TO: Steve Crocker, Chair, ICANN Board of Directors
CC: ICANN Board of Directors
FROM: Marilyn Cade, BC Chair
Date: September 9, 2012
SUBJECT: Implications of new gTLD Program on ICANN's GNSO and ICANN

During the CSG meeting with the Board of Directors of ICANN in Prague, 26 June 2012, the Chair of the Board invited a brief document of the impact of the new gTLD program initiative on the GNSO and ICANN. I am pleased to provide the BC response:

- ICANN must consider all aspects of its mission and functional responsibilities before undertaking restructuring of the GNSO, or the GNSO's constituenies/SGs.
- The BC believes that a substantial increase on the services of ICANN staff, both for applicants, **and** for the rest of the community are still evolving.
- Existing Constituencies, including the BC, are working to address the interests of those who are coming into ICANN as a part of the new gTLD program; however, in addition, the non contracted party house constituencies are also working to broaden and deepen non applicant participation, especially from developing countries. This requires ICANN Board and staff support to the existing structures.
- The Contracted party house is providing a space for applicants to raise contracted party issues as they progress through the applicant stage.
- The BC and other Constituencies have some members who are in a 'hybrid' situation; these parties are asked to differentiate the issues that they raise and support in the existing constituencies.
- The contracted party house/Registry SG has provided an interim approach for applicants/their agents to raise contracted party issues.
- Limitations that allow voting in only one Constituency/SG are in place for all constituencies

At **this time, the Business Constituency supports the continuation of the present structures of the GNSO, and its Council that focuses on gTLD policy. The Business Constituency believes that ICANN should prioritize support to the existing structures of constituencies/SGs to support how they fulfill their functions of serving communities of interest.**

Taking this approach will give the entire community the opportunity to fully understand the implications of the new gTLD program on ICANN's structure, while taking into account that ICANN has a broader core mission and responsibility than the new gTLD initiative/program introduction.

The BC is discussing what adjustments may be needed to support companies with a new "dual" interest in ICANN. So far, taking into account actual numbers of brands who have applied for trademark associated gTLD registries, and the vast numbers of brands who are not applicants, an evolutionary approach is appropriate. We believe that in addition, more users will be finding their way to ICANN, and their needs and interests also require focus and support. We also appreciate that more governments are becoming engaged in ICANN's GAC.

It is possible that over time, additional SGS/Constituencies will emerge, and that possibility should remain open. But it is also possible that what will happen is a significant growth of the existing constituencies/SGs and an evolutionary process will be needed to support that during the next several months. During this time, it is possible that the non-contracted party house constituencies will begin to require the kind of staff support that ICANN now provides to the contracted party house.

The BC continues to discuss two concerns that we consider vitally important to ICANN, and pressing in nature. Many of our members are involved in the discussions and issues involving external threats to ICANN's role and functions. Today, it is not at all clear that ICANN's systems are up to the quality and capability that is needed for ICANN's future, and the experiences to date indicate many challenges. At the same time, ICANN has a broader mission than introducing new gTLDs. It must perform all of its core functions, including communications, with a better than commercial grade standard of performance.

For now, ICANN Board should continue to hear from the community how they see things working, and support the present structures to meet the needs of newcomers to ICANN. ICANN needs to focus support to the strengthening of its present systems and their ability to meet the needs of various stakeholders; and to work more cohesively with the community to address external threats to ICANN.

Marilyn Cade, BC Chair
CC: Business Constituency