Vertical Integration PDP Working Group
TRANSCRIPTION
Monday 07 June 2010 at 17:00 UTC

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 http://audio.icann.org/gnso/gnso-vi-pdp-20100607.mp3
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Coordinator: Excuse me. I'd like to remind all participants this conference is being recorded. If you have any objections, you may disconnect at this time. You may begin.

Mikey O'Connor: Thanks (Kelly). Thanks all. We have a pretty good crew on the call but as usual we will wait just a minute to do the roll call. The agenda is on your Adobe Connect really at this point just three things, all of which are flexible. And as folks have a different idea, I'm happy to rejigger this.

But right now, we're dividing the call into thirds basically. The first third taking a look at the proposal comparison matrix, the next third would be running

through the list of harms that I started to draft, and the third taking a look at the list of definitions that Mike Zupke posted to the list yesterday, and then any other business at the end.

If there's anything that people would like to redirect us towards, that's fine. Alan go ahead.

Alan Greenberg: Yes. I sent a message out just prior to the meeting. Looking at the revised table, almost everyone agrees that the 0 or 2% Board's alternative is not what we want to see. And although I understand the mosaic argument, if we don't want to separate parts, and I've made the argument myself, I'm wondering if we can actually come to closure on raising the zero two to 15. The IPC proposal right now is the only one that uses that number in some cases.

Mikey O'Connor: Okay. Well why don't we, after the...

((Crosstalk))

Alan Greenberg: And if we could, that might get us - that might send an important message to the Board.

Mikey O'Connor: Yes. Before we get to content, let's just add that.

Alan Greenberg: Okay.

Mikey O'Connor: And I think what I'll do is I'll call that points of agreement and see if we can find some.

Alan Greenberg: And we have several no's and never mind.

Mikey O'Connor: Yes. There you go.

Woman: It is...

((Crosstalk))

Mikey O'Connor: Well we'll leave that agenda item on there anyway and see. And could I remind everybody to mute. We've got a lot of background noise going on right now.

Okay. I think that Jeff did you raise your hand...

((Crosstalk))

Jeff Neuman: Yes I did. And well one was to - but I changed the hand to a disagreement. But I also sent out on the agenda items something about the harms that I think we discussed it last time to sort of tighten up that list because I know that we're in the beginning stages of it or in the mediate - in the middle stages. But I want to know if we can go through it because some of the harms I'd want to classify that are direct from co-ownership or from verticalization.

And I guess the levels that could happen or some could be I think easier facilitated by co-ownership. Sorry, that wasn't me. But no, I wanted to know if we could go through that as well or at least put that as a higher agenda item on some of the parts of the harms.

Mikey O'Connor: Yes. I, you know, that was sort of my goal with the harms to essentially have kind of a preliminary discussion to shuffle those perhaps into some piles with that aim in mind.

I went through Jeff Neuman sent a bunch of links. And I went through and read all of the link items and extracted a few more and refined a few of them. They were mostly aimed at the harms from vertical integration. And so it's a little heavy on that side of the equation. But anyway, that was the goal of that one.

Man: Yes. I want to thanks for starting to put that together. But if we could just have that, we could start refining. That would be great. Thanks.

Mikey O'Connor: Yes. Jeff Neuman? This is an agenda question or shall we get, you know, get on in to the actual work?

Jeff Neuman: No, sorry. I meant to - I disagreed with Alan's statement. So, I don't think 15% is the right number, but anyway.

((Crosstalk))

Mikey O'Connor: Okay. Why don't we get off that? Let's do the roll and then we'll dive quickly into the table. Mostly, well anyway, let's do roll. I don't want to hold us up anymore. Glen if you could run us through that that would be great.

Glen de Saint Géry: Certainly. Good morning, good afternoon, good evening everyone. This is the Vertical Integration call, 7th of June. And on the call we have Siva Muthusamy, Cheryl Langdon-Orr, Mikey O'Connor, Faisal Shah, Eric Brunner-Williams, Avri Doria, Paul Diaz, Jeff Neuman - sorry my screen is slow - Kristina Ormen, Tony Harris, Sebastien Bachollet, Roberto Gaetano, Phil Buckingham, Jon Nevett, Tim Ruiz, Ken Stubbs, Statton Hammock, Michael Palage, Brian Cute, Katrin Ohlmer, Michele Neylon, Jeffery Eckhaus, Tero Mustala, Kristina Rosette, Thomas Barrett, Alan Greenberg, Berry Cobb, Volker Greimann, Jothan Frakes, Scott Austin, (Jason Vignes), Alan Greenberg, and Jarkko Ruuska.

                 For staff we have Dan Halloran, Liz Gasster, Margie Milam and Mike Zupke. Thank you Mikey. Over to you.

Mikey O'Connor: Thanks Glen. And thanks all for joining. This is, you know, we're sort of getting down to the end and so I don't want to spend a lot of time on things that don't help us reach an agreement. But I did want to spend a second on this table because I didn't get many updates and I don't know whether that's

because things haven't changed or because things are changing and they were changing so much that people weren't ready to send them.

So, I just briefly want to zip through this. I'm sharing my screen. And so if folks notice sluggish response, then we've confirmed my theory that it's my bandwidth that's causing a problem.

But one of the things I want to do is run through what I thought the Board, or the new version of the day, how that fit in our table. And so as you see, I've put 2% for the - for both directions of the ownership. I've put a big no in terms of the question is more cross ownership allowed if the registry agrees not to contribute or the registrar agrees not to distribute TLDs.

I found them to be supporting the idea of special objective criteria as a possibility. And I saw them supporting non-discrimination and then not supporting any exceptions for, you know, the four kinds of things. I didn't see any - I don't know why I have a no there.

Under threshold registry may distribute directly or two, a registry may co-own greater than 15% to distribute. I took that as a no in both cases but I'm wondering why.

Anyway, I'm a little uncertain about that. And then on some of these later ones, I couldn't find a reference to back end service providers. And I couldn't find a reference to resellers. And then the section that I pulled out as the sort of emphasized section that I wanted to highlight came out of the contract language and really talked about - you can't see it all. Hang on a minute. You should all be using the real document when you can.

The one that I was really interested in is the last one, their language about the Board will review this issue again if no GNSO policy results on these topics. I just wanted to stick that in the record because we talked a bit about that on the last call.

Now, the only update I got was from Avri on the (CAM), formerly known as MMA proposal, and I've stuck that in. I was curious, and I want to put a couple of people on the spot. Ken, should we take your line out? Have you now merged with the (phylias) proposal? Is that the way I should interpret the TIR affiliates and core have merged into one? So...

Ken Stubbs: Yes. Tim doesn't have a line. GoDaddy does.

Mikey O'Connor: Yes. I'm sorry.

((Crosstalk))

Ken Stubbs: But right, we have I guess merged, signed on to or whatever the - that joint proposal.

Mikey O'Connor: Okay.

Ken Stubbs: But you could - I don't know...

((Crosstalk))

Mikey O'Connor: So I could...

Ken Stubbs: ...how exactly you want to use the table if this is to reflect just the current situation, then...

Mikey O'Connor: Yes.

Ken Stubbs: ...that line could come out if we wanted to look at this as, you know, trying to maybe see it in a trend fashion, then maybe the old ones could stay in there in some way. I don't know.

Mikey O'Connor: So yes. Maybe what I'll do is I'll grade them now so that they're still there so the people could see where the (unintelligible) before. But Kathy and Eric, same question to you two. Is it safe for me to add TIR and core to the affiliate's line at this stage of the game?

Kathy Kleiman: This is Kathy. Belatedly I sent out a revised table entry. So it's not just the affiliate's proposal. There's a new proposal that's been shaped and put together by the combination of groups and individuals that's supporting it.

Mikey O'Connor: Ah.

Kathy Kleiman: So you will see it. It went out just before the meeting, and apologies that it is so late. And I like the idea of graying...

((Crosstalk))

Mikey O'Connor: Don't worry. There's plenty...

Kathy Kleiman: I like the idea of graying out prior proposals to kind of see the evolution towards this. And that may mean, to be fair, adding in some proposals that kind of - from earlier on that got merged into like the (JN square). But I like the idea of kind of keeping the PR and affiliates' lines and graying them out. That's a good idea.

Mikey O'Connor: Okay. Well let me just see if I...

Man: Yes Mikey. Sorry. That's correct. I'm actually looking at the one that Kathy sent and it's got the - this joint proposal in it.

Mikey O'Connor: Okay.

Man: And I forgot that wasn't in the copy you were looking at.

Mikey O'Connor: Let me take the line that's in Kathy's and paste it in. This is a classic instance of better late than never.

Kathy Kleiman: Good. And this is Kathy. I'll add that this is a work in progress and we'll be submitting some revisions to this line because people are still signing on.

Mikey O'Connor: Okay. That's very helpful and I - so I'm going to back this GoDaddy out of affiliates' lines so we can leave these as historical. Okay. Anybody else got anything that we need to change on the table right now? I don't want to spend a whole lot of time editing a document live in front of you people, but if there is something crucial that folks want to talk about before I wrap this up, let's talk about it now. Siva, go ahead. Oh. You may be on mute Siva. Oh was - you may be on mute Siva.

Siva Muthusamy: Yes. Can you hear me?

Mikey O'Connor: There you go. Yes. Now I can hear you.

Siva Muthusamy: Yes. I noticed that my proposal is not included in this table. Who has prepared this piece?

((Crosstalk))

Siva Muthusamy: Is there any - reason why it's not?

Mikey O'Connor: Yes. I replied to your email to the list. If you send me a row, just the way Kathy just did, I'm happy to stick it in the table but I didn't get a row from you. And there's no way that I'm going to interpret people's tables for them. That's too hard.

So if you would go through and just prepare a row of the Excel spreadsheet...

Siva Muthusamy: Okay.

Mikey O'Connor: ...that reflects where your table's at, I'm happy to stick it in.

Siva Muthusamy: Okay. I'll prepare a row and send to (unintelligible).

Mikey O'Connor: Terrific. Thanks. Jeffery.

Jeff Neuman: Yes. I just - this is Jeff Neuman. I'd like to see actually before the lines change, I'd like to actually see on an email all of those people and organizations. I mean I know Alan has and Cheryl has, but I've not seen emails from the other partners on there that have agreed with the affiliate's proposal. So it'd be just from a document patient perspective, I'd like to see that documented.

Incidentally, a call I had with Ron Andruff actually on Friday was that...

Woman: Thank you.

Jeff Neuman: ...not in line with the affiliate's proposal completely. But that's why I just wanted to make sure that all those people weigh in on the list.

((Crosstalk))

Mikey O'Connor: Yes. That sounds like a good habit.

Tim Ruiz: This is Tim. In - this is Tim.

Mikey O'Connor: Yes.

Tim Ruiz: I think we should probably come up with some sort of name because it's not really the affiliate's proposal. I mean if you look back at the affiliate's original proposal, it's quite different. So like Kathy said, this is a new proposal and I

don't know if it's, you know - well I have no clue as to what to call it, but I would like to stop calling it the affiliate proposal.

Mikey O'Connor: All right. We'll let partners and the partnership come up with a name and as soon as it's named, we'll change it. Alan go ahead.

Alan Greenberg: Yes. I just wanted to make clear that I like a number of others said among the proposals, that's the one that we are favoring, but would like to see changes before the August or whatever drop dead date is for the final version of the (appen guard). So we're not totally content with it. It's the one that comes closest to we think being acceptable to our groups.

Mikey O'Connor: So this is the...

Alan Greenberg: Which is not - we are supporting it hook, line and sinker.

Mikey O'Connor: Right. So this is the I can live with it statement rather than I...

((Crosstalk))

Alan Greenberg: I can live with it and hope to be able to influence along the way, yes.

Mikey O'Connor: Okay. Very good. Brian, go ahead.

Brian Cute: Yes. Just briefly with regard to Jeff Neuman's question and request, the signatories on the document and the signatories of the document, there's no change there. There are some entities or people like Alan and others who have weighed in in support of some form on the list.

I think that's sufficient for the time being and I think it's to be recognized that there are folks who have signed on and fallen, there's folks who support and folks that support in a kind of I can live with this, this is the outcome but I'd like to tweak it sense.

Mikey O'Connor: Okay. Thanks Brian. Anything else before we move on from the actual table itself? I'm thinking that we might want to do one more round of table update before the Thursday call. That would be neat to get the update a little for the (unintelligible). I don't do it (live) because Thursday's call is going to be short because of the GNSO meeting. Our call will only be an hour because we then conflict with the GNSO and we lose a lot of people.

So last chance to talk about the table and then I think we'll move on to other stuff. Okay. That's it. I thank you all. Let me just save this. Any bandwidth problems while I was doing that? I didn't detect any. And, you know, stuff, this - and share something else.

Okay. Here's my little lame list. Mikey's Lame List, that's a technical term. And as usual, I have to make all the usual - it's extremely draft caveats. And let me just introduce it a little bit and then why don't we discuss it and discuss how much we want to get into this before Brussels. Because this could be one that we work on sort of on the list and work through Brussels but have it really closer to done, you know, either at Brussels or slightly thereafter when we actually publish the interim report for public comment and constituency statements.

What I did to change it from the draft that you saw before was Jeff Neuman sent a long list of links that pointed to a bunch of documents. And I read them over all over the weekend and did a couple of things.

I extracted a few more harms. And I also after reading those documents, clumped the harms differently. Neither of these do I have any editorial pride over at all. And so, anything is fair game. We can clump them differently. We can clump them into likely or unlikely. We can do all kinds of things.

But I wanted to let you know that it's moving and let you see what I got. Now, the thing that I didn't do is change the harms from continued separation

section because all of the links that Jeff's email had were pointing towards statements of harm from vertical integration.

And so if somebody has a similar list of links that they would like me to read and extract from, please post them to the list and I will do the same sort of thing that I did for the second half of this list, to expand it (unintelligible) differently, etcetera.

I'm not sure that I want to spend a lot of time on the call actually analyzing the harms, but I would be interested in sort of broad statements or (purchase). Maybe, yes Jeff, I was going to call on you so I may as well just hand it over to you.

Jeff Neuman: Yes. I'm completely with you. I don't want to go over the call and - on any of the specific harms that are on this list because it's still in motion. But what I'd like to do is suggest some possible categories for harms. So I think, as you said, we have potential harms from continued separation. And then I think the way we could - and we would say continued separation and then may - and then it would say from integration.

We can do it along the following lines that would be, you know, complete vertical integration, and then something that the other part would be allowing up, you know, up to 100% cross ownership if you don't distribute that TLD and then maybe on the 2%. And maybe I guess on the affiliate's proposal of the 15% sort of bucket it into those levels and say, you know, does it exist, does it not. Is it, you know, more than likely in that effect?

I'm just trying to think of some sort of matrix or a way to categorize it, because I think - and then we can of course discuss - then we can get down to the nitty gritty of is it really going to happen because of that, or is it more than - was it - yes it looks to harm, but it's more likely if there's cross ownership.

So, I think a grid like that might be the best way to do it, but that's, you know, I'd love to hear some other suggestions on that.

Mikey O'Connor: Thanks Jeff. Let's continue that kind of conversation. And what I'll do is I'll listing to the MP3 and take a first try at a grid as my next draft irrespective of whether I get more lines for the table. But that's a great idea. Kathy go ahead.

Kathy Kleiman: Oh thanks.

Mikey O'Connor: Oh you're on - there you go.

Kathy Kleiman: Now I'm of mute.

Mikey O'Connor: There you go.

Kathy Kleiman: I wanted to see whether we could divide up the potential harms by who they harm. So potential harms against - for registrants, potential harms for registrars and probably to a smaller extent potential harms for registries...

Mikey O'Connor: It seems like another couple of...

((Crosstalk))

Kathy Kleiman: ...because that's something to discuss then on the list.

Mikey O'Connor: Yes. It seems like three good columns for a table for sure. Yes.

Kathy Kleiman: Great. Thank you.

Mikey O'Connor: Jeff Neuman.

Jeff Neuman: Hey sorry about that. I started talking on mute. She wants to total it, Jeff Eckhaus just said about, you know, dividing up the harms because I think

there are different harms that would result, and Volker actually mentioned one, if you let's say adopt an acute proposal I guess is what someone referred to it now or whatever it is, you know, that they may exclude competition.

That's a different harm than if potentially it was 15% or it was 5% or whatever the rule is. So, I think there are different harms depending on the type of proposal. So I would favor kind of dividing those out.

And I also - this is not a question on (unintelligible) into it was meant when it says regis - potential harm from continued separation is registry failure. And I just - if there's a way you can cite - well put the citation to which document you found that in and then that's a lot of work.

Mikey O'Connor: Yes. You know what? I was kicking myself about three hours into this project for not citing. And because looking back at the list, I was asking the exact same question myself. Where did this come from?

And, I may do that as homework for myself. I may just try and retrace my steps and try and cite these because I think it's important enough that it's worth the work.

My recollection on registry failure was that this was a harm from continued separation and it was a person in a presentation to Seoul saying that continued separation might result in registry failure because they couldn't get a registrar to distribute their names. But I should go back and cite that, yes. So I will take an action to do that.

Jeff Neuman: Thanks Mikey.

Mikey O'Connor: Yes.

Jeff Neuman: And by the way, we do appreciate you taking this on because it is a lot of work. So thank you very much.

Mikey O'Connor: Yes. But, you know, I'm the only one that's done the steps. So it's going to be a lot easier for me to retrace the steps than anybody else. So I'm happy to do it. Alan, go ahead.

Alan Greenberg: Yes. On - I guess I'd like soon to see a little bit more description on some of them. I'm not sure what reduced ability to differentiate registries means in this context. And I'll also note that there are some of them such as lower service quality which could equally apply to a vertical integration lowering service quality...

Mikey O'Connor: Yes.

Alan Greenberg: ...especially if all registrars...

Mikey O'Connor: Yes.

Alan Greenberg: ...don't have equal access. So I think we have to be careful about putting things in one side when it actually perhaps applies to both depending on the implementation.

Mikey O'Connor: Well and you'll see in lots of instances, there are duplicates. And if there are - there are duplicates there where I came across them in something that somebody wrote. But I think ultimately what we're going to want to be able to do is identify everything that may have a duplication rather than just relying on the stuff that's been written before so that we cover stuff like that Alan because I think you're right. I mean I think in some cases you can make a case either way and we should probably do that. Kathy?

Kathy Kleiman: I forgot to put down my hand. Thank you. And...

Mikey O'Connor: Oh sorry.

Kathy Kleiman: ...repeating Jeff's comments, thanks for all your work on this, appreciate it.

Mikey O'Connor: Well, you know, every day's a Saturday and a fellow needs a hobby. So, I'm happy to do it. Alan is - oh Brian, go ahead unless you're...

Brian Cute: Yes. Thanks Mikey. Yes. The point to one of the comments that Jeff Eckhaus has made in a prior call, perhaps this morning too, with regard to the harms list, a distinction he's trying to put forward is harms that have nothing to do with cross ownership.

And what I want to make sure is reflected in this list is that the points we've made in the past about access to registry data and the harms that can ensue through the use of registry data are in effect in some cases would result in an amplification of harms that have occurred in a single registrar setting so that it is important to note that the harms that can occur from (access) registry data effectively make the harms we've seen in a single registrar setting grow by an order of magnitude. Because instead of a single registrar having access to a limited pool of data, they now see lookups and other data that allows them to see the broad TLD market.

So, if we're going to make a distinction along those lines that a category of harms has nothing to do with cross ownership, first of all I don't think that's appropriate. And if we do do that, I'd like to see the qualification in there that there are certain harms that can be - that exist in a non-cross ownership setting but that can be vastly amplified in a vertically integrated setting.

Mikey O'Connor: Okay. I will add that to my little list. It sounds good. Jeffery Eckhaus has been back at it.

Jeff Eckhaus: Yes it's just - I wanted to - I think I commented on that. I think there's a distinction that I tried to make. I think I said that it would be more likely that or

that could - not more likely, but easier to facilitate I think is what I was trying to get at.

By saying more amplified or say making it worse, that's a tough one because I think that distinction saying you don't know how bad the, you know, saying how bad the crime's going to be. Saying hey if I leave open a jewelry store, are they going to take, you know, two pieces or are they going to take 100 pieces.

I don't know that what the answer is by not having an alarm there but, you know, I think - what my problem was, I think there should be a distinction. I agree with you. But I thought it was either is more likely where - not more likely but could be easier path or it could be facilitated easier versus how bad the damage could be.

I don't know but I think we'd say there could be damage or there couldn't be. I think that was the distinction. I agree there should be a distinction on that.

Mikey O'Connor: I think what I'll do is I'll take a crack at the table and push it out to the list so that people to hammer on. That I kind of get the gist of where this is headed and I'll pick and try at some words and then we can tune them up. Tim go ahead. Oh you may be on mute Tim.

Tim Ruiz: Yes. I was just going to - just to, you know, respond to Jeff about, you know, the jewelry heist example, so we just need to be careful there because the difference to me in my mind is more like, you know, a thief who has to break in to the jewelry store to take what he wants. And someone's been handed the key and asked to run the store and then decided to take what he wants. So there's a significant difference and I don't think we should forget that.

Mikey O'Connor: I'm going to tiptoe out of my Chair role for just a second and throw a possible analogy out there that occurred to me because I think that some of our analogies are perhaps more harsh than they necessarily need to be.

And what I was struck by is the similarity between domain names and chips that come out of a chip fab factory. And this is going back 25 years in my career when I worked for a supercomputer company.

If we had Honeywell make chips for us and there was no way that they could know when they made the chips how fast they would be, some of them would be fast and we would use those and some of them would be slow and they wouldn't - we wouldn't use those in the main CPU. We'd use them elsewhere.

But there was really no way to know in advance which chips were the fast ones. You basically had to make them and test them and then put them in piles. And the ones that were fast were really expensive and the ones that weren't were really cheap.

Well in a way, domain names are kind of the same way. A registry doesn't really know which names are going to be the (stemby) ones until the domain is up, until you can see the traffic. And I think that one of the interesting things that I'd like us to discuss is the implications of essentially being able to do that testing cycle on a domain with or without restrictions.

And it seems to me that there are a couple of ways to handle this. One is to say you can't test domains. The registry can't share that data with anybody. The other way to do it is to let everybody have that data and let everybody see the fast chips. And, you know, I don't want to get us totally derailed, but I'm not sure that we need to use such negative analogies when we describe this.

It's just sort of a different view so that I'm going to step back into my Chair role and let that drop. But, it's just a little rant. Anything else about the list of harms before I take a crack at a table, and I will try to get that done before the next call, although I don't know that we'll spend a lot of time on the call talking about it.

I think the next call is really the one where we're going to have to see if we're close to landing this thing. And that'll probably be the bulk of the conversation. But I'll get it out as quick as I can.

I'm not seeing much else on that. Tim I assume your hand's up from the last time, but if you had another point, feel free to chime in right now. Scott, go ahead.

Scott Austin: Just one question Mikey. I think the list of harms is good. I just wondered if you can recall in crafting it if you incorporated anything from the south and right or the Cray Report, if there's any - if we know that harms that may have been touched upon in those analyses are covered in this.

Mikey O'Connor: I'm not sure. I don't remember actually reading the report directly. So, let me go...

Jeff Neuman: Hey Mikey.

Mikey O'Connor: Let me go do that.

Jeff Neuman: Mikey.

Mikey O'Connor: Yes Jeff, go ahead.

Jeff Neuman: This is Jeff Neuman. I did have the presentation as one of...

((Crosstalk))

Mikey O'Connor: I thought you were having it - okay.

Jeff Neuman: There was one of the links off of my email.

Mikey O'Connor: Okay. Thanks Jeff. Then in that case, yes, I did read that and went through and picked off the ones that I could find.

Scott Austin: Okay. So that's a...

((Crosstalk))

Mikey O'Connor: That's where those citations would come in darn handy and I will try and add those on.

Scott Austin: Okay thanks.

Mikey O'Connor: You bet. All right. I am now moving us along to the list of definitions that Mike Zupke sent. He actually sent it last Friday and it got stuck in my queue. So my apologies that - for the shortness - the reason it came out so close to the call is not Mike's fault. I want to make that clear.

And this is again a first draft. I don't want to spend a lot of time working the draft today, but I know that we've got at least one term that we need to slip in a whole market discussion. Is it one TLD? Is it all TLDs?

But I'd also be interested in hearing from people if there are other terms that need to get added to this list. And then we'll - same sort of thing, we'll hammer it on the list and clean it up and get it ready to go. And mostly this is just an opportunity to sort of bring it to your attention and get you to at least scan you eye down it. Presumably you can scroll. Have I given you the ability to scroll? Let me just make sure.

Woman: No. No scroll.

Mikey O'Connor: Sorry. Now you can scroll it. My apologies.

Woman: Thank you.

Mikey O'Connor: I tell you, these calls, there are a lot of moving parts going all at the same time. Anyway, please do take a look at it. I think it's a very good start and I'd really appreciate the work that's gone into it and just want to make sure that we treat it well. Jeff, go ahead.

Jeff: Yes. Wanted to echo that I think that this is a great start. The definitions are very good and I did have just one question. I guess this would be if we do have any questions, should they go to the list? I don't know if Mike Zupke's on the call. Should we direct them to him? What do you think is the best way to move forward if there are questions on the definitions?

Mikey O'Connor: I - this is Mikey speaking as Mikey. I like them on the list because then we all get to see the conversation and it also goes into the record. So unless it's, you know, unless there's a reason not to, I would think do it on the list and then we'll, you know, Mike and I'll keep an eye on that and make sure that they get answered. Scott, go ahead.

Scott Austin: Just one quick comment, and it's sort of an overriding comment because I know this isn't the time for wordsmithing. But there's repeated use of the word security. And as much as I realize most of these definitions came from that realm, having worked in corporate law for a number of years. I'm just wondering if that should be changed to an ownership interest in a registry because these may or may not be deemed securities in terms of people getting profit from an enterprise using the old (Howie) test, etcetera.

But they may not be actual securities or deemed a security and that's really not defined anywhere, just so we don't have to deal with stockholding. It seems to me just an ownership interest in a registry should cover the waterfront.

Mikey O'Connor: I'm going to leave that one - actually Scott I think the thing to do is frame that one through a list so we get that thought captured. And then, you know, I'm

going to punt that one to Mike and the team to take that under advisement, get it worked in.

But, you know, I think that's a perfect example of the kind of thing that we want to run this, you know, run through this and tune up. That and, you know, terms that are still needing definition because I tried a different tack on that and that didn't work I don't think. And that was to get proposal advocates to include definitions in their proposals. And, you know, that didn't work. So we'll try this instead.

Anything else on the definition stuff? Okay. That leaves us with a nice little chunk of time. We have about 45 minutes at least on the schedule for the call to talk about anything you want. And I sort of throw it to you all. Do you want to continue? Do you want to continue working off the call off the list behind the scenes? How would folks like to proceed at this point?

I don't want to unnecessarily hold 40 people 45 minutes longer on a call than need be. That's a lot of person hours. But if there's a use that we can put this to that would help get us closer to agreement or talk about tough topics or whatever, I'm game. Kristina, go ahead.

Kristina: Yes. I guess I'm just a little confused based on the track on the list. I guess Thursday, Friday, every weekend, it said what the status is in terms of the report, in terms of who's doing a first draft, are we supposed to be breaking up into teams and drafting sections.

And also whether there's any interest in the working group for me to put forward to place the Council agenda placeholder motion that I...

Mikey O'Connor: Oh yes.

Kristina: ...forgot on this.

Mikey O'Connor: Let me start, and then others can chime in. I need to visit with the staff folks, Mike and Margie and see how much of the, you know, which sections they would feel comfortable doing a draft of. I've gotten several notes from folks off list describing what those sections could be. So I've got a pretty good list of sections.

And my thought was that I would go to Mike and Margie and say which of these would you like to draft and which of them would you not like to draft. And I would start sketching out those sections that they don't want to draft and leave a sort of gaping hole in the middle for a description of the deal or the deals, the clumps.

If we wind up with sort of one, that's great, that's the payday section. If we have several, you know, a section that would sort of describe those and sort of get a sense from the next call and off the list as to the level of support for those.

And then drive very hard, probably later in the week and over the weekend to get a draft to you all for the Monday call which will be our last call before Brussels because the Thursday call is a travel day for most folks.

But that's awful tight. If I get you a draft by next Monday, that gives you no time to react to it. And so I think your motion to suspend the ten day in advance rule would be hugely helpful, partly because it would help us give us more time to rework a draft and partly because then if something, a substance, changed on the Saturday before the Sunday GNSO meeting in Brussels, we could incorporate those changes into the draft and not be in violation of the rule.

So, I'm very enthusiastic about the motion idea and would be interested to hear if there are any folks who are sort of vehemently opposed to that. I'll - let's see. Liz since she's maybe going to be bearing some of the brunt of this, let me call on Liz first. Go ahead Liz.

Liz Gasster: Oh thanks Mikey. Margie actually had to leave the Adobe Connect. I think she's still on the phone so it's actually a hand raised for her because I think she'll want to speak to this. And Margie I don't know if you're there. She is prepared to do some drafting.

Mikey O'Connor: Oh great.

Liz Gasster: And, you know, is happy to do, you know, certainly the structure and the background and, you know, maybe, you know, a summary of where we are. I think she would like some help from the proposers in capturing concisely the different ingredients which I think she can reach out to you all online to do. But she is willing to, you know, to take up the pen in the next week or so.

I wanted to make a couple also just procedural comments. I mean these deadlines, one is the Board imposed deadline right, and for papers and such for Brussels. So the documents that Margie's able to put together, I mean, we just have to recognize that it can't be an official document for Brussels because this is a Board imposed thing.

And in terms of the motions, it's really going to be a - I think a Council call about waiving any deadlines, but we're happy to help where we can. We just want to be sensitive to the fact that if there are people out there that object because of how close we are to Brussels, that that would be something to take into consideration because I think that was the Board's concern about people really being able to read things in advance of the meetings. So I'll let Margie comment on anything she might need specifically on help from others, but certainly we can help out there.

Mikey O'Connor: Terrific. Margie do you want to chime in?

Margie Milam: Sure. Can you hear me?

Mikey O'Connor: Yes.

Margie Milam: Okay. Yes, Liz is right. What I can work on this weekend, I'll, you know, go ahead and get started right away -- the background stuff, the motion summary, the summary of public comment, just the basic procedural type stuff. And I can certainly circulate something to the list later in the week.

But where I wouldn't help I think is really in, you know, it depends on how much in - how much depth we want on the various proposals or, you know, it's - if we want summaries of the various proposals, then I would look to the proposers to send me that text.

And then I would want if possible you guys to divide among yourselves how to describe the consensus, whatever that, you know, whatever it turned out to be.

So I could do the, you know, the outline and all of the kind of procedural stuff but the kind of the meat of what the proposal is, I'd like to see if you guys could divide among yourselves that work.

Mikey O'Connor: Yes. That seems entirely straight forward and appropriate. Jeff Neuman, go ahead.

Jeff Neuman: Yes. I was just going to ask Kristina a question and also what I didn't hear mentioned, you know, there is a report but this is part of a PDP. So before anything goes to the Council, public comment has to be received on the recommendation. We can't really skip that step and those of you who know me, I like to make sure that the PDP is actually followed for a number of reasons.

So, Kristina if all we're doing, I mean, is just putting it in for a Council discussion on what to do next does that same rule have to be waived or is

this something that, you know, could just be put on the agenda for a discussion item and then out for public comment?

Mikey O'Connor: Before Kristina answers, let me chime in that indeed we're following all of the PDP stuff. There's a public comment and constituency statement chunk of work that's scheduled right after Brussels. Having - we've already gone through one round of each of those. And I think the ten day rule, if I'm not mistaken, is the ten day rule to get something on the agenda of a GNSO meeting.

So it's not necessarily an initial report kind of rule, it's an agenda rule. But I defer to others who are much smarter about this than me. Kristina?

Kristina: Yes. Jeff, the intention here is not to circumvent the PDP process in terms of discussing a report. I really am trying to just have a placeholder not only to make sure that it gets on the agenda, but in the event that there is - that there are enough developments between now and the Council meeting on the Wednesday morning, that it may be helpful to the process for the Council to pass this kind of resolution, even if it's (unintelligible) along the lines of what we put into the resolution approving the RAA amendments where we encourage the Board to act promptly etcetera.

The idea really is to just make sure that we've got our bases covered. And if we - if it turns out that there is an interest and a desire to have something like that happen or there are - there is significant movement that we procedurally have left ourselves the opportunity to do that.

Mikey O'Connor: Alan you're next.

Alan Greenberg: Yes. We're in an interesting position and somewhat uncharted in that we're taking the position that we have two outcomes from this PDP, something for the applicant guidebook and then the longer term if it's not - if we haven't already done it, the longer term position on vertical integration.

I would hesitate to call what we're talking about now the initial report that's described in the PDP process. I don't think it's nearly - we're nearly gelled enough to do that. And I agree with Kristina. I think we need a motion to be able to discuss it, whatever the it is, and that should be done ahead of time.

But I'm - I guess I'd like to see a report to Council, but not these report with a capital R. And for that I question whether we need the boilerplate that we may be asking Margie to put together in the last week when there are surely a lot of other things to be done.

I think we should concentrate on substance as a report to the GNSO as opposed to trying to put together the formal report that's called for in PDP processes.

Mikey O'Connor: Before I jump to the rest of the queue, what I've done in our little project planning exercise is basically built two PDPs into one project so that the cover at the public comment constituency statement faces really well since this is an important conversation that lots of people want to weigh in on.

And so, I think that to the extent that we can essentially do two PDPs for the price of one, adhering to that process I think gets us a number of things. I mean the reason that process was built was in order to make sure that it was open, transparent, etcetera, etcetera.

And I think that to the extent that we can adhere to that, it's to our benefit and...

((Crosstalk))

Jeff Neuman: Mikey just to interject quickly, that might be a process that you come up with, but it's not one that is allowed for in the bylaws or the GNSO has approved.

So if that's what we're trying to do, we need to start making sure that this is legitimate as we go along.

Mikey O'Connor: Well, you know, I mean I think we've been pretty clear all along on the work steps, dates and deliverables. And basically that was described a month ago when we first got going. So, I'm pretty comfortable with the idea of going ahead and building the surrounding parts of the report and then they'll likely be somewhat repeated in the second wave of report that we produce over a longer period of time. Ken, go ahead.

Ken Stubbs: Mikey can you hear me?

Mikey O'Connor: Yes.

Ken Stubbs: Okay. I'm - this is more a question for a Council member. First of all, doesn't the agenda call for any new business or have you gotten to the point where you work off a pure fixed agenda with no opportunity to raise new business or any new items during the meeting?

And the second is more of a statement. It would appear to me that really what you're going to be presenting to the community in Brussels is a status report and update as to exactly where we are at this point in time. And I would assume that members of the Council would like to have that information.

You may not be in a position to act on a formal PDP recommendation, but in the past we've always allowed for status reports and updates for the community. And it would just seem to me that that go a great extent, that's the way it will be accepted, you know, by everyone.

Mikey O'Connor: Okay. I'm reading the chat. Sorry. I got a little distracted. Tim, go ahead.

((Crosstalk))

Mikey O'Connor: There you go.

Tim Ruiz: Yes. I was just going to comment on the report issue in that, you know, the initial report framework doesn't have to have every aspect of it completely filled in. I can just present (low) we are where we're at at the moment, but it doesn't have to be completely flushed out.

But if we don't use that framework for this report to the Council, I think we still want to be thorough on what we report so that we don't - so it is clearly understood. Because it isn't just the Council that's going to see this, it's the community that's going to see it and they need to understand, I think, or we need to make sure we're clear about it.

And what this working group has been doing, where it's at on the various items of its charter, and, you know, what's still, you know, what process is still ongoing, and, you know, if others, you know, might find an interest and want to participate in the working group etcetera.

So we don't want to be too - you don't want to be too abbreviated in the report and then miss an opportunity perhaps to garner further support from the community with what we're doing.

Mikey O'Connor: Okay. I'm going to draw this to a close. I'll, you know, I think that we've got the process on track so that we can hit the various hurdles that we need to hit in order to make it into the agenda. I would encourage that those of you on the Council like Kristina and Tim and so on, just make sure that we all work together to get this on the agenda the right way. And I don't think we need to use call time to do that, but let's make sure we do.

And I've been watching the chat. And there's been a - some enthusiasm for some actual negotiating on the call. And I'm a big fan of that if people are willing. You know, we've got about a half an hour left. We have everybody in

the room. We have everybody on the call just about. It's a pretty well attended call today.

And I don't have very strong preferences about how we do it but I think it would be great if we could hit a few of the hard issues and see if we can break through on one. Does anybody want to pick a hard one and through it on the table for us to give a try? Avri? Do you want to...

Man: Jeff had his hand up.

Mikey O'Connor: Yes I know. But Avri is the one that really kicked this off in the chat. So I'm - I'd kind of like to defer it to her if she's interested in...

Avri Doria: Yes. This is Avri. Not necessarily, I mean I was fine with negotiating as it were in the chat or in a (doodle) poll or offline. And people that have their hands up should probably take precedence over me.

Mikey O'Connor: Okay. I'm going to have to re-log into Adobe Acrobat because it just totally fell down on my machine.

Avri Doria: Okay hold on.

Man: I can...

Mikey O'Connor: So I'm going to appoint Margie the - or no, not Margie. I'm going to appoint Liz the official manager of the queue while I log back in.

Liz Gasster: Got you. Margie's back so.

Mikey O'Connor: Oh okay. Margie you want to run the queue?

Margie Milam: Sure. That's fine. It looks like we've got Jeff Neuman has his hand up.

Jeff Neuman: All right. So let me ask the tough question. Are any of the supporters of the whatever we're calling the proposals, blank proposal, are any of the supporters of that proposal willing to come off of the cross TLD (exshab) whatever the limitation? And if so, you know, what are the things that you're looking for to seek protection?

I - again I just as I sent in my notes last week, I just - as much as it would benefit me and benefit NuStar to have that limitation in place, I'm actually taking the opposite view because I think it's purely anti-competitive. So what are the concerns and what can we do to address this concern so that it wouldn't apply across TLD.

And for the record just so, you know, I play with on my what I put on the chat. NuStar at this point is not considering being a registrar, has never really considered being a registrar. So this is not coming out of any kind of - I'm not saying we won't in the future, but I'm just saying this is not coming out of a desire to be a registrar for TLDs for which we're not the registry.

Mikey O'Connor: This is Mikey. I got back into Adobe. Brian did you have your hand up to respond to Jeff?

Brian Cute: Sure. Yes. Let me first clarify again. I guess it bears restating. This proposal we have on the table, it's - let's call it - we don't have an acronym, a cute acronym like (JN squared). Let's call it the (RACK) which would be the first letter of the last names of the four supporters.

The proposal is calling for 15% ownership caps between registry operators and back end registrars, and likewise back end providers and registrars. Irrespective of the TLD that the registrar distributes, irrespective, you know, as with the structure in the original (Parasine) and Netsall model, there was a 50% ownership cap appeared in time, but Netsall could distribute com net and any TLD that it wished.

But just as a point of clarification, that's what we're proposing. Our main concern has continued to be and consistently been stated at the access of a registrar to registry data and create harms. And I understand that that's specific to the TLD that the registry operator back end service provider support.

But this is the primary motivating factor for the proposal that these tools opposed to others provide what we think to be breaks on a system where a registrar could through other means get access to registry data and use it to create higher prices, identify high value names, take names off the market, make them unavailable, etcetera, etcetera, all the arguments that we've made.

So that's where our proposal is to be clear. And, you know, there are some other proposals on the table that would allow integrate in certain form that would rely on behavioral safeguards or other forms of safeguards. And as we have also stated in the past, we are suspect or we're not convinced that safeguards that have been proposed to be put in place would actually A, do the job effectively or B, that ICANN would have the wherewithal and ability to enforce against those safeguards.

So those are really our primary concerns and I hope that answers your question Jeff.

Mikey O'Connor: Tim?

Jeff Neuman: Mikey. Sorry.

((Crosstalk))

Mikey O'Connor: Oh yes. Go ahead Jeff.

Jeff Neuman: Well I was just going to say it doesn't really. I'm trying to - I don't mean to be kind of direct but that doesn't really answer my question. I think the question was, you know, it's kind of hard because you say it's the existing requirements. But the existing requirement would actually allow registrars to be registries but not allow registries to be registrars.

You know, obviously I disagree with that whole thing too. But I'm just not sure - I'm trying to digest what you said. But in the meantime, I guess we'll let others speak.

Mikey O'Connor: Tim, go ahead.

Tim Ruiz: Yes. I just wanted to answer Jeff's question directly. And right now, GoDaddy is not willing or prepared to come off of that position. And then I think if you look at the proposal that we tried to, you know, resolve the inconsistency that might have existed before, if you want to call them that, for example, registries can own a registrar but a registrar can own a registry.

You know, that (unintelligible) consistency, the fact that the issue with the resellers and affiliates and things weren't - wasn't covered very well and we tried to cover that in the proposal.

So I think, you know, that the 15% from our perspective comes from the fact that that's what's in a number of the current registries. And so we don't see any reason - haven't heard of any reason to come off of that at this point, that it seems to have - to be worth and causing serious problems.

And so to come off of that at this point, I think there'd be - there'd need to be a good reason for that. And I think as far as the harms are concerned, I think Brian kind of responded to that pretty clearly.

And the only other thing, you know, that I want to mention here is that there's a little chat on the Adobe chat about negotiations and, you know, needing to know exactly why people have the positions they do etcetera.

You know what's frustrating is that I see people including myself express their reasons over and over and over again, and yet they just get pooh-poohed. And some will turn around instead, you know, claim that all that, you know, it's just for the benefit of one person or for, you know, you know, some incumbent is just looking out for their self interest or whatever it might be.

You know, well that's fine if that's your opinion. But if you don't, you know, if we're going to say well you got to express why you're taking a certain position. If someone expresses it, then we're going to have to take that as face value, because there isn't really any other way to go at this unless we're going to put people on lie detectors or bring in mind readers.

And so if we don't take it at face value, we're never going to get anywhere and these negotiations are going to be totally pointless.

Mikey O'Connor: This is Mikey. I'm going to intervene here too and just point out that in many instances, it's helpful when you're framing an argument to cast it in the first person rather than the third person. So when people frame an argument, it's better to say I feel or my group feels blah, than it does to say those other guys feel blah. It's just sort of one of those basic kind of brainstorming rules.

And I think that we have sometimes fallen off the wagon just a little bit on that. So would encourage folks not to put words in other people's mouths or in (unintelligible) motives for other people but rather to keep it sort of in the first person.

Brian I assume your hand is up from before, so I'll circle back to you if you want to speak again, but Jeff Eckhaus next.

Jeff Eckhaus: Yes. Actually now I have a question on the list, and I guess it's the same question that Brian is stating is Jeff - and like my whole point - my initial question was to the people that were proposing 15%, how is that - I'm just curious why would, you know, how is that any better than the 2% which I thought was what the Board had stated?

But now on the list, on the little chat, it's going back and forth that the Board is at zero, staff is at 2%. And now I'm confused about that and maybe that could be brought up.

But my original question was for those that are saying hey let's go to 15%, why is that - I'm not clear why that's any better than the 2% that as I said I thought it was the Board but now somebody's saying staff, so, two questions and maybe a - one question may be a clarification.

Mikey O'Connor: Let me take a stab at the clarification. I think the Board resolution was zero and then maybe what Jeff is saying in the chat is that the language in the DAG is at 2%.

Jeff Neuman: Right. That's - yes. This is Jeff. The Board hasn't approved that so the Board resolution is still what it is and the staff has come out with a proposal which I'm assuming what (nut Willey) said is based on discussions as how do the Board but it's not an official Board position. It's...

Mikey O'Connor: Yes.

Jeff Neuman: It won't be official till it's a resolution.

Jeff Eckhaus: It's Jeff Eckhaus. Could we get - I don't - I'm not saying, you know, anybody's right or wrong. I was just - if we could ask staff for a clarification on that, that would be great.

Mikey O'Connor: Margie you want to take a swing at that one? Or I tell you what, let's get that clarified on the list because that way we can direct it to (Curt). And I'm not sure that it's terribly germane at the moment. I think the main discussion is the difference between something very small either 2% or 0% and something larger, 15%. And the question that I think to rephrase Jeff's question, Jeff Eckhaus' question is why 15? Why not something else?

And to replay what I heard from Tim, it's what's in place in many other cases. But I'll let others speak to that. Ken, you want to go?

Ken Stubbs: Yes. Can you hear me Mikey?

Mikey O'Connor: Yes.

Ken Stubbs: Yes. This last five minutes has been very troubling for me. Mikey, I can't not agree with you at all as to what's germane and what isn't germane. One thing this (freaking) group ought to be able to get is a straight story as to how these numbers are arrived at, where they're coming from, what the logic is behind them, whatever it may be.

When (Curt) talked to us before, he left the impression in my case - my understanding that the (DAG), the discussions regarding vertical integration were a reflection of the retreat that the Board takes.

I don't think we have time to take the temperature every five minutes to find out whether it's the staff that we're talking to, the staff are talking through, whatever it may be. But I think that we need to get clarification. We need to know where this is coming from, what the logic is because if we're addressing a solution and they're asking us for a solution, it's very important for us to understand exactly what their concerns are and why it is.

This is not a game. We're not working with a Ouija board here. We're working with business plans, business futures and an obligation to do right by the

ICANN community. And protecting the registrants, protecting the community involves everybody being straight forward and, you know, like Tim said before, you've got to take people at their word.

What's the answer? And it's not that hard for somebody on this call to pick up a phone, call (Curt) or (Doug Brandt) or I really frankly don't give a damn who they call and find out where that number came from.

And if people are reluctant to discuss this, then we have a real communication problem up the line from - to the staff and ultimately to the Board. Now when I say we, I'm not talking about the members of this working group. I'm talking about the Names Council as well because, you know, the staff is not supposed to be a filter. The staff is supposed to be facilitating this stuff.

And I'm not dumping on the staff here at all. I just want clarity and I think we have every right to expect it. Thanks Mike.

Mikey O'Connor: Okay. Kathy.

Kathy Kleiman: Okay. Thank you.

Mikey O'Connor: There we go.

Kathy Kleiman: I'm off mute now. I think we've discussed this before but I wanted to address, you know, Jeff Eckhaus' question, what's the difference between 0% or 2% and 15% because it seems to me there is a big difference.

And I'm just going to throw out my speculation about the 2%. And I don't know if I'm reading into anything or whether this is something that we've already talked about on one of our - I thought the 2% was (unintelligible) have to address them kind of de minimis issues like if someone - if there's one share that's owned to the stock instead of 0%, if someone owns 1 share of

the stock in a registry or a registrar that that's de minimis. There's essentially no control at all and no voice either.

The 15% is designed, it seems to me, to really allow some cross-ownership, to allow some innovation, to allow registries and registrars to work together but with a small ownership stake certainly not controlling, not majority. There are ways to gain 15%, I know when we've talked about them, to be a controlling interest.

But the idea is, and it's back up by some of the other language of what we're trying to put into place that it's not a controlling interest. That - that's - it's enough of an interest to allow some innovation from cross work.

The other place where 15% comes in, and if you need - I'm not sure, you know, it's historic, but it's also where the table takes us. And so many of the proposals now come in at 15%. It's really a really very big bump in the middle.

There's a few at one end, a few at the other end, a few at, you know, 0% and 2%, a few at 100%. But the vast majority of proposals, the table shows us are at 15%. So that's - it's not a consensus but it's certainly a convergence. So I just wanted to share that. Thank you.

Mikey O'Connor: Thanks Kathy. I'm not sure where to take us from here. Oh Jeff Eckhaus, go ahead.

Jeff Eckhaus: Yes. I just wanted to add in saying that, you know, I - this is one I'd love to hear. I, you know, I think - actually I have this on the affiliate's proposal and I guess further that Kathy just stated saying hey 15% allows for investment and innovation. And I'm still not sure how that works over 2% because what that means to me is saying hey a registry or a registrar, the only reason they would need investment is saying hey for them to get started.

And so, you know, they would need to raise funding. But if it's an existing registry or registrar, I'm not sure how allowing 15% investment versus 2% investment allows for innovation or investment. And I've always - I'd love to hear an answer to that from the different groups. And so that was my question on that.

Mikey O'Connor: Okay. I'm not seeing a bunch of hands come up. I think that I'm reading the chat. Tim, go ahead.

Tim Ruiz: Yes. I said - I didn't quite get the full gist of Jeff's - Jeff Eckhaus' question. But again, you know, the 15% for GoDaddy is because that's the prevailing percentage within the major gTLD contracts. There may be some exceptions within the sponsor contracts perhaps. I, you know, Dot-Pro was brought up.

The fact is, Dot-Pro does now contain the 15% limitation with Dot-Pro itself as an exception. But that invitation wasn't included in the contract outside of that.

So, (unintelligible) current what I - I'm not sure that that's completely been approved and implemented yet but that's the proposed amendment I think that'll be going into Dot-Pro contract.

So, you know, you can say well yes, is it arbitrary? Well maybe. I, you know, but we didn't come up with it. I mean that's the percentage that's been being used for some time now. And so it didn't - it doesn't seem to make a lot of sense to come up with other percentages that have no history that are just as arbitrary, that don't make any more sense or we have no more reason for than the 15% that's been in use now for some time.

So that we, you know, keep the level playing field as we go into this new gTLD era with the new gTLDs and the incumbents. That's our main concern about it. I don't know what else you can really explain. And if we're going to go to some other percentage that we have with that or with some of the

exceptions that are being discussed is that, you know, are those things possible? Well sure.

But do we really have the time before the first round of the new gTLD is to really fully vet and discuss and look at all the harm and the issues and everything involved with all these other concepts. We don't believe we do. If we want to see the new gTLDs come out within time - within the next several months because these things will take much longer to debate.

And I think just the discussion that we're having today is an indication of that, let alone all the discussions and debates that has gone on in this working group and in looking at where we're at today.

Mikey O'Connor: Wow.

Man: (Unintelligible).

((Crosstalk))

Mikey O'Connor: That was amazing.

Tim Ruiz: Maybe it was an attempt to drown me out. So that's, you know, I guess I can keep repeating that but I, you know, that's really all I can say unless I missed some aspect of Jeff's question. But I'm trying to answer it as best I can.

Jeff Eckhaus: Can I respond? Can I just hopefully clarify that?

Mikey O'Connor: Sure. Go ahead Jeff.

Jeff Eckhaus: What I was saying is - can - what Kathy had just stated which is what was in the proposal that says 15% allows for investment and innovation. And what I was saying was, you know, a further investment which leads to innovation, I guess my question was I'm not sure how raising that percentage allows it.

Has there ever been a documented case or do we need it to say oh that, you know, there was a registry that wanted - that needed investment from a company or a registrar that needed investment from a company. At that - the only thing I was saying was that I don't see how that specifically leads to innovation.

I think (unintelligible), you know, what week's innovation is a whole other question. But I wasn't thinking that a percentage of ownership was that and how that - how it could lead to it in 15% and not 2%. That was my question, so...

Tim Ruiz: Okay. Yes. And I guess, you know, the way we're looking at it is how can we get new gTLDs out as quickly as possible. And, you know, not - and we have no qualms all about continuing discussion on how we might open things up further to vertical integration, but just, you know, what's the quickest way to get new gTLDs out and get that ball rolling?

And then I think once we see what applies and what's out there, you know, it's going to open a lot of eyes perhaps and maybe create, you know, a situation where there'll be a lot less concerns about what might transpire down the road. But, you know, thanks.

Jeff Neuman: Yes. This is Jeff.

Mikey O'Connor: Jeff Neuman are you in the queue for - I can't tell...

Jeff Neuman: Yes.

Mikey O'Connor: ...who's old and who's new. If you're new, go ahead.

((Crosstalk))

Man: Go ahead. Jeff Neuman's before me.

Jeff Neuman: Yes. So this is just, I mean I started this discussion out. I don't thinking this is the way it was going to turn out but I guess the question I have actually wasn't related to the 15% although that's what we got stuck on. And the question I asked at the beginning, at the outset, was anyone willing to move off of the requirements that as it apply across TLDs. And the answer I got from Brian and from Tim seem to be like - to be that, no they were not willing to go off of it.

                I'd like to hear from others because I think at this point, there have been a number of registrars and other entities that operate either as resellers or otherwise that have already announced that they're interested in getting into the registry game if you will.

                And I just think it - getting behind the proposal that per se eliminates them completely from becoming registries or registry service providers which by the way is not in the current agreement. So 15% has nothing to do with the registry service provider or registry infrastructure provider. That's not anywhere.

                But again, as NuStar's original proposal was, I'm fine with that as long as it's within the TLD. You know, I just - I'm not sure. It just seems overly restrictive. And at this stage of the game, it just doesn't seem right to propose something that will keep a number of registrars that have already announced whether it's GMO for Dot-shop, whether it's Network Solutions being part of central registry, whether it's, you know, any other registrars that have come out.

                We just simply (unintelligible) this to me seems like that's not going to gain them and I'm not calling.

Coordinator: Welcome to Verizon wireless. The wireless person you called is not available at this time.

Mikey O'Connor: Operator, could you take a look and see if we can find that one.

Coordinator: Yes. I'm trying to locate that line.

Mikey O'Connor: Thanks a lot.

Coordinator: You're welcome.

Jeff Neuman: So yes. So bottom line is a solution that doesn't allow for some of these entities to get into the registry markets and also allow registries to get into the registrar market for unrelated TLDs I don't think it's going to gain consensus of the community. And but I do think a strong possibility exists if the affiliates are the size of (RACK) proposal could be modified to do cross TLDs, I think we may have a shot at getting consensus among the community.

So I would strongly ask that those - that there be some willingness to move off of that because I truly believe that we could achieve consensus if we do that, but we won't be able to if we don't.

Mikey O'Connor: Okay. This is Mikey. We are now right at the end of the call time. I can't tell who's still in the queue.

Jeff Eckhaus: Mikey. It's Jeff Eckhaus. I just - can I have one quick statement in there?

Mikey O'Connor: Sure go ahead.

Jeff Eckhaus: And this has to do with - I sort of - to what Tim said and I think Alan had said on the list and some others saying hey why don't we see what it's like in the first round and then adjust in the second round. And my answer to that is there's only going to be one chance to get a dot shop or a dot Web or some others. So, for those people that have these ideas and they want to work on these saying hey why don't you just wait till round two and see what happens.

I think that's unfair because you'd be excluding those people from participating in the first round which is going to be the big critical round where, you know, the staff expects I think it was 382 was their estimate. So, to say wait till second round is not fair and I don't think something that anybody would be able to accept.

Mikey O'Connor: Okay. Let's see. Alan?

Alan Greenberg: Yes. Just a quick point addressing what Jeff said. I'm one of those who feel that the affiliate's proposal under whatever name could be modified to allow some level of cross ownership if you don't market in your own TLD. I believe, however, it will require a lot more work to put the right constraints on it, the right contractual terms on it than we have time for in this round.

And I don't know how to - I don't have a time machine so I can't fix that. I believe among other things it will require contractual changes on the registrar side as well as on the registry side which is far more problematic because of the terms of the RAA.

So I would like to see it conceptually. I have far too many worries right now about potential harms and certainly about ICANN's inability to monitor and take action if there are any infractions.

Mikey O'Connor: Okay. Tim, is your hand up from before or did you have a comment in this last summary?

Tim Ruiz: Yes. Just a comment. Let me - it may not be a popular one. But, you know, I appreciate what Jeff has said about that, the fairness of, you know, the first round going out with some applicants who might later qualify. The, you know, one way to look at this is that, you know, none of this was ever envisioned or addressed in the initial policy by the GNSO. So a lot of applicants that kind of come into this assume, making certain assumptions about what they may or

may not be able to do and I think, you know, ICANN, the community or any of us can really be held responsible or should feel responsible for the situation those applicants might find themselves in.

You know, that said, I can appreciate that situation. I mean we - GoDaddy is one of those people. I mean, we, you know, had a significant amount of investment under one possible concept which realized wasn't too likely or probably not wise.

However, one thing we would be in favor of and that is if the community's in favor of delaying new gTLDs, we don't have to finish a rollout until we have all these issues worked out and worked through. And I don't mean to say this tongue and cheek that we would seriously be in favor of their rollout being help up until this can be completely worked through and we can have the right answers.

We get the impression that's not the way most of the community feels, but I just wanted to put that out there that we would be one in favor in support of that and that would solve Jeff's concern I believe.

Mikey O'Connor: Okay. I think that this is a good spot to end good people. Keep working - let's see and I'm reading the chat as it scrolls by. It's like watching a teleprompter.

I would highlight the distinction between the two parts of what we're doing. You know, we're doing a sort of a scramble to insert language essentially in the DAG for round one. And then we do contemplate a much longer and more thoughtful approach to really dig into these issues and explore them.

And, you know, we could certainly propose what Tim is describing and say look, we could revert to a more traditional approach - would take considerably longer, but it would delay the DAG.

And it's my impression as well that the community would not be very excited about that. So I think we have to continue on with the scramble. But, I certainly wouldn't be opposed for that other approach.

Continuing the scramble, next Thursday is sort of our day. So folks saw the beginnings of conversations on this call. I encourage you all to keep talking to each other directly. And I'll look forward to reporting any changes and doing anything I can to help. And we'll see you a couple hours later on Thursday. Thanks folks.

Woman: Thanks...

((Crosstalk))

Woman: Thanks Mikey.

Man: Thanks Mikey.

Man: Thank you.

Woman: (Kenny).

Ken Stubbs: (Unintelligible).

Woman: Yes.

Coordinator: Thank you. At this time...

Man: Have a good evening.

END