

String Contention and Contention Resolution Procedures

1. Introduction to String Contention and String Contention Resolution

- 1.1 What is String Contention?
- 1.2 Types of Contention
 - 1.2.1 Direct Contention
 - 1.2.2 Indirect Contention
- 1.3 Contention Sets
- 1.4 What is String Contention Resolution?

2. Prohibition of the Private Resolution of String Contention by Applicants

- 2.1 Prohibited Communications and Activities
- 2.2 Exceptions
- 2.3 Violation of the Rules Prohibiting Private Resolution of Contention Strings

3. Contention Set Formation

- 3.1 Contention as a Result of Applications for Identical gTLD Strings
 - 3.1.2 Replacement Strings
 - 3.1.2.1 Overview
 - 3.1.2.2 Replacement String Eligibility
 - 3.1.2.3 Designating a Replacement String
 - 3.1.2.4 Considerations
 - 3.1.2.5 Replacement Period
 - 3.1.2.6 String Confirmation Day
- 3.2 Contention as an outcome of the String Similarity Evaluation
- 3.3 Contention as a Result of a Singular/Plural Notification
- 3.4 Contention as a Result of a Successful String Confusion Objection

4. String Contention Resolution

- 4.1 Brand String Change Request
 - 4.1.1 Submitting a Brand String Change Request
 - 4.1.2 Brand String Change Request Requirements
 - 4.1.3 Brand String Change Reviews and Community Input
 - 4.1.4 Impact on Brand TLD Variants
- 4.2 Community Priority Evaluation
- 4.3 ICANN New gTLD Auction
 - 4.3.1 What is the Auction?
 - 4.3.2 When can Contention Sets proceed to Auction?
 - 4.3.3 Contention Resolution to resolve Contention Sets that contain Geographic Names Applications
 - 4.3.4 Auction Method
 - 4.3.5. Winning Bids Payments
 - 4.3.6 Bid Credits for Applicant Support Program Applicants Participating in an Auction

This module describes string contention, how and when it occurs, and the methods available to avoid or resolve it.

[insert overall flow chart of the process]

1. Introduction to String Contention and String Contention Resolution

1.1 What is String Contention?

String contention (contention) occurs when one or more applied-for strings are:

- identical to,
- a variant of,
- notified as a singular or plural form - in the same language - of; or
- considered to be confusingly similar to,

another string applied for by a different applicant.

Strings in contention are known as contending strings. A group of contending strings is referred to as a contention set.

Contention may be identified during various stages of the application process, from the moment applications are received and published until the conclusion of the string evaluation and community input processes.

1.2 Types of Contention

1.2.1 Direct Contention

Two strings are in direct contention if they are identical to, a variant of, or confusingly similar to one another.

More than two applicants might be represented in a direct contention situation. For example, if four different applicants applied for the same gTLD string, they would all be

in direct contention with one another, meaning only one of them can proceed to the application and applicant evaluation phase and potential contracting.

1.2.2 Indirect Contention

Two strings are in indirect contention if they are both in direct contention with at least one other string, but not with each other. It is also possible for multiple contention sets to overlap and be in contention with one another indirectly.

[Insert diagram for example below]

In Figure [X], Strings A and B are an example of direct contention. Strings C and G are an example of indirect contention. C and E both contend with B, but not with one another. In the same figure, while B and C are in indirect contention, C is also in contention with D. A and D are therefore also indirectly in contention.

In some cases an applicant who is indirectly in contention and who is not the outright winner of a contention resolution process may still continue to the application and applicant evaluation phase, with more than one application in the contention set potentially proceeding towards contracting:

For example, in a case where:

- String A is in contention with String B
- String B is in contention with String C
- But String C is not in contention with String A

Then, if String A wins the contention resolution procedure, String B is eliminated but String C can proceed, as String C is not in direct contention with the winner and both strings can coexist in the DNS without risk of user confusion.

[insert diagram]

1.3 Contention Sets

Contention sets composed of identical applied-for primary gTLD strings and/or their variant strings will be identified and published by ICANN on string confirmation day, with contention sets further identified or modified depending on the outcome of the applicable processes and evaluations described in section 3 of this module.

An application that has successfully completed all previous stages and is no longer part of a contention set due to changes in the composition of the contention set may proceed to the next stage of the evaluation process.

A contention set is finalized once changes are no longer possible to its composition, other than when an applicant withdraws their application. The contention set will then proceed to string contention resolution procedures.

1.4 What is String Contention Resolution?

Determining which applications in a contention set will proceed to the application and applicant evaluation phase and potential contracting for the contested string is known as string contention resolution (contention resolution).

Contention sets can be formed, changed and resolved during the application process as a result of the processes described in [\[section 3\]](#). For qualifying Brand TLD Applicants only, the option to submit a Brand String Change to avoid contention (and therefore avoid resolution procedures) is also available. Please see [\[section 4.1\]](#) for more information.

Once contention sets are finalized, ICANN will administer two methods of contention resolution:

- Community Priority Evaluation (CPE) - available to eligible community applications
- An ICANN New gTLD Auction

Applicants prevailing in a string contention resolution procedure, after completing applicable application and applicant evaluations [\[see section X\]](#), will proceed toward contracting of the applied-for gTLD. Alternative procedures apply to strings designated as high risk for name collision [\[see section X\]](#). The time required for string contention resolution will vary because some contention sets may be resolved by more than one process. For example, in the case of two applicants for the same string prevailing in CPE, an auction between these applicants may be necessary to resolve contention.

2. Prohibition of the Private Resolution of String Contention by Applicants

Subject to specified exceptions, applicants are prohibited from resolving contention among themselves.¹ The new gTLD Program processes leading up to and including, where applicable, a New gTLD Auction (including any Community Priority Evaluation that may occur prior to, and which could eliminate the need for, a New gTLD Auction) provide the only permissible path to contention resolution. Using any other methods to resolve contention, including private auctions, joint ventures, or other means of private resolution, is strictly prohibited.

2.1 Prohibited Communications and Activities

To prevent parties from privately resolving contention among themselves, the New gTLD Program includes rules prohibiting certain communications and activities as outlined in this section.

Applicants including their respective agents and/or affiliates are prohibited from communicating directly or indirectly to other applicants any information related to their application(s) or application strategies for strings that are in contention. Examples of prohibited communications and conduct by applicants include:

1. cooperating or collaborating with any other applicant in any manner with respect to the substance of their own, each other's, or other applicants' bids or bidding strategies with respect to any contending strings;
2. discussing with each other or disclosing to each other in any manner the substance of their own, each other's, or other applicants' bids or bidding strategies with respect to any contending strings;
3. discussing or negotiating settlement agreements or post-auction transfer arrangements in any manner with respect to any contending strings.

¹ These rules are implemented pursuant to direction from the ICANN Board that ICANN must “prohibit all forms of private resolution of contention sets in the Next Round, including prohibiting the formation of joint ventures among applicants after the submission of their applications” (See, ICANN Board’s 14 November 2024 resolution at <https://www.icann.org/en/board-activities-and-meetings/materials/approved-resolutions-regular-meeting-of-the-icann-board-14-11-2024-en>). The rationale for this Board action notes that the ICANN community has long grappled with the question of how to resolve contention in the Next Round. The Board action followed GAC and ALAC advice to the Board on this topic, as well as an ICANN community consultation.

Applicants are prohibited from engaging in third-party and/or public communications that provide direct or indirect information related to their application(s) or application strategies for strings that are in contention

The rule prohibiting applicants from privately resolving contention among themselves does not prohibit communications by applicants to third-party professional advisors, including counsel, consultants, or lenders, provided that applicants must take any and all steps necessary to prevent the third party from becoming a conduit for communicating information about its application, or portfolio of applications, to other applicants.

ICANN recognizes that applicants may also be existing participants in the DNS ecosystem, including for example, as a registry for an existing TLD, a back-end registry services provider, or registrar. ICANN further recognizes that applicants may engage in various business arrangements with one another, or with affiliated entities, that are not directly related to contending strings in the New gTLD Program. Such relationship arrangements include, but are not limited to, registry-registrar agreements, registry service provider agreements, as well as data escrow agreements. Routine business communications do not violate the rule prohibiting private resolution of contention sets if they do not convey information related to their application(s) or application strategies, and these rules prohibiting certain communications should result in minimal intrusion into applicants' routine business practices in the DNS ecosystem.

2.2 Exceptions

The New gTLD Program does not prohibit applicants from communicating directly or indirectly any information related to their application(s) or application strategies for strings that are not in contention.

The New gTLD Program specifically permits applicants for strings in contention to communicate with one another as part of settlement discussions to resolve an Objection, provided that no settlement shall discuss or include as part of its terms exchange of money or other things of value, including any post-auction ownership transfer arrangements for strings which were formerly in contention.

In the event that an applicant believes that a particular disclosure required by law or regulation will result in a violation of these rules, we strongly encourage applicants to consult with ICANN before making the disclosure.

2.3 Violation of the Rules Prohibiting Private Resolution of Contention Strings

Prior to signing a registry agreement, or withdrawing an application, all applicants will be required to certify that the applicant has complied with its obligations under the Guidebook, including these rules prohibiting private resolution of contention. Applicants are required to disclose to ICANN any violation on its part of these rules, and such disclosure must be promptly made after the applicant becomes aware of the violation. Also, applicants will be required to cooperate with any ICANN inquiry or investigation concerning a possible breach of these rules.

ICANN expressly reserves the right to take appropriate action against applicants for violation of the rules prohibiting private resolution of contention strings. Actions taken by ICANN in response to an applicant's violation of these rules could, include:

- Disqualification from the current round and any future application periods of the New gTLD Program
- Forfeiture of all evaluation fees and conditional evaluation fees
- Ineligibility for any refunds identified in the Guidebook
- [Financial penalties for inference with auction outcomes]

ICANN further reserves the right to report violations of these rules to relevant authorities as appropriate.

3. Contention Set Formation

Contention sets can be formed under certain conditions during the application process, following:

- applications for identical gTLD strings;
- the outcome of the String Similarity Evaluation;
- a successful Singular/Plural Notification;
- a successful String Confusion Objection.

An application can only be deemed not to be in contention once the string evaluation, dispute resolution, and appeal processes have concluded, and the outcomes of any Brand String Change Requests are known, as described in [section 4.1](#). This is because any application that is altered or unable to proceed as a result of these processes might modify a contention set identified earlier.

3.1 Contention as a Result of Applications for Identical gTLD Strings

On String Confirmation Day, as described in [\[Applicant Journey - String Confirmation Day\]](#), all applications for identical strings will be in contention with each other as part of a contention set.

For example, if Applicant A and Applicant B both apply for .NEWTLDSTRING, their strings would be contending strings, with only one application allowed to proceed to the application and applicant evaluation phase and potential contracting.

Two or more applications with applied-for strings or designated variants that are identified by ICANN as variants of one another as defined in [\[section x\]](#) would also be considered in direct contention with one another and placed in a contention set. For instance, if one applicant applies for String A and another applies for String B, and Strings A and B are variant TLD strings of one another, - for example, an IDN gTLD in the simplified Han Chinese script and its variant IDN gTLD in traditional Han Chinese script as per the Root Zone Label Generation Rules - then the two applications are in contention.

3.1.2 Replacement Strings

3.1.2.1 Overview

To potentially reduce the instances of string contention, applicants are encouraged to designate a Replacement String alongside their original choice of string. As a note of clarification, using a Replacement String is not considered a string change. String changes which would occur after String Confirmation Day are only available to Brand TLD applicants, subject to the details in [\[Section 4.1\]](#) below.

Designating a Replacement String may provide applicants with the option to avoid contention before the list of applied-for strings is finalized (see [3.1.2.5](#)). Applicants can avoid contention in such cases by replacing their original applied-for string with their designated Replacement String, subject to the conditions and criteria detailed in this section.

Applicants should note that choosing to replace their applied-for string does not preclude their Replacement String from being placed in contention at a later stage of the application process as a result of Singular/Plural Notification, String Similarity Evaluation, or String Confusion Objection. For example, an applicant applying for .SNEEZE who elects to use their Replacement String .AHCHOO, could subsequently be found to be in contention following String Similarity Evaluation due to the similarity

with another applied-for string, .ACHOO. In such a case the applicant could not switch back to .SNEEZE and must remain in contention with .AHCHOO.

Following the publication of the list of new gTLD applications on Reveal Day (see section X), subject to certain conditions defined below, applicants will be given [14 days] - the 'Replacement Period' - to review the published application information and indicate to ICANN if they elect to replace their original string with their Replacement String via the application system. Applications in which the original string is replaced will then proceed through the remaining stages of the gTLD application process on the basis of the Replacement String, which will from that point on be treated as the applicant's applied-for string. Applicants who opt for their Replacement String will be unable to revert to their original string. Applicants who do not indicate their intention to use their Replacement String during the Replacement Period will be unable to do so later in the application process and will proceed on the basis of their original applied-for string.

Applicants must be aware that:

- Due to the risk of creating new or adding to existing instances of contention, an applicant will not be allowed to use their Replacement String if it is identical to the replacement or original applied-for string of another applicant. This means that an applicant with the same Replacement String as one or more other applicants will not be able to opt for their Replacement String under any circumstance, even if none of the other applicants with identical Replacement Strings decide to use them. Likewise, an applicant who designates a Replacement String that is identical to another applicant's applied-for string will be unable to use it, irrespective of whether an applicant with an identical applied-for string elects to switch to their Replacement String.
- Applicants will be unable to change their applied-for string to the unused Replacement String of another applicant once the Replacement Period ends, nor will they be able to switch to the original applied-for string of an applicant who opted to use their Replacement String.

3.1.2.2 Replacement String Eligibility

Any applicant, regardless of their applied for gTLD type (see [gTLD Types]), can designate a Replacement String as part of their application.²

² Please note that the Replacement String process is different to the String Change Request process available to eligible Brand applicants. Brand applicants are also free to designate an alternate string as part of their applications. A Brand String Change Request is a separate outcome occurring later in the application process, detailed in section [X].

Designating a Replacement String as part of an application is not compulsory; however, applicants will be unable to retrospectively designate a Replacement String once they have submitted their application.

Applicants should also be aware that, if replaced, an applied-for string cannot be reinstated, even if it would otherwise remain undelegated in that application round. Applicants should therefore be willing to operate a gTLD on the basis of the string that is finalized by ICANN at the end of the Replacement Period, whether it is their original or Replacement String.

3.1.2.3 Designating a Replacement String

Applicants will be given the option to designate a Replacement String, including applicable variants, when completing an application in the application system. The eligibility rules for Replacement Strings are the same that apply to all applied-for gTLDs.

Applicants may have to supply additional information for their designated Replacement String when completing their application, including answers to any string-specific application questions to ensure alignment with their chosen Replacement String and business model.

3.1.2.4 Considerations

As applicants will be prevented from using their Replacement String where it is identical to another designated Replacement String or original applied-for string, it is important that they think carefully when designating their Replacement String. Given that the purpose of designating a Replacement String is to give applicants the option to avoid contention and contention resolution procedures, the Replacement String should be chosen with the goal of stopping this from happening.

In particular, as an applied-for string may be found in contention should ICANN confirm following a notification that two strings are the singular or plural form of the same word in the same language, used in another application in the same application round (see section X), to minimize this risk an applicant should choose a Replacement String that is not the plural or singular version of the original applied-for string.

For example, if an applicant's original applied-for string is .EXAMPLE, designating .EXAMPLES as a Replacement String may entail a high risk of it being identified as a plural and placed in contention.

Failure to give careful consideration to the choice of Replacement String may increase the risk of a string ending up in contention at a later stage of the application process.

3.1.2.5 Replacement Period

[Insert granular flow diagram]

After the application submission window has closed, ICANN will perform an administrative check on all submitted applications. After this process has been completed, ICANN will publish non-confidential details of all applications for new gTLD strings on Reveal Day (see **[Reveal Day]**, including but not limited to:

- The list of applied-for strings
- The identity of the applicants
- The list of designated Replacement Strings

Applicants that designated a Replacement String that is not identical to another applied-for or Replacement String will then have [14] days - known as the Replacement Period - to review the published application information and indicate to ICANN if they elect to replace their original applied-for string with their Replacement String. An applicant can do this by accessing their application on the application system and selecting the appropriate option. If an applicant does not take this action, their Replacement String will not be utilized. The applicant will then continue through the remaining stages of the application process on the basis of their original applied-for string.

Applicants should note that if all applicants for a given string opt for their respective Replacement Strings, it is possible that there may be no remaining active application for the original applied-for string.

For example: Applicants A and B both apply for .EXAMPLE and decide to use their Replacement Strings to avoid contention. If no other applicant applied for .EXAMPLE, it remains undelegated in this application round.

The Replacement Period is subject to the general prohibition on private resolution and applicant collusion discussed in section [X]. Applicants may not discuss with each other their decision regarding their alternate strings, or propose or entertain proposals for any sort of compensation to any applicant or related party in exchange for opting or not opting to switch to a Replacement String.

3.1.2.6 String Confirmation Day

Once the Replacement Period has ended, ICANN will publish the finalized list of applied-for strings on String Confirmation Day [subject to any accepted Brand String Change Requests - see section 4.1.] As no further string replacement is possible, any remaining instances of contention may be resolved using one or more of the alternative procedures described in [\[section 4\]](#).

3.2 Contention as an outcome of the String Similarity Evaluation

The String Similarity Evaluation Panel will review the entire set of applied-for strings and their applied-for variants to determine whether the strings proposed in any two or more applications are so visually similar that they would create a probability of user confusion if allowed to coexist in the DNS. The panel will make such a determination for each pair of applied-for gTLD strings. One of the outcomes of the String Similarity Evaluation will be to place applications into a contention set once the panel has identified contention relationships, based on the confusability of the applied-for strings. Please see [\[String Similarity\]](#) for more information.

3.3 Contention as a Result of a Singular/Plural Notification

If ICANN confirms following a notification that an applied-for gTLD string represents a word that is the singular or plural version of the same word of another applied-for gTLD string in the same language, then both these strings will be put in contention to avoid end user confusion. Please see [\[Singular Plural Notification\]](#) - for more information.

3.4 Contention as a Result of a Successful String Confusion Objection

If an applicant files a String Confusion Objection against another application, and the panel finds in favor of the objector by agreeing that user confusion is probable, both applications will be placed in direct contention with each other and referred to a contention resolution procedure.

If a String Confusion Objection by one gTLD applicant to another gTLD application is unsuccessful, both applicants may move forward in the process without being considered in direct contention with one another, and potentially both can be delegated their applied-for strings. Applicants can also appeal to instances of identified contention, or cases where contention it has not been identified, as described in the [\[Objections Appeal Procedure\]](#)

4. String Contention Resolution

Other than when an applicant withdraws an application, once a contention set has been finalized (pending the outcome of any Brand String Change Requests - see section 4.1), contention can only be resolved through the following outcomes:

- Community Priority Evaluation (CPE)
- An ICANN New gTLD Auction

4.1 Brand String Change Request

Applicants for Brand TLDs who are found in contention will be given the option to change their string and avoid further contention resolution procedures by submitting a Brand String Change Request, subject to the requirements set out in this section.

4.1.1 Submitting a Brand String Change Request

A Brand String Change Request can only be submitted by an applicant for a Brand TLD that is in contention with another applied-for string. If ICANN has not done so already, ICANN will evaluate an application's eligibility for Brand designation once it has received a Brand String Change Request.³ ICANN will not consider a Brand String Change Request before the associated application has been successfully evaluated by ICANN as qualifying for Brand designation on the basis of the applied-for string.⁴ A Brand String Change Request for an application that is found ineligible for Brand designation will be rejected. More information on the Brand Eligibility Evaluation can be found in Section [X].

A Brand String Change can be submitted up to 30 days following:

- The formation of contention sets after String Similarity Evaluation, the publication of a String Confusion Objection Expert Determination or Appellate Expert Determination involving the application subject to the Brand String Change Request.

³ Brand TLD applicants that do not submit a Brand String Change Request may also have their applications evaluated for Specification 13 designation at a later stage, depending on the outcome of the application process.

⁴ Applicants should note that the string change process for Brand applicants is distinct from the Replacement String process, which occurs earlier in the application process, prior to String Confirmation Day. Brand applicants that choose to utilize their Replacement String will be evaluated for Specification 13 eligibility on that basis.

If an applicant does not submit a Brand String Change Request within the applicable 30-day period the application will proceed on the basis of the original applied-for Brand string.

4.1.2 Brand String Change Request Requirements

A Brand String Change Request must satisfy the following requirements to be accepted by ICANN:

- The change must add one or more words to the applied-for string, subject to the following conditions:
 - The additional word or words must be added to the original string.
 - The additional word or words must appear in the description of goods and services of the applicant's Trademark Registration or equivalent document in the applicant's jurisdiction, submitted by the applicant in support of their application for Brand/Specification 13 designation⁵. Another Trademark Registration or equivalent document in the applicant's possession may also be submitted in support of the Brand String Change Request, if accompanied by legal confirmation that the submitted trademark is owned by the entity with the application and respective brand. ICANN reserves the right to verify any additional documentation submitted for this purpose, with any associated costs borne by the applicant.
 - No translations of words contained in the Trademark Registration will be accepted.
- The new string with the added word or words must not create or expand a contention set.

4.1.3 Brand String Change Reviews and Community Input

All Brand String Change Requests that meet the criteria in 4.1.2 above will be subject to String Evaluation, as described in [Section X]. If they fail this, they will revert to their original string and proceed to string contention, as described in [section x in this section].

Brand String Change Requests which successfully pass string evaluation will be subject to an additional 30-day Community Input period during which the community will have

⁵ In recognition of potential differences in documentation, terminology or language when evidencing Trademark Registration between countries and jurisdictions, ICANN will accept legal documentation equivalent to a Trademark Registration where this cannot be supplied.

the opportunity to file objections (see [section x], submit comments (see [section x], and notify ICANN about singular/plural issues (see [section x]. If the proposed Brand string change satisfies the criteria noted in 4.1.2 and successfully passes all subsequent string evaluations, does not receive any comments of major concern⁶, does not receive any successful objections and is not subject to a verified singular/plural notification, the Brand String Change Request will be accepted and ICANN will then update the application in the TAMS and inform the applicants.

4.1.4 Impact on Brand TLD Variants

Variants of applied-for Brand TLDs must satisfy the same eligibility requirements as the primary applied-for Brand TLD. Any variants originally selected by Brand applicants as part of their application will no longer be available if the Brand String Change Request is accepted. As part of submitting Brand String Change Request, an applicant wishing to apply for variants must choose from a new set of allocatable variants based on their new Brand TLD string.

4.2 Community Priority Evaluation

Community Priority Evaluation (CPE) is a method to resolve string contention. It will only occur if a community application is in contention and the community applicant elects to pursue CPE. The evaluation itself is an analysis conducted by independent experts (see section X for more information on CPE). Applicants that successfully complete CPE will automatically prevail in contention, unless more than one applicant in a contention set passes the evaluation, in which case the successful CPE applicants will proceed to an [ICANN New gTLD Auction].

[CPE Language]

4.3 ICANN New gTLD Auction

This section provides applicants a high-level guide to the principal features of an ICANN New gTLD Auction (auction). A detailed set of auction rules and procedures, based on those published for the 2012 Round,⁷ and an auction schedule will be developed by ICANN in consultation with the auction provider and available no later than [60 days] before the first auction.

⁶ Please see [Community Input and Dispute Resolution - Application Comments] for more information on how ICANN will treat comments received as part of community input.

⁷ Two sets of auction rules were published for the 2012 Round, covering both [direct](#) and [indirect](#) contention sets.

4.3.1 What is the Auction?

The auction is the sole method for resolving string contention among the applications within a contention set if it cannot be resolved by a Community Priority Evaluation (CPE) [see section X]. If CPE occurs and more than one applicant passes CPE, the successful CPE applicants will also proceed to the auction to resolve the contention among the CPE winners.

The auction is intended to resolve string contention among applicants for new gTLDs. Once the auction has concluded, only one of the participating applications in direct contention for an applied-for gTLD will be eligible to proceed towards delegation, pending the outcome of the applicant and application evaluation and the successful execution of a contract for the applied-for gTLD.

4.3.2 When can Contention Sets proceed to Auction?

In general, auctions will be scheduled on a rolling basis as contention sets meet the following auction eligibility criteria:

- Complete string evaluation and all related processes (see [String Evaluation Section])
- Complete all applicable objections and appeals (see Objections)
- Complete all evaluation challenges (see Evaluation Challenges)
- Complete CPE, if applicable (see [Community Priority Evaluation Section])
- Have no open, relevant application change requests (see [Change Requests Section])
- Have no pending accountability mechanisms (see [Accountability Mechanisms Section])

The length of time required for contention sets to become eligible to proceed to auction will vary, depending on the duration of the above mentioned processes.

Applicants will be notified of the time and date of the Auction via the application system at least 30 days before the auction date.

4.3.3 Contention Resolution to resolve Contention Sets that contain Geographic Names Applications

1. As detailed in the Geographic Names Section [cross-reference], an application for a string that represents a name of the capital city of any country or territory listed in the ISO 3166-1 standard, in any language, will only pass the Geographic Name Evaluation if the Geographic Names Panel (GNP) confirms “that the

applicant has provided the required documentation from the relevant governments or public authorities, and that the communication from the government or public authority is legitimate and contains the required content.”⁸ This means that any string that represents such a capital city name but is not supported by the relevant authority or authorities will not pass geo evaluation. If an application for a string representing a capital city name, as defined above, is found to be confusingly similar to another applied-for string - regardless of what gTLD type that string is - then these strings are in contention and will proceed to contention resolution.⁹

2. If an application is self-identified as a geographic name gTLD or is identified as such by the GNP and subsequently passes the geographic name evaluation [see Geo name section] and is part of a contention set containing one or more non-Geographic Name applications (and no other applications supported by another government authority), the contention set will be resolved via contention resolution.

Example: If two applications are submitted for .GENERICOPOLIS, one a Geographic Name application for a city in Genericstan, the other a Brand TLD application that is not considered to be intended to be operated as a Geographic Name, both applications will proceed to contention resolution if the applications pass all other applicable string evaluations [see Applicant Journey].

3. If two or more applications for strings that represent the same geographic location pass the GNP with documentation of support or non-objection from the same relevant government or public authority,¹⁰ as determined by the GNP, and such applications also pass all applicable string evaluations, these applications will proceed to auction to resolve contention.

Example: three applications for .GENERICOPOLIS have all received letters of support from the relevant government authority of *Genericopolis*, *Genericstan* then all three will proceed to contention resolution.

4. If there are two or more applications for two strings that are in contention, identified as geo names and have documentation of support or non-objection

⁸ See Geo Names Section [x]

⁹ As per [Section x], contention will be resolved either by Community Priority Evaluation (if a community applicant elects to undergo Community Priority Evaluation (CPE) and prevails), or by auction.

¹⁰ Please note, as detailed in the Geo Name section [Link], applications for country names and capital cities are subject to specific rules. The example here is relevant for non-country names and non-capital cities per ISO 3166-1 standard.

from different relevant governments or public authorities, as determined by the GNP, these applications will undergo extended evaluation by the GNP. If during extended evaluation the GNP determines that all the different relevant authorities have issued support for or non-objection to the application(s) they support to proceed to contention resolution, then the contention set will be resolved via contention resolution. If the GNP determines that one or more authorities refused to support, or did not issue a statement of non-objection to, ‘their’ respective application(s) proceeding to contention resolution, then no application can proceed and all applicants in the contention set will become eligible to receive refunds in accordance with the refund schedule [See Fee Section].

Example: Should ICANN receive two applications for .GENERICOPOLIS and one is supported by *Genericopolis*, *Genericstan* and the other one is supported by *Genericopolis*, *Genericland*, then the GNP will move these applications to extended evaluation. If during extended evaluation the GNP is satisfied that the supporting authorities of both *Genericopolis*, *Genericstan* and *Genericopolis*, *Genericland* support or non-object that ‘their’ applications can proceed to contention resolution, then they will proceed accordingly. If the GNP is not satisfied that the supporting authorities of *Genericopolis*, *Genericstan* and *Genericopolis*, *Genericland* agree that these applications can proceed to contention resolution then neither application can proceed and applicants will receive refunds in accordance with the refund schedule [See Fee Section].

4.3.4 Auction Method

The auction will be conducted using the “ascending-clock, second-price” auction method which was also used in the [2012 round of the new gTLD Program](#).¹¹

In an “ascending-clock, second-price” auction:

- The auction price increases in a series of timed steps.
- As the price rises, participating bidders successively choose to exit from the auction.
- The auction concludes when only one bidder remains.
- The bidder with the highest bid will win the auction and pay the second-highest bid.

¹¹ See p.20 in Module 4 of the 2012 Applicant Guidebook, see <https://newgtlds.icann.org/sites/default/files/string-contention-procedures-04jun12-en.pdf>.

4.3.5. Winning Bids Payments

Specifics around the requirements for winning bids payments will be detailed in the forthcoming auction rules and procedures that will be published no later than [60 days] before the first auction.

If the auction winner, having paid their winning bid payment, as detailed in the forthcoming auction rules and procedures, fails any of the application and applicant [see applicant journey, section X] and is not able to proceed, the applicant, in addition to any applicable refund of their application fee, will also be refunded their winning auction bid. In such a circumstance ICANN reserves the right to withhold any costs or fees that the auction provider has charged or will charge for their services.

If an auction winner - for any reason - is ineligible to execute the Registry Agreement, ICANN may at its option offer to the runner-up applicant of the applicable auction, if any, to proceed with their application. In such a case, the runner-up would be required to pay their exit bid to proceed. However, the runner-up applicant in a contention resolution process has no automatic right to an applied-for gTLD string if the first place winner does not execute a contract for any reason.

4.3.6 Bid Credits for Applicant Support Program Applicants Participating in an Auction

Applicants receiving Applicant Support as part of the Applicant Support Program (ASP) will receive a bid credit to increase their chances of winning an auction.

In the next application round, ICANN has set a level of bid credit at [35]%, not to exceed a monetary value of 1.75 million USD per application. The bid credit will be applied to the amount due to be paid by the winning supported applicant, as well as to any deposit that may be required according to the final auction rules.

For example:

Example 1: The second highest bid is 1 million USD. The winning supported applicant pays 650,000 USD (35% bid credit applied to 1 million USD).

Example 2: The second highest bid is 6 million USD. The winning supported applicant pays 4.25 million USD (35% bid credit applied to 6 million USD equals 2.1 million USD, with bid credit capped at 1.75 million USD).

Full details of the bid credit procedures for eligible auction participants will be included in the ICANN New gTLD Auction rules and procedures.

