In accordance with Article 1, § 2 of the Bylaws, the Board *shall* exercise its judgment to determine which competing core values are most relevant and how they apply to arrive at a defensible balance among those values in relation to the case at hand. Given the timing of Vistaprint’s Reconsideration Request, and the timing of ICANN’s consultation process for potential review mechanisms to address inconsistent SCO expert determinations, this exercise of judgment by the Board has not yet occurred in the case of Vistaprint’s .WEBS gTLD applications.
188. Here, ICANN is subject to the requirements of Article II, § 3 of its Bylaws regarding non-discriminatory treatment, providing that it shall not apply its “standards, policies, procedures, or practices inequitably or single out any particular party for disparate treatment unless justified by substantial and reasonable cause.” ICANN has provided additional relief to certain gTLD applicants who were subject to adverse decisions in String Confusion Objection cases. In those cases, the differences in the gTLD strings at issue were not too dissimilar from the .WEBS/.WEB gTLD strings. One of the cases in which ICANN agreed to provide an additional mechanism for review involved a string confusion objection for the .CAR/.CARS strings, which involve the singular vs. plural of the same string. Meanwhile, many other singular and plural variations of the same gTLD strings have been permitted to proceed to delegation, including AUTO and .AUTOS; .ACCOUNTANT and ACCOUNTANTS; .FAN and .FANS; .GIFT and .GIFTS; .LOAN and .LOANS; .NEW and .NEWS; and .WORK and .WORKS.
189. This IRP Panel, among its three members, could not agree – in regards to the specific circumstances of Vistaprint’s gTLD applications – whether the reasons offered by ICANN in its Resolution 2014.10.12.NG02 for refusing the “to expand the scope of the proposed review mechanism to include other [SCO] Expert Determinations” would meet the standard of non-discrimination imposed by Article II, § 3 of the Bylaws, as well as the relevant core values in Article 1, § 2 of the Bylaws (e.g., applying documented policies neutrally and objectively, with integrity and fairness). For instance, one view is that limiting the additional review mechanism to only those SCO cases in which there were inconsistent decisions is a sufficient reason for intervening in these cases, but not in other SCO cases involving similar singular vs. plural gTLD strings where the applicant received an adverse decision. On the other hand, another view is that the real focus should be on the developments involving single vs. plural gTLDs strings, including the inconsistency of decisions and the offering of additional review mechanism in certain cases, and the delegation of so many other single/plural variations of the same gTLD strings, which are, at least in this way, similarly situated to the circumstances of the .WEBS/.WEB strings.<sup>232</sup>

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<sup>232</sup> Regarding inconsistent decisions, Vistaprint quoted the statement dated October 8, 2014, of ICANN’s former Chief Strategy Officer and Senior Vice President of Stakeholders Relations, Kurt Pritz, who had apparently been leading the introduction of the New gTLD Program, concerning ICANN’s objection procedure:

(Continued...)

190. The IRP Panel is mindful that it should not substitute its judgment for that of ICANN's Board. The Board has not yet considered Vistaprint's claim of disparate treatment, and the arguments that ICANN makes through its counsel in this IRP do not serve as a substitute for the exercise of independent judgment by the Board. Without the exercise of judgment by ICANN's Board on this question of whether there is any inequitable or disparate treatment regarding Vistaprint's .WEBS gTLD applications, the Board would risk violating its Bylaws, including its core values. As the Emergency IRP Panel found in the *GCC Interim IRP Declaration*:

*The ICANN Board does not have an unfettered discretion in making decisions. In bringing its judgment to bear on an issue for decision, it must assess the applicability of different potentially conflicting core values and identify those which are most important, most relevant to the question to be decided. The balancing of the competing values must be seen as "defensible", that is it should be justified and supported by a reasoned analysis. The decision or action should be based on a reasoned judgment of the Board, not on an arbitrary exercise of discretion.*

*This obligation of the ICANN Board in its decision making is reinforced by the standard of review for the IRP process under Article IV, Section 3.4 of the Bylaws, quoted at paragraph 42 b. above, when the action of the Board is compared to the requirements under the Articles and Bylaws. The standard of review includes a consideration of whether the Board exercised due diligence and care in having a reasonable amount of facts before them and also whether the Board exercised its own independent judgment.*<sup>233</sup>

191. Here, the IRP Panel finds that due to the timing and scope of Vistaprint's Reconsideration Request (and this IRP proceeding), and the timing of ICANN's consultation process and subsequent NGPC resolution authorizing an additional review mechanism for certain gTLD applications that were the subject of adverse SCO decisions, the ICANN Board has not had the opportunity to exercise its judgment on the question of whether, in view of ICANN's Bylaw concerning non-discriminatory treatment and based on the particular

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*There is no doubt that the New gTLD Program objection results are inconsistent, and not predictable. The fact is most easily demonstrated in the 'string confusion,' objections where challenges to exactly the same strings yielded different results. [...] With globally diverse, multiple panelists invoking untried standards and questions of first impression in an industry with which they were not familiar and had little training, the panelists were bound to deliver inconsistent, unpredictable results. ICANN put no mechanism put [sic] into place to rationalize or normalize the answers. [...] It is my opinion that ICANN, having proven in the initial evaluation context that it could do so, should have implemented measures to create as much consistency as possible on the merits in the objection rulings, requiring DRSPs to educate and train their experts as to the specific (and only) standards to employ, and to review and correct aberrant results. The failure to do so resulted in violation of the overarching policy articulated by the GNSO and adopted by the Board at the outset of the new gTLD Program, as well as policies stated in the Bylaws and Articles of Incorporation concerning on discrimination, application of document policies neutrally, objectively and fairly, promotion of competition, and accountability." (fn. omitted).*

<sup>233</sup> See *GCC Interim IRP Declaration*, ¶¶ 76-77 ("Upon completion of the various procedures for evaluation and for objections under the Guidebook, the question of the approval of the applied for domain still went back to the NGPC, representing the ICANN Board, to make the decision to approve, without being bound by recommendation of the GAC, the Independent Objector or even the Expert Determination. Such a decision would appear to be caught by the requirements of Article 1, Section 2 of the Bylaws requiring the Board or the NGPC to consider and apply the competing values to the facts and to arrive at a defensible balance among those values" ¶ 90 (underlining added).

circumstances and developments noted above, such an additional review mechanism is appropriate following the SCO expert determination involving Vistaprint's .WEBS applications.<sup>234</sup> Accordingly, it follows that in response to Vistaprint's contentions of disparate treatment in this IRP, ICANN's Board – and not this Panel – should exercise its independent judgment on this issue, in light of all of the foregoing considerations.

## VI. Prevailing Party; Costs

192. Article IV, § 3.18 of ICANN's Bylaws requires that the IRP Panel "specifically designate the prevailing party." This designation is relevant to the allocation of costs, given that the same section of the Bylaws provides that the "party not prevailing shall ordinarily be responsible for bearing all costs of the IRP Provider."
193. Article IV, § 3.18 of the Bylaws also states that "in an extraordinary case the IRP Panel may in its declaration allocate up to half of the costs of the IRP Provider to the prevailing party based upon the circumstances, including a consideration of the reasonableness of the parties' positions and their contribution to the public interest. Each party to the IRP proceedings shall bear its own expenses."
194. Similarly, the Supplementary Procedures provide in Rule 11:

*The IRP Panel shall fix costs in its Declaration. The party not prevailing in an IRP shall ordinarily be responsible for bearing all costs of the proceedings, but under extraordinary circumstances the IRP Panel may allocate up to half of the costs to the prevailing party, taking into account the circumstances of the case, including the reasonableness of the parties' positions and their contribution to the public interest.*

*In the event the Requestor has not availed itself, in good faith, of the cooperative engagement or conciliation process, and the requestor is not successful in the Independent Review, the IRP Panel must award ICANN all reasonable fees and costs incurred by ICANN in the IRP, including legal fees.*

195. Here, Vistaprint engaged in the Cooperative Engagement Process, although the process did not resolve the issues between the parties. The "IRP Provider" is the ICDR, and, in accordance with the ICDR Rules, the costs to be allocated between the parties – what the

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<sup>234</sup> The IRP Panel observes that the NGPC, in its Resolution 2014.10.12.NG02, sought to address the issue of why certain SCO expert determinations should be sent back to the ICDR while others should not. In that resolution, the NGPC determined that to promote the goals of predictability and fairness, establishing a review mechanism more broadly may be appropriate as part of future rounds in the New gTLD Program. The NGPC stated that applicants may have already taken action in reliance on SCO expert determinations, including signing Registry Agreements, transitioning to delegation, withdrawing their applications, and requesting refunds. However, in this case Vistaprint does not fall within the category of applicants who have taken such actions in reliance. Instead, it is still asserting its claims in this IRP proceeding. In accordance with the Bylaws, Vistaprint is entitled to an exercise of the Board's independent judgment to determine, based on the facts of the case at hand and in view of ICANN's Bylaws concerning non-discriminatory treatment and core values, whether Vistaprint should be entitled to the additional review mechanism that was made available to certain other gTLD applicants.

Bylaws call the "costs of the IRP Provider", and the Supplementary Procedures call the "costs of the proceedings" – include the fees and expenses of the IRP Panel members and of the ICDR.

196. ICANN is the prevailing party in this IRP. This designation is confirmed by the Panel's decisions concerning Vistaprint's requests for relief in this IRP:

- Vistaprint requests that the Panel find ICANN breached its Articles, Bylaws, and the Guidebook. The Panel declares that ICANN's Board (including the BGC) did not violate the Articles, Bylaws and Guidebook.
- Vistaprint requests that the Panel require ICANN to reject the Third Expert's determination in the *Vistaprint SCO*, disregard the resulting "Contention Set", and allow Vistaprint's applications for .WEBS to proceed on their merits. The Panel determines that it does not have authority to order the relief requested by Vistaprint. In addition, the Panel declares that the Board (through the BGC) did not violate the Articles, Bylaws and Guidebook in regards to the BGC's handling of Vistaprint's Reconsideration Request.
- Vistaprint requests, in the alternative, that the Panel require ICANN to reject the *Vistaprint SCO* determination and organize a new procedure, in which a three-member panel would re-evaluate the Third Expert's decision taking into account (i) the ICANN Board's resolutions on singular and plural gTLDs, as well as the Board's resolutions on the DERCars SCO Determination, the United TLD Determination, and the Onlineshopping SCO Determination, and (ii) ICANN's decisions to delegate the following gTLDs: .CAR and .CARS; .AUTO and .AUTOS; .ACCOUNTANT and ACCOUNTANTS; .FAN and .FANS; .GIFT and .GIFTS; .LOAN and .LOANS; .NEW and .NEWS; and .WORK and .WORKS. The Panel determines that it does not have authority to order the relief requested by Vistaprint. In addition, the Panel recommends that ICANN's Board exercise its judgment on the question of whether an additional review mechanism is appropriate to re-evaluate the Third Expert's determination in the *Vistaprint SCO*, in view of ICANN's Bylaws concerning core values and non-discriminatory treatment, and based on the particular circumstances and developments noted in this Declaration, including (i) the *Vistaprint SCO* determination involving Vistaprint's .WEBS applications, (ii) the Board's (and NGPC's) resolutions on singular and plural gTLDs, and (iii) the Board's decisions to delegate numerous other singular/plural versions of the same gTLD strings.

197. The IRP Panel also recognizes that Vistaprint, through its Request and submissions, raised certain complex and significant issues and contributed to the "public interest" involving the New gTLD Program and the Independent Review Process. It is therefore appropriate and reasonable to divide the IRP costs over the parties in a 60% (Vistaprint) / 40% (ICANN) proportion.

FOR THE FOREGOING REASONS, the IRP Panel hereby:

- (1) Declares that Vistaprint's IRP Request is denied;
- (2) Designates ICANN as the prevailing party;

(3) Recommends that ICANN's Board exercise its judgment on the question of whether an additional review mechanism is appropriate to re-evaluate the Third Expert's determination in the *Vistaprint SCO*, in view of ICANN's Bylaws concerning core values and non-discriminatory treatment, and based on the particular circumstances and developments noted in this Declaration, including (i) the *Vistaprint SCO* determination involving Vistaprint's .WEBS applications, (ii) the Board's (and NGPC's) resolutions on singular and plural gTLDs, and (iii) the Board's decisions to delegate numerous other singular/plural versions of the same gTLD strings;

(4) In view of the circumstances, Vistaprint shall bear 60% and ICANN shall bear 40% of the costs of the IRP Provider, including the fees and expenses of the IRP Panel members and the fees and expenses of the ICDR. The administrative fees and expenses of the ICDR, totaling US\$4,600.00 as well as the compensation and expenses of the Panelists totaling US\$229,167.70 are to be borne US\$140,260.62 by Vistaprint Limited and US\$93,507.08 by ICANN. Therefore, Vistaprint Limited shall pay to ICANN the amount of US\$21,076.76 representing that portion of said fees and expenses in excess of the apportioned costs previously incurred by ICANN upon demonstration that these incurred fees and costs have been paid; and

(5) This Final Declaration may be executed in any number of counterparts, each of which shall be deemed an original, and all of which together shall constitute the Final Declaration of this IRP Panel.

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Siegfried H. Elsing  
Date:

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Geert Glas  
Date:



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Christopher Gibson  
Chair of the IRP Panel  
Date: 9 Oct. 2015

(3) Recommends that ICANN's Board exercise its judgment on the question of whether an additional review mechanism is appropriate to re-evaluate the Third Expert's determination in the *Vistaprint SCO*, in view of ICANN's Bylaws concerning core values and non-discriminatory treatment, and based on the particular circumstances and developments noted in this Declaration, including (i) the *Vistaprint SCO* determination involving Vistaprint's .WEBS applications, (ii) the Board's (and NGPC's) resolutions on singular and plural gTLDs, and (iii) the Board's decisions to delegate numerous other singular/plural versions of the same gTLD strings;

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Siegfried H. Elsing  
Date: 9 October 2015

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Geert Glas  
Date:

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Christopher Gibson  
Chair of the IRP Panel  
Date:

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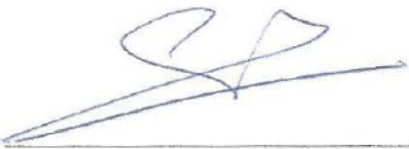
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(5) This Final Declaration may be executed in any number of counterparts, each of which shall be deemed an original, and all of which together shall constitute the Final Declaration of this IRP Panel.

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Date: 9 October 2015



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Christopher Gibson  
Chair of the IRP Panel

Date: 9 Oct. 2015





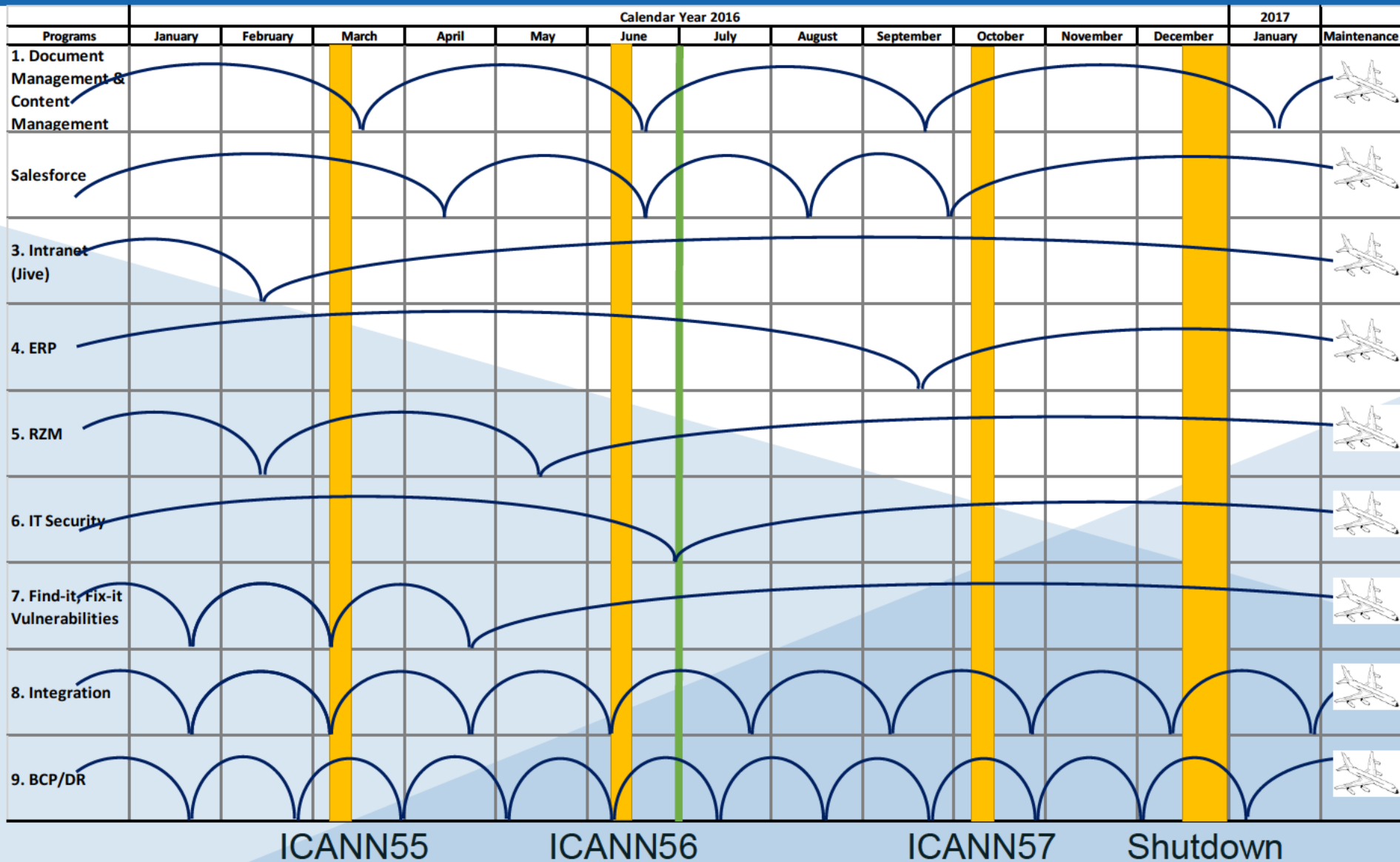
# Board - IT Information Update

Ashwin Rangan | 2 December 2015

# Calendar 2016 – Year 3 of a 4-year IT Program

- Calendar 2014 – On-boarded CIO => Took stock
- Calendar 2015 – Basics + Hiring + Planning
- Calendar 2016 – Teams in place + Execution
  1. New - Document Management System (Authoring + Repository)
  2. New - Distributed web-Content Management System
  3. New - End-to-end services for Contracted Parties (Salesforce.com)
  4. New – Root Zone Management (Supporting PTI)
  5. New – Intranet (Replacing Staff Wiki)
  6. New – ERP (HR, Financials and Procurement)
  7. Required - Integration between all major software services
  8. From 2014 – IT Infrastructure “hardening” (CSC score of 160+)
  9. From 2015 – Find and fix software vulnerabilities in code-base
  10. From 2013 – Business Continuity Planning + DR-based investments
- Calendar 2017 – Finish and finalize all programs

# “2016 - Year of Tooling ICANN” – Many planes...





# Focus – Fly and land them all SAFELY



# Managing our risks – Team approach

- **Consistent governance structures** (Global Leaders)
  - 3-tier Program governance: Steering Committee, Core team, WG
- **Change mngm't and Communication** (HR and Comms)
- **Process- and service-optimization** (Benefiting function/s)
- **Technology delivery** (IT team/s)
- **Outcomes and metrics tracking** (Function/s and Finance)
  - Definition of “Success” upfront
  - Progress and outcome metrics
- **Reports-out to the BRC + Board** (Board Ops + CEO)

