



# GNSO Working Session on the Vertical Integration PDP

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**CARTAGENA**  
no. 39 5 - 10 December 2010  
**DE INDIAS**



# Background - VI PDP

- PDP launched 28 Jan 2010 on an expedited timeline
- Initial Report- 23 July 2010
  - posted for 20 day public comment
- Revised Initial Report-18 Aug 2010
  - published in time for Board retreat
  - reported status, but no consensus
- Interim Report- 9 Nov 2010
  - published at the conclusion of Phase I of the VI Working Group's activities

<http://gnso.icann.org/issues/vertical-integration/vi-interim-report-phase-i-09nov10-en.pdf>

# Highlights of the VI Charter



## Preamble:

- The working group on vertical integration shall evaluate and propose policy recommendations for new gTLDs and existing gTLDs.
- The working group expects to define the range of restrictions on vertical separation that are currently in effect, to serve as a baseline to evaluate future proposals.
- 7 objectives described specific tasks to be accomplished during the PDP.
- Charter posted at: <http://gnso.icann.org/issues/vertical-integration/vi-wg-chartered-objectives-26feb10-en.pdf>

# Working Group Deliberations

## Short Term

- *Phase I*- Identify policy recommendations for the **first round** of new gTLD applicants

## Long Term

- *Phase II*- Identify policy recommendations to apply to **both new and existing TLDs**

# Recent developments



- Interim Report (Phase I)
  - Report published at conclusion of Phase I
  - No consensus recommendations for new gTLDs
  - No consensus on next steps for the PDP
  - Little interest in further deliberations on PDP following recent Board resolutions
- Proposed Final Applicant Guidebook eliminates most restrictions on Registrar cross-ownership
  - Registry Agreement to include a Registry Code of Conduct
  - Notice to ICANN and opportunity to refer to a competition authority

# Overview of Interim Report (Phase I)

- Not a final report- Phase II was not completed
- Several models for vertical integration evaluated, along with a listing of proponents, but no consensus on models
- Identifies principles that were explored but did not achieve consensus regarding:
  - Certain applicants likely to be impacted by restrictions on VI
  - Exceptions needed if a strict separation model adopted by ICANN
  - Single Registrant, Single User TLDs issues should be explored
  - Need for enhanced compliance efforts

# Next Steps- VI PDP



- GNSO Council to vote on termination of the PDP in Cartagena
- If PDP continues,
  - WG requests instructions from Council on future deliberations
  - VI Charter should be updated in light of recent developments
  - New Chairs to be appointed



Thank You

