



No. 49  
23-27 MARCH 2014

# Singapore





# New gTLD Auctions

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# Agenda

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- Auction Summary
- Public Comment Recap
- Auction Logistics
- Looking Ahead
- Q &A

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# Auctions Summary

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- Auctions Method of Last Resort per Applicant Guidebook 4.3
  - Ascending Clock 2<sup>nd</sup> Price Auction Mechanism
  - Simultaneous
  - Conducted over the internet
  - Deposit Required, equates to 10% of Bidding Limit
- Power Auctions LLC is the Auction Manager

# Auction Rules

Published 6 March 2014

- Details the requirements and procedures for majority of the Auction process
  - Eligibility
  - Pre – Auction Procedures
  - Bidding
  - Conclusion of an Auction
  - Payment, refund, and default

<http://newgtlds.icann.org/en/applicants/auctions/rules-26feb14-en.pdf>

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# Bidder Agreement & Bidder Forms Published 6 March 2014

- Bidder Forms allow for an alternate entity to represent the applicant in the Auction
  - Single bidder may represent applications from multiple applicants
  - Bidder info used to set up Auction account
- Bidder Agreement defines the terms and conditions for participating in an Auction
  - Agreement between Applicant, Bidder & Power Auctions

<http://newgtlds.icann.org/en/applicants/auctions/bidder-agreement-26feb14-en.pdf>

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# Auction Rules Public Comment Recap

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# Public Comment

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Period Opened: 17 Dec 2013

Period Closed: 4 Feb 2014

Comments Received: 23

Report Published 5 March 2014

<http://www.icann.org/en/news/public-comment/report-comments-new-gtld-auction-rules-05mar14-en.pdf>

Community Feedback utilized to finalize  
the Auction Rules and Bidder Agreement

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# Five Themes of the Public Comments

1

Use of Auctions or the Ascending Clock Auction Method

2

Timing, Scheduling, and Auction Logistics

3

Suggestions for the Auction Rules or Bidders Agreement

4

Use of Auction Proceeds

5

Auction Rules for Indirect Contention Sets

# Public Comments Incorporated

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## Enhancements to Rules & Bidder Agreement

- Increased lead time for Auction Rules Changes to 15 days
- Clarified anti-collusion language
- Removed Punitive Damages

## Schedule / Logistics:

- Schedule Published identifying all contention sets
- Multiple starting times for Auctions  
(13.00, 16.00, 20.00 UTC)

## Indirect Contention Sets

- Rules expected prior to first auction

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# Auction Logistics

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# Auction Process

## Intent to Auction Notification

- Applicant Executes Bidder Agreement & Bidder Forms
- Requests Postponement or Advancement
- **Response due in 28 days**

## ICANN Confirms Auction Date & Auction Token

- Auction Date finalized for the Set
- Bidder contacted by Power Auctions
- Updated Auction Schedule published if necessary

## Bidder Sets up Auction Account with Power Auctions

- Confirms Bidder Contact Information
- Redeems Auction Tokens for each gTLD
- Submits Deposit via Wire Transfer

## Deposit Deadline – Blackout Period Begins

- Anti-Collusion Rules
- Mock Auction 1 day prior
- **Auction Event**

## Post Auction Activities

- Auction Results Confirmed
- Deposit Refunded or Rolled Over to Future Auction (Bidders choice)
- Contention Sets Updated & Auction Results Published

# Intent Auction Notifications

## Auction Information Request Form

- Issued to eligible contention sets
- Email with instructions to access case in Customer Portal
- **Due within 28 days**
- Provide Bidder Information
- Download and print the PDF forms
- Execute & Upload the forms
- Request postponement if necessary

### Auction Information Request Form

|   |
|---|
| Application Details                       |
| Application Id: [REDACTED]                |
| Applied for gTLD: APARTMENTS              |
| Contention Set Name: APARTMENTS           |
| Due Date of Form: 18 April 2014 23:59 UTC |

Instructions

Step 1. Bidder Entity

Step 2. Bank Info

Step 3. File

Step 4. Confir

Step 5. Review

Comp

#### Instructions

Overview of Information Collection Process.

This application is currently in a string contention set with at least one other application and is slated to participate in an Auction to resolve the contention set. As stated in section 4.3 of the Applicant Guidebook, Auctions are the Mechanism of Last Resort to resolve string contention. For more information about new gTLD Auctions please see:

<http://newgtlds.icann.org/en/applicants/auctions>

Participation in Auction requires the completion of several activities prior to specified deadlines. It is essential the deadlines are met to ensure participation of this application in the Auction. This webform will collect information that will be used to populate the Bidder Agreement, the Bidder Designation Form, and the Bidder Form. These forms must then be downloaded, signed, and submitted to ICANN.

The submission of the signed versions of each of these forms is required no later than the due date specified in the Application Details section on this page.

### Auction Information Request Form

|   |
|---|
| Application Details                       |
| Application Id: [REDACTED]                |
| Applied for gTLD: APARTMENTS              |
| Contention Set Name: APARTMENTS           |
| Due Date of Form: 18 April 2014 23:59 UTC |

Instructions

Step 1. Bidder Entity

Step 2. Bank Info

Step 3. File Collection

Step 4. Confirm Intention

Step 5. Review & Submit Data

Completed

#### Step 4. Confirm Intention

Indicate your intention to participate in auction

Completion of the web form is required even if requesting a postponement, to ensure that if a postponement is not granted the applicant is prepared for an Auction should it be necessary.

Pursuant to Clause 10 of the Auction Rules, any applicant may request a postponement of the Auction. Postponement requests must be submitted by each and every active member of the Contention Set within twenty-eight (28) days after receipt of Intent to Auction notice from ICANN.

Are you ready to proceed with Auction?

- Yes - I am prepared for the Auction date as currently defined in the Auction schedule.
- No - We are attempting to resolve this contention set without the use of an Auction and request a postponement beyond the sixty (60) day period identified in this notice.

Pursuant to Clause 9 of the Auction Rules, an Applicant may request the postponement of an Auction until the Name Collision Occurrence Assessment for the applied for gTLD has been made available by ICANN. ICANN will defer the Auction upon the request of any applicant in the Contention Set until the Name Collision Occurrence (NCO) Assessment is made available.

Are you willing to proceed with Auction prior to NCO Assessment?

- Yes - I am prepared for the Auction date as currently defined in the Auction schedule.
- No - I request a postponement of the Auction until the Name Collision Occurrence Assessment has been made available for the applied for gTLD.

# Designating a Bidder

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- Bidder & Bidder Principal Point of Contact
  - Bidder = Entity who will represent the applicant in Auction
    - Bidder owns the source bank account for bidding deposit
    - Allows applicants to consolidate under single entity for Auctions
- Bidder Principal Point of Contact
  - Handles all communication with Power Auctions
  - Bidding Authority for the Bidder
  - May designate an additional Authorized Individual with bidding authority

# Auction Date Confirmation

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- From ICANN at least 21 days prior to Auction
  - Auction Date & Time
  - Auction Token
- Bidder Principal Point of Contact will be contacted by Power Auctions
- Auction Schedule will be updated as needed
  - Granted Postponements will be generally be placed 2 auctions down line

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# Account Set-up with Power Auctions

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- Bidder Principal Point of Contact
  - Confirm Bidder Information
  - Redeem Auction Token for each gTLD
  - Add Authorized Individuals
  - Provide Wire details for the Deposit
  - Allocate Deposit funds across gTLDs



# Auction Event in the Auction System

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- Date & Times per published Schedule
- Multiple contention sets simultaneously
- Round 1: 30 Minutes
- Recesses: 20 minutes
- Rounds 2+: 20 minutes
- Bidding rounds continue until all direct contention is eliminated

# Post Auction Activities

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- Within 1 business day of Auction conclusion:
  - Preliminary winners & winning prices confirmed
  - Balances owed or available for refund or rollover
  - Instructions on next steps
- Within 7 days of Auction conclusion
  - ICANN will post auction results & update contention sets
- Winning Balances owed within 20 business days after conclusion of the Auction

# Contention Status & Auction Schedule

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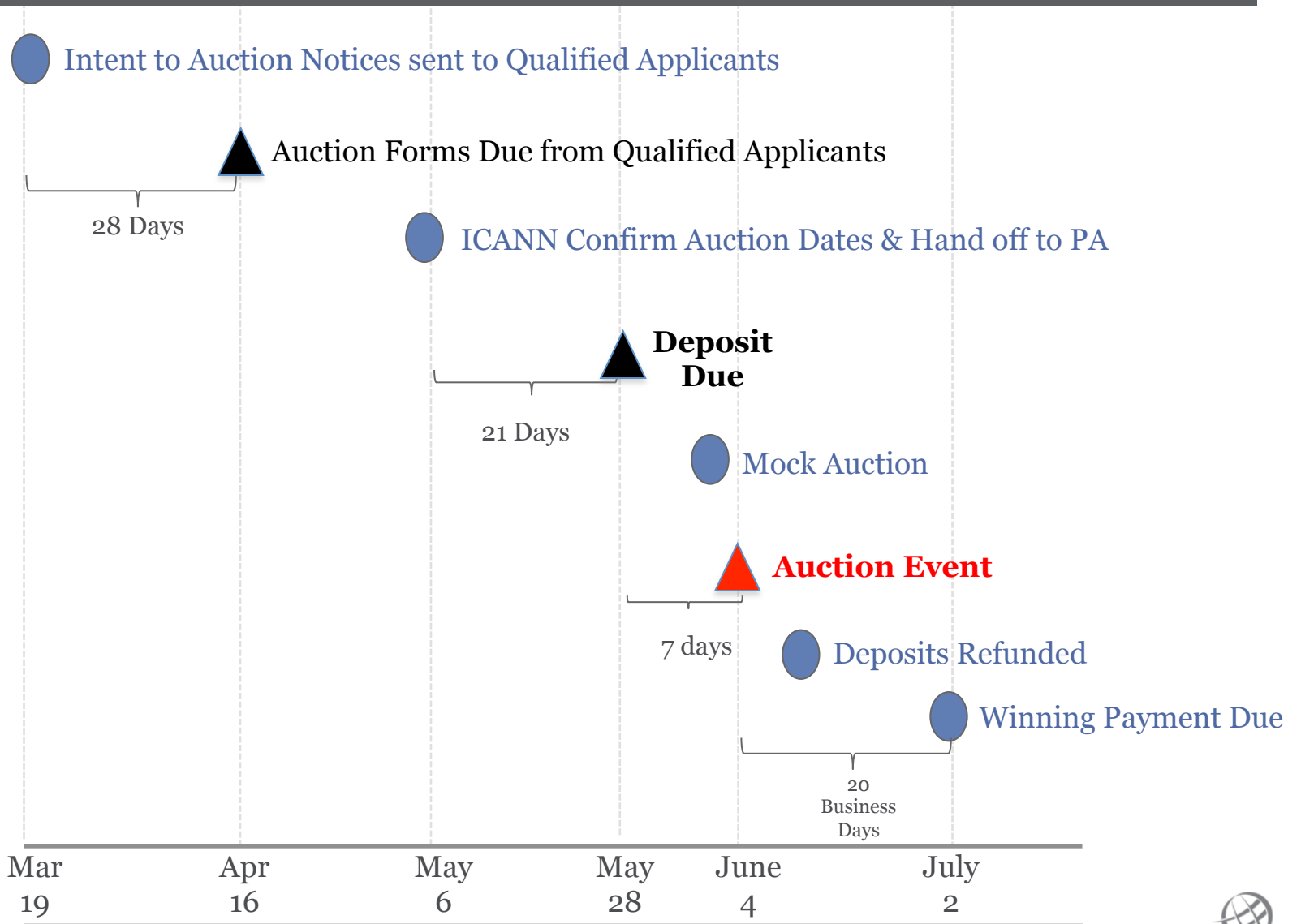
# String Contention Set Status

| Contention Set Statistics | Number of Contention Sets | Number of Applications in Contention |
|---------------------------|---------------------------|--------------------------------------|
| 26 February 2013          | 234                       | 758                                  |
| 21 March 2014             | 233                       | -----                                |
| ▪ Resolved                | 47                        | -----                                |
| ▪ Active Sets             | 164                       | 543                                  |
| ▪ On Hold Sets            | 22                        | 87                                   |

# Auction Schedule

| Auction # | Auction Date   | Start of Auction Time | Deposit Due Date | Deposit Due Time |
|-----------|----------------|-----------------------|------------------|------------------|
| <b>1</b>  | 4-Jun-2014     | 13.00 UTC             | 28-May-2014      | 16.00 UTC        |
| <b>2</b>  | 9-Jul-2014     | 16.00 UTC             | 2-Jul-2014       | 16.00 UTC        |
| <b>3</b>  | 6-Aug-2014     | 20.00 UTC             | 30-Jul-2014      | 16.00 UTC        |
| <b>4</b>  | 17-Sep-2014    | 13.00 UTC             | 10-Sep-2014      | 16.00 UTC        |
| <b>5</b>  | 22-Oct-2014    | 16.00 UTC             | 15-Oct-2014      | 16.00 UTC        |
| <b>6</b>  | 19-Nov-2014    | 20.00 UTC             | 12-Nov-2014      | 16.00 UTC        |
| <b>7</b>  | 17-Dec-2014    | 13.00 UTC             | 10-Dec-2014      | 16.00 UTC        |
| <b>8</b>  | TBD – Jan-2015 | 16.00 UTC             | TBD – Jan-2015   | 16.00 UTC        |
| <b>9</b>  | TBD – Feb-2015 | 20.00 UTC             | TBD – Feb-2015   | 16.00 UTC        |
| <b>10</b> | TBD – Mar-2015 | 13.00 UTC             | TBD – Mar-2015   | 16.00 UTC        |

# gTLD Auction > Timeline to 1<sup>st</sup> Auction



# Eligibility & Auction Schedule

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# Eligibility for Intent to Auction Notice

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- All active members of the contention set:
  - Passed Evaluation
  - Resolved any applicable GAC advice
  - Resolved any objections
  - Finalized any and all change requests
  - No Pending Accountability Mechanisms



# Auction Eligibility Summary

| Auction          | Resolved | Unresolved | Eligible | Ineligible |
|------------------|----------|------------|----------|------------|
| <b>1</b>         | 8        | 17         | 13       | 4          |
| <b>2</b>         | 3        | 20         | 8        | 12         |
| <b>3</b>         | 2        | 21         | 11       | 10         |
| <b>4</b>         | 6        | 18         | 9        | 9          |
| <b>5</b>         | 4        | 19         | 11       | 8          |
| <b>6</b>         | 3        | 17         | 9        | 9          |
| <b>7</b>         | 5        | 18         | 11       | 7          |
| <b>8</b>         | 6        | 16         | 9        | 7          |
| <b>9</b>         | 6        | 18         | 12       | 6          |
| <b>10</b>        | 4        | 16         | 13       | 3          |
| <b>Indirects</b> | 0        | 5          | 0        | 5          |

# Intent to Auction Notices sent to all eligible contentions sets

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- Provides maximum lead time for all contention sets
  - Paperwork done upfront
  - Prepare financially
  - Indicate schedule preferences
- Does not commit the application to participate in auction
  - Self resolution possible up to 7 days prior to Auction (deposit deadline)

# Schedule Adjustments

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- Postponement Requests
  - Submit via the Intent to Auction webform
  - Pursuing self resolution
    - All members of the set request postponement
  - Auction will be rescheduled 2 auctions later (Auction 1 -> Auction 3)
- Advancement Requests
  - Submit via a case in customer portal
  - Identify earliest available auction #
    - All members of the set must agree to advancement
  - Set will be placed in next available Auction
    - Dates confirmed at least 21 days prior to Auction

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# Looking Ahead

16 April

Bidder Forms due to ICANN.  
28 days after intent to auction notification.

Early May

Auction Demo / Bidder Training  
Auction #1 Confirmed – Schedule Updated.

Mid May

Rules for Indirect Contention Sets.

28 May

Deposit Deadline for 1st Auction.

3 June

Mock Auction for First  
Auction participants.

4 June

First Auction.

# Questions

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