Vertical Integration PDP Working Group
TRANSCRIPTION
Monday 19 April 2010 at 17:00 UTC

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http://audio.icann.org/gnso/gnso-vi-pdp-20100419.mp3

On page:
http://gnso.icann.org/calendar/#apr
(transcripts and recordings are found on the calendar page)

Participants on the Call:
Contracted Parties House
Registrars Stakeholder Group
Graham Chynoweth
Paul Diaz
Jeff Eckhaus
Jothan Frakes
Statton Hammock
Michele Neylon
Tim Ruiz
Ruslan Sattarov
Stéphane van Gelder
Jean Christophe Vignes
Volker Greimann
Ashe-lee Jegathesan
Eric Brunner-Williams – CORE Internet Council of Registrars

gTLD Registries Stakeholder Group
Nacho Amadoz
Brian Cute
Kathy Kleiman
David W. Maher
Keith Drazek

 Non Contracted Parties House
- Commercial Stakeholders Group
Ronald N. Andruff - CBUC
Berry Cob -CBUC
Mikey O'Connor – CBUC- Co-Chair
Michael Palage - CBUC
Jarkko Ruuska - CBUC
Scott Austin IPC
Kristina Rosette – IPC

Tony Harris - ISPCP

- Non-Commercial Stakeholder Group
Avri Doria

Individuals
Phil Buckingham
Roberto Gaetano – Individual - Co-Chair
Katrin Ohlmer
Steve Pinkos
Faisal Shah
Tero Mustala
Richard Tindal

ALAC/At Large
Sebastien Bachellot - ALAC
Alan Greenberg – ALAC
Siva Muthusamy – ALAC
Vanda Scartezini

Observers
George Sadowsky - Observer

Staff:
Margie Milam
Liz Gasster
Glen de Saint Gery
Gisella Gruber-White
Marika Konings
Mike Zupke
Dan Holloran

Apologies:
Cheryl Langdon-Orr
Stéphane van Gelder
Baudoin Schombe

Coordinator:	Excuse me, I'd like to remind all participants that this conference is being recorded. If you have objections, you may disconnect at this time.
	You may begin.
Mike O'Connor:	Thanks a lot. This is Mikey. Roberto is on the call. Welcome to today's Vertical Integration call. We've got a fairly straightforward agenda today. Most

of the time is going to be devoted to essentially a wide ranging discussion of the various proposals.

And so for the very first thing on the call, I'd like to get a list of those (people) who have proposals who would like to speak and you can just raise your hand in the Adobe Connect, and if you're not on Adobe Connect, you can just speak right up.

So let's get that list. The thought that I had was that today is sort of the transitional moment when we switch between proposals running in parallel to proposals that we are comparing.

One of the things that came up on the list was that people are having a hard time sort of figuring out what's in the various proposals. And I think that I shared that to you. It's hard to compare them.

And so as people are talking about their proposals today, one of the things I think we ought to do is try and come up with sort of what a proposal have to say about various and sundry things.

For example...

Man: Mikey, if I could interrupt, everyone is hearing quite a bad echo on you when you're speaking.

Mike O'Connor: Yes, I'm hearing it too. I'm just ignoring it. Is it only my line that's echoing in or...

Coordinator: It's several lines.

Mike O'Connor: Okay. Is there something we should do?

Coordinator: I'm trying to locate the exact line but it looks like it's bouncing off of several lines.

Mike O'Connor: Okay.

Gisella What I suggest is we're going to mute quite a few of the lines until you finished talking, Mikey.

Mike O'Connor: Okay. That's fine. And then can people unmute themselves if you've muted them?

Coordinator: They can dial star 6 to mute and star 6 again to unmute.

Mike O'Connor: Okay. So if we mute them and you find that you are on mute, dial star 6 and you will get unmuted. I think that's the trouble with this many people on the call. It's just hard.

So anyway, as people are talking about proposals, I think it would be useful to start describing the features of proposals, what are the things that we can use to compare them.

And what we'll start doing is building a matrix that's basically all these features down the side and as best that we can we'll fill in what each proposal has to say about that thing, and we'll get a draft of that done hopefully by next week's call.

So as you're talking about your proposal, just mention the features that are in it.

Scott Austin: Mikey, this is Scott Austin. Sorry to interrupt you. Did you do a roll call already?

Mike O'Connor: No, I'm sort of killing a little time because we're getting folks still joining...

((Crosstalk))

Mike O'Connor: Yes, we're going to do a roll call in just a second. Thanks, Scott.

So anyway, that's sort of the plans today, most of the conversation about proposals and the features thereof.

A little conversation at the end about the evaluation group, I've got a fair amount of conversation about that off the list, and so I want to spend just a tiny bit of time clarifying what we're expecting that group to do, and then most of that time brainstorming - again to give them sort of a starting point for their first task which is to come up with the lists of evaluation criteria.

And that's it, unless there is something really urgent to go into any other business. So I'll pause for a second.

Tim Ruiz: Mikey, this is Tim.

Mike O'Connor: Yes, go ahead, Tim.

Tim Ruiz: Okay, just - and I have to apologize again. I'm still trying to get call via traffic.

I'm just wondering if there are - is there a description of what the review teams, you know, work product is supposed to be or are there going to be...

Mike O'Connor: Yes, there is in a sketchy form which I'll run through again. I've sent a little slide deck to the list for our last week's call and we'll bring that back up again when we get to that part of the agenda because the review team is misnamed.

It's - I purposely named it Evaluation, not Evaluators because eventually, we, the working group are the evaluators.

But we need to have some heavy lifting done. We need some essentially, stuff work done before moving in to that phase and rather than wrote the step up with all of that.

I thought it would be useful to form another group of people just to come up with our first - essentially, our first draft of these criteria and so that then we as a group can tune them up and begin applying them.

But this is not a group that's been given the job of evaluating the proposals but rather they're coming up with the way that we'll evaluate and I'll spend a little more time on that, again, 15 minutes at the end.

I haven't heard anything about the agenda not being right, so let's do the roll call with the folks that we've got on the call now, and then we'll move into the actual proposal discussion.

Gisella, do you want to do the roll call?

Gisella Gruber-White: Absolutely. Good morning, good afternoon to everyone. I do apologize ahead of the call for any mispronunciation of the names.

On today's call, we have (Stiva) Muthusamy, Mike O'Connor, Faisal Shah, (Restlin Sataros), George Sadowsky, Paul Diaz, (Steve Pinker), Sébastien Bachollet, (Ashleigh Jegaphison), Berry Cobb, Ron Andruff, Jeff Eckhaus, Kathy Kleiman, Roberto Gaetano, David Maher, Nacho Amadoz, Phil Buckingham, Alan Greenberg, Jothan Frakes, (Tara Muskalah), Michael Palage, (Kathleen Orna), Jean-Christophe Vignes, Anthony Harris, Kristina Rosette, Avri Doria, (Falkek Heiman), Graham Chynoweth, Scott Austin, Tim Ruiz, Brian Cute, (Yacko Rusca), Eric Brunner Williams, Richard Tindal, Keith Drazek.

From staff, we have Glen Desaintgery, Margie Milan, Mike Zupke, Liz Gasster, Dan Halloran, and myself, Gisella Gruber-White.

(I hope I have got everyone else).

Mike O'Connor: Did anybody not hear their name called and want to speak up for the roll call? Okay.

We're keeping track of it through Meeting To You, and if people come on after roll call, we'll include them in Attendees.

I see two people with their hand raised to speak about their proposals. Are there others who would like to indicate that they would like a slot?

Basically, what I've got is 60 minutes and we'll divide it by the number of people who want to speak and go.

So if you would like to talk about your proposal, this is the time to indicate that. And if we don't have more than two, then we'll split it between the two of them.

Going once, going twice? Done.

Why don't we - Avri, then, anyone that just want to talk about your proposals? Okay.

Why don't we take about 15 minutes for the three folks who have indicated that they'd like to speak and that gives us another 15 minutes for late bloomers so we'll try to wrap all of the stuff by about 10 after the hour from now.

Phil Buckingham hasn't presented his proposal before, so he gets the honors the lead this off.

Phil Buckingham: All right.

Mike O'Connor: Then, take it away, Phil.

Phil Buckingham: Hello, everybody. My name is Phil Buckingham. I'm in the sunny London today and I have to say I haven't put my proposal for this morning, yet, you've got it on the screen there.

So basically, what - I'll just basically read it out and you can read along with it.

It's got no slide or something else, and I guess it's going to take me about five minutes to read it through. Okay? So I'll just start slowly and hopefully you can all will hear me.

So here we go. So it's Vertical Integration Proposal, total separation or total integration or some way in between.

It's from the perspective of a new gTLD applicant so I'm posing a question. First question, basically, I'll play the devil's advocate.

On the member of the ICANN board, and I'm basically posing the question, you know, what questions would you - would I be looking to ask and be satisfied with to accept the proposal or proposals from this working group.

So I wanted to - obviously, I've been looking at all emails and all the comments - fantastic comments from everybody, very detailed. And I for - to myself, I wanted to step back a little bit and sort of look at the bigger picture, the background behind what's going on here, why we're all here, and then put it into the context to them via - in a proposal.

So basically, as it's - you're going to scroll down here, please so everybody can read.

Mike O'Connor: Everybody can control the screen themselves so...

Phil Buckingham: Yes, if they're okay, then, so I need to control mine, then. So yes, so okay.

So the bigger picture, one, ICANN has obviously announced its - if this working group does not come up with the proposal or proposals, then it would default to the existing stages quite which was basically set up about 10 years ago. I mean, that's pretty obvious.

And where - and within that context, we had .com sold or .net and basically, in my book, they control whatever that means, 70% to 80% of the gTLD market. I mean, 70% to 80% is sort of a guesstimate. And likewise, GoDaddy is the top registrar and has registered 70% of registrations today. Okay?

So therefore, in my book, the market is open potentially to prospecting and it's not in the interest of the end user.

Secondly, ICANN is the remix to open up the gTLD space to significant competition, innovation, consumer choice, accessible to everybody globally, and its very existence could be dependent on the success or failure of new gTLDs.

I mean, I'm sure you won't get your various comments from it but this is the way I - my assessment of the situation.

ICANN wants or needs more applications rather than less to cover its huge information costs.

Number 4, application numbers are unknown. The global market demand is still not being established.

New gTLDs could be a success or they could be an object failure. The marketplace will be totally different to the current market and the current rules surrounding VS need to change to one of the VIs.

Number 7, as I've said here in a couple of lectures, but critically how far across the spectrum do we need to go with this.

Number 8, ICANN needs investors - I'm sorry, innovators, entrepreneurs to apply finance and take the associated risk of a new application. And to answer you, some even know, I'm one of those people.

And I'm putting it back it here, excluding corporate separate brands here at the moment.

Number 9, business models must stack up. The market demand established - that's going to be established is going to need its own new gTLD, not many. So it has no impact from other new gTLDs.

Number 10, new gTLDs will sink or swim based on their market demand.

Number 11, it's a very (argued), it's a very expensive application process.

And Number 12, the whole GNS in my book like all of us is going to get bigger and potentially, there's all opportunities for all of us, whether we are registrars, registries, whatever we are within this whole community.

So each new application in my book whether it be a city one, culture one, a brand one, a course, whatever it is, it needs to be given the tools and the ability to cross this business model in the widest context in terms of vertical integration.

So each one of us in this working group that's here is here for a reason - is here for a reason.

Some are working for registries, some are working for registrars, some are representing top brands, potential top brands, some potential top cities, some are outsiders, some are policy experts, et cetera.

So basically, we have a whole range of very clever, very impressive people in my book.

So we need to each to ask - ask ourselves - each ask ourselves if we have had a full VI, what are the issues - if we have a full VI, what are the issues and the consequences to our business, our business interest with the arrival of new gTLDs.

And likewise, if we had a partial integration, what would the impact be, and if we say with the total separation as we've established the moment, what's the situation there, what's right with it and what is wrong with it.

And Number 4, can we find a compromise solution of partial integration. And Number 5, should we go for total solution that covers all eventualities, all scenarios which would obviously be a full VI.

So now, I've come up - this is my solution why I'm looking at it.

Number 1, set up a team - set up teams to represent different types of known and unknown applications using the full spectrum and knowledge levels available to us, and obviously, people from inside the community and outside the community. And then each one of us are to question about ourselves to get the right team mix.

Then, Number 3, put together "What If" questions that if you - your signed applications would like to do but currently cannot personally do in the context of separation.

So I put in a question here. Obviously, I'm behind (that loyal) application. So I'm (changed) myself here.

One simple question, I want to only use one registrar, is that possible and why are we stopping that.

And then off that same question, then ask, would that be in the interest of new registrars, all registrars, everybody, everybody that's in the value train.

So obviously, from that, you create a new role that would allow this to happen or not happen.

And then, I've said Number 4, teams or evaluations or evaluators, whatever you call them, to look at these new roles and then in terms of - and I've written down here six, seven things, and obviously, there's many more that we need to discuss and I could add pricing, antitrust, transfer pricing issues, compliance issues, gaming, implementation issues, level of consensus, how this rule is to be applied of the applications and not to put down them on, obviously, please add to that list.

And then I've said, we need to set up some general rules or general assumptions like to me, there's got to be a level playing field across everybody, across - so yes, a level playing field.

And then, I've said, you know, if a registry sells nine only internally, it does not need it or require a registrar.

So that was kind of, you know, these are just examples and maybe you disagree with them, whatever. But they are just examples.

So then, I conclude and said, we need to look at all scenarios in the context of VS and VI to cover all bases and then ask questions.

When will we be able to change the total solution within the time constraints, when will we be able to be get a consensus because to me, it's - what does that mean and what is consensus within this community of 70 old people.

And then by making these VI options is why is this possible to me, it will allow and convince all undecided applicants that an application to ICANN is in their business interest and in their own particular - within their own particular mission statement.

And then when I put down the book from this, what ICANN want to do is spend a huge amount of work only, to be honest with you, to see it being rejected by the board, which in my book could potentially delay the whole process, which I don't want to happen.

So that's why - that's just my ideas and I'm sure you can then - all of you can then pick a little bit and I'm happy to take the (criticism for that slide). Okay?

Mike O'Connor: Thanks, Phil.

I've got Kathy and Avri in the queue to speak about their proposals so everybody can put their hands down and then we'll just manage the queue of questions for Phil.

So if you have a question for Phil, this is the time to ask. There's Richard, Richard Tindal. Go ahead, Richard.

Richard Tindal: Yes. How are you, guys? So Phil, a quick question for you.

You just said that your proposal is to have one adult loyalist to have one registrar. I assume that that means that...

Phil Buckingham: Well, I'll just used an example and saying, you know, that's - one of my idea is, "Can I do that within the context of what we're talking about here?" So that's, you know, is that possible, is it not possible.

And from my point of view, I would - the way I try to put my business models together, you know, I would like that to happen. I would like to, you know, that be available to me.

Richard Tindal: Okay. I misunderstood. I thought you're proposing that, but it's just a sort of question.

Phil Buckingham: No, Richard. It's a question. It's a question. I'm saying, you know, possibly there's another applicant out there that would like to do exactly the same thing and whether that is a good idea in terms of virtual integration or not. Well, is it possible to do it?

Richard Tindal: To that question and I think in the context of the current rules, it would not be permissible to...

Phil Buckingham: No, exactly. That's my understanding.

Richard Tindal: Yes.

Phil Buckingham: So I'm saying I would like to do that, and can - is it possible to change the rules to do that?

Richard Tindal: Yes. Well, I think, you know, all the rules are possible to be changed. But I think it's important probably to differentiate between the cross relationship rules by which we're talking about now, I mean and the equivalent access rules for registrar which is really quite a separate concept.

But it is the concept of whether or not you have to use all registrars which is kind of Recommendation 19 at the GNSO implementation. That's one issue

and then it's separate, somewhat related but the separate issue is, is the registry itself allowed to own a piece or in fact, all of one of those registrars.

Phil Buckingham: Yes, Okay.

Mike O'Connor: Phil...

Phil Buckingham: You know, I think it would be a good idea. We've raised one particular question there and I've got a very good answer.

So we would - should have a poll and say, you know, in that content, is that a good - should we say yes or no to that because, okay, listen, I don't - sorry, I don't know these rules, this 19 rule. But to me, you know, that's what it stands at the moment, that's the way it is at the moment.

And I'm saying what I'd like to get rid off that rule, 19 rule, it allow me to do this way.

Mike O'Connor: Phil, this is Mikey. I'm going to barge in. You're out of time.

Phil Buckingham: Okay.

Mike O'Connor: Avri, a hand or hand up and I'm wasn't sure - Avri, were you going to ask Phil a question or were you just putting your hand back up to me and...

Avri Doria: Just a quick comment about Phil's, but I can do that at somewhat a point if that's not now.

Mike O'Connor: Go ahead.

((Crosstalk))

Avri Doria: It has to do with, you know, this thing up, we wouldn't want the board to fall away the work of this group or, you know, we wouldn't want to waste our time.

                I think if this group doesn't work well, has consensus, gets passed on by the GNSO council, still having done its work well with diligence and diversity, I - from past history, I just don't see that being the likely result. That's all.

Mike O'Connor: Thanks, Avri.

                Okay. Phil, thanks very much for your proposal and we'll move on to Kathy who's got the next 15 minutes. So you have until 20 minutes through the hour.

Kathy Kleiman: Okay. Thank you, Mikey. Can you hear me?

Mike O'Connor: Yes.

Kathy Kleiman: Excellent. I just want to double-check (when we come off mute). Hello, everybody.

                I am not going to repeat the whole proposal, and I'm not going to use most of my time.

                Everybody knows the name proposal here which is that we have the main model and three exceptions.

                The main model is full structural separation of registries and registrars. Speaking with the 15% ownership of - by a registry of any ICANN accredited or registrar whether not it's from the same TLD that the registry is distributing.

And really looking for a separation that is - a separation of registries and registrars in that equal (facts), of equal treatment that's easily verifiable and auditable and then the three exceptions.

This can go registrant gTLD, whatever the details of that may come from the starting group, the community gTLD and the orphan gTLD in allowing all of these groups some amount of time to grow but after they grow enough, then they feedback into the system of the ICANN accredited registrars.

And a lot of the details here are subject - I've been in a lot of working groups as we all know it. I've had all of us and a lot of the details here are subject to negotiation. We needed a starting point so I put it forth.

But what I really want to comment on is, what's our goal here, what are we really trying to accomplish. And I wanted to suggest that our goal - and I don't do so much discussion about it but our goal is really registrants and how to get a diversity of new gTLDs into the hands of registrants and don't forget until a few a weeks ago I've spent 10 years or a decade on the registrant side of ICANN.

And so I don't forget that overnight and the idea that we really want to - the use of offerings to go to registrants which leads to the next question which was what's the best way to get new gTLDs to registrants.

And I'm going to thrill out here that the ICANN accredited registrar base is a proven model for successfully getting gTLDs out to registrants all over the world.

We had big registrars and small registrars and what I love is the profusion of registrars in developing countries around the world that are really working on reaching out to their communities.

And I think with the idea and this will growth with the new gTLDs and the community gTLDs, this will grow this ability to reach registrants and serve them with domain names they can use and want to use all over the world.

So how do we then best serve these days of the ICANN accredited registrars and it was interesting, I was making the chart across all the proposals and there is one principle that goes across all proposals actually strengthening up with the inception of ours where there's a tweak on it. But that's the equal access of the Recommendation 19 from the GNSO.

This equal access of all registrars should have the same access to information, the same technical access to the drops and to the data that this equal access provision is a common denominator because it fosters the system of the ICANN accredited registrars which then distributes domain names around the world to registrants.

If we want to keep the equal access, then we have to look at proposals carefully, because ccTLDs have no equal access provision. They can use the information, they can give the information selectively to registrars, ICANN accredited or not.

But we have a provision of this equal access, and if we're going to put it in, if we're going to preserve it, if we're going to preserve our existing model, the next thing you have to really think about the proposals that have the ability to ensure that the system works, the ICANN accredited registrar system works and structural separation in separation of control are two - these are proven ways of preserving that equal access in the way that they're verifiable and auditable and workable and it's also a separation of structures or separation of purposes.

So I pass it at the PIR proposal, it served us well as to some of the other proposals. You know, this is an important principle in our discussion and why and what the ultimate goal is that I think we're going to serve.

Thank you.

Mike O'Connor: Thanks, Kathy. We've got another 10 minutes about to post questions or expand on that.

I do want to highlight one thing. Any and all of you who are as Kathy has mentioned doing charts of comparing the proposals, I'd love a copy of that, because I really think that that's our next step is to put together a chart that we can use to compare the proposals, let proposal attributes fill in the parts that their proposals don't address so that we can move pretty quickly to a pretty comprehensive single paged kind of document that we can use to see where these proposals agree and where they disagree.

And with that, anybody wants to post a question to Kathy in the next few minutes?

(Jeffrey)?

(Jeffrey): Yes, thanks.

Kathy, I agree with you in a lot of those points and I just have a question on - for you regarding I guess the community and the other ones.

I guess what I'm trying to figure out and I guess this is maybe not only to your proposal but a few of the other proposals that I'm still trying to wrap my head around.

Why there I guess concern or suddenly fear kicks in of what's going to happen of - at like Domain Name Number 50,001 for, you know, on - or these on the community or the other ones.

I'm just trying to get like why is that, you know, if it's - what if it's the concern that, you know, I can tell from - we need to keep this separation because there'll be data commingling and bad things will happen.

So why is that not a concern when there's 50,000 and up to those numbers? I'm just trying to wrap my head and I know you have this and a few other had this in their proposal, so I guess it's maybe to all the people that have that number or, you know, the same thing actually goes for that and I've asked this before like that 15% number. I know it's a legacy number.

So why is that number there? Is it just because hey, it's been in there and, you know, nothing has gone wrong so let's just keep that number. I'm just trying to get my head around the numbers.

So as we try and move forward or, you know, negotiations or to figure things out the chart, what's the - I don't know, why we have those numbers. So hopefully maybe you can shed some light on that.

Kathy Kleiman: I can certainly try. Thanks for the question. But I also invite others who have submitted proposals with this issue and - to respond as well and you're welcome to take some of my time on that.

The 50,000 is not a legacy number. This is a new concept that's been quoted in various proposals for a while.

And the idea is trying to draw a line -- whether it's the white line or not -- whether this is the right place or not, trying to draw a line between when the gTLD - sorry, a lot of noise, when the gTLD is really small, is really isolated and when it should be - when it's big enough to open up to general system.

That's at least what I'm trying to achieve in our proposal is, you know, one of you made the case that there's probably a much bigger market and that

registrars will pick this up and distribute it around the world and so that's what we're trying to aim at with the 50,000.

And also there was a lot of talks and we had a week of discussions about single - single registrant gTLD and all the gaming that's possible and when is it not appropriate and when is it appropriate to be a single registrant gTLD and lots and lots of borderline cases.

So trying to create something cut and drive, one piece of the certain number X, whatever X is then you open up to equal access to all ICANN accredited registrars.

In the main model - in our main model, the 15% ownership is a legacy number but it's a number that works. It's a number empirically that has worked well, it is a number that we see reflected in various entities today, registration entities and not PIR but others.

And it seems - it's a small percentage of ownership. Now, in certain circumstances, it could be a control in ownership.

If you have a public company with very diversely held share, 15% could actually be controlling or close to controlling, which is why we super impose the full structural separation. And I think that's where the PIR proposal differs from some of the other is that it's both separation control and full separation of financial and other types of structural control.

(Jeffrey):   Mikey, one quick question on that. Sorry. So just so now - I'm just trying to get the clarification. So for you guys for the PIR proposal, the structural control is more - structural, sorry, separation is more important than say at control and the ownership.

Kathy Kleiman: No, both, because both create something verifiable and clear. So you can verify 15% ownership of a registry and the registrar, you can verify that.

In full structural separation, we're talking about full operational separation, full financial separation, full separation of control.

You don't have overlapping staffs, you don't have overlapping data centers, you don't have overlapping development - software development people, and that is also something verifiable.

So when it comes to those equal access provisions, you know, have data been passing intentionally or inadvertently between registry and registrar. You can say "No." There's a full separation there.

(Jeffrey): Okay. Thank you.

Mike O'Connor: All right, then. I was going to call on Alan, but he put his hand down.

Richard, you're next.

Richard Tindal: Hi, Kathy.

Kathy Kleiman: Hi, Richard.

Richard Tindal: So regarding our proposal, we've had a strict 15% cross ownership for provision regardless of the TLD in question. So...

Kathy Kleiman: That is what we are proposing.

Richard Tindal: Yes. So I wanted to explore your reasoning for that and just to illustrate it for everyone of it.

So what you are saying is that, say new start is the registry for .use at the moment. You're saying that they couldn't own more than 15% of registrar that only sell .com, or for example, you're saying that Enom on the registrar

couldn't own more than 15% of a registry even if as a registrar they didn't sell that gTLD.

So you've sort of encompass all GLDs regardless whether the cross owned registry-registrar combination is selling that night.

So given the reasons that you've provided, you know, the hums, that you've provided across the 15% threshold, it seems to me all those hums apply to the specific TLD in question. So I'm wondering why you have that sort of the bigger amount of area here that says no, you can't own 15% of any GLD.

Kathy Kleiman: It's a good question.

And everything here is subject to the discussions of the group but it makes sense one to have - well, first, what we're doing is embracing the rule as it exists today, which is that a registry can own 15% of any ICANN accredited registrar regardless of the distribution.

So again, embracing the systems that work, the system that protects the registry-registrar separation.

And if we're going to change that, I think we should have some really good reasons to do it and those reasons may well exist to what we've been working with.

Richard Tindal: Okay. And so I mean, I agree with you. That's what the current contract say, although I'm not sure that was in job, then, but I agree with you that's what they say.

So I agree with you. I think it would be worthwhile exploring, you know, for example I could not see any hum, you know, starting a registrar or in .com while on the other registry for .biz. I don't see any of the deceased hums picking in...

Kathy Kleiman: The problem I see is when they decide they want to offer it, but then when decide they want to expand. I can see that being a problem because they not come and ask for an exception. You know, now I want to circulate my TLD - my own TLD.

Mike O'Connor: This is Mikey. It's - we're at the end of the time but we have a little extra time. So with the permission of the group, I'd like to let Kathy's slot go another five minutes and with that, call on Scott.

Scott Austin: Thanks, Mikey. I don't want to (unintelligible) because we've talked about 15% before but the question I have and it was (figured) by the last person in a sense, 15% to me doesn't keep the owner from having knowledge of the workings of the entity that he owns.

                  In other words, even if you have 1% or it'd be 1/10 of 1%, it seems to me you would still have the right disclosure of information.

                  I mean, at least that's - if we're using a stock context for example, most of the laws in the United States and I'll be colloquial here if I have to be, require any shareholder to have certain rights of information.

                  So I guess my question is if it's a control issue, what is the harm that the concern at the 15% or I guess if it's an accrued 15%, are we concerned about one particular registrar or registry because it sounds like it goes both ways, it's a two-way street having accruing until a little bit more than 15% in branch registries of new TLDs?

Kathy Kleiman: Scott, I'm sorry, I'm going to disagree with you on the premise but you've said, I own stock in lots of companies, small amounts, not worth very much.

                  But I don't get much information about how that company has run and I certainly don't get any confidential information from these companies.

Scott Austin: Well, you have a right to - lots of information under the Securities and Exchange Commission rules.

Kathy Kleiman: Maybe Jeff Neuman who's public, were a nonprofit aside the one, two, three PIRs but maybe Jeff Neuman can address this. But when we're talking about the kind of equal access data that's involved and I listed out, we're talking about information that - I don't think it's available at any stockholder, and we're also talking about technical connections. We're talking about software updates and patches and customer support, equivalent access structures across, structures beyond, you know, EPP data. And again, I question its accessibility...

Scott Austin: Does that change the 15%? That's what I'm trying to get at.

Kathy Kleiman: Yes, I think if you go, I mean, there are certainly situations at 15% where again, we're - what I said a few minutes ago where you could have a control in your trust. Hence, we offer the structural separation above and beyond the 15%.

                   But if you go beyond 15%, where is your cutoff then -- 40%, 50%, 60%. Now, you're really moving into actual controlling interest demand. You would have that kind of right to information and much more of a likelihood that you'd be accessing it or having some kind of access to it one way or the other.

Mike O'Connor: Another question here, just in the interest of staying on schedule, Scott, one last really quick follow up and then on to Alan.

Scott Austin: Yes, my only comment is that I just don't see 15% as a bright line test in terms of access to confidential information. You might not even have that in 49%.

Kathy Kleiman: Scott, can I ask, where would you put the line?

Scott Austin: I think we're asking a wrong question. That's - my whole premise is I think we're asking the wrong question and I like Phil's approach, by the way, in the sense that we - he went back to what will the auditors be asking in terms of a standard. I think that's the real key and I'll end with that.

Mike O'Connor: Thanks, Scott. Alan, you're next and it's going to have to be pretty crisp close to our time.

Alan Greenberg: It will be pretty crisp.

                  I'm not - I think one of the last comments was right but not in the way it was meant. I think that we are asking the wrong questions in some cases and I think questions about why is 15% a magic number, or why 50% is the magic number are the wrong questions?

                  I like the overall concept and philosophy of the proposal that PRR has made because I think it addresses the things that are important.

                  We have a model that basically works today. It's been reasonably successful, and I think what this group needs to do, what ICANN needs to do is say how do we need to change this proposal, so that in light of new gTLDs, the public interest is protected and we don't set up processes and rules which will guarantee failure of large numbers or specific classes of new gTLDs.

                  And I think that's what we should be focusing on, not necessarily how do we open the market to a completely different model when that's not the issue that we need to address in a timely manner today. Thank you.

((Crosstalk))

Kathy Kleiman: I agree completely with Alan and I thought it was phrased wonderfully and that's the right question.

And I'll just add in closing that there are 945 registrars right now - ICANN accredited registrars. Thank you, and thanks for the time everybody in the discussion.

Michael Palage: This is Palage. Can I…

Mike O'Connor: Michael, hang on. Do you want to jump in as a proposal presenter? Is that what you're in for? If not, we're going to move on to Avri.

Michael Palage: No, I was going to let Avri go and - but what I'll do is I'll just have a follow up question to Kathy going our session.

Mike O'Connor: Okay. Avri, the floor is yours.

Avri Doria: Okay. Thanks and I got that I'll use the whole 15 and I invite Mike to jump in on my talking anytime he feels that he needs to do so. So I really only want to cover two things.

One is sort of how we're working our proposal and then two, a little bit about the changes on the amended proposal or revised proposal that was sent in during the week.

So what we've been doing is after the meeting, we basically take everything that's just at the mailing list, and in the meeting, looked out our proposal and try to come to consensus on how we would try to respond to those issues even if those issues had been presented specifically against the proposal we put there.

So the process that we put ourselves, listen, for example, we've already started talking about - I think it was Richard's proposal, on different ways to look at the single registrant with the single user and the multiple user variations and how to handle that.

We haven't come to our own that are MMA consensus on it yet and sometimes it does look like that page.

But, you know, in the meantime, we basically take all these things and so that's where the revision comes from.

So the revision that was put out last week basically was looking at a couple of the issues.

For example, various issues have come up with all the notion of a percentage based threshold for sending things on why that percentage, why is that an appropriate percentage, is percentage is control sufficient or do we need to take in structure in doing this.

And so 10% became something that was obviously problematic to many and so we looked it back.

We looked at the problem that people brought up and this was specific to our proposal and to competition of ours of having to kickoff a business case first in terms of predictability and equal chance.

And basically, so how do you deal with that? No one wants to put out their business case to this before the starting bell, so how do you deal with that issue?

There was also the issue of ICANN with 40% thresholds for, you know, market share definitions and such and for deciding which and when something get sent being in the position of making competition decisions on its own - which was again deemed by many people as problematic, but ICANN itself should be making that kind of criteria, you know, and what information would be needed by a competition authority.

So basically, that sort of pushed ahead, you know, the changes, and the change basically consists of including in the application a proposed set of questions that would define distribution model, you know, including things like registry-registrar, you know, are you going direct, are you doing some hybrid, what individual of arrangements are there about control, and structure, et cetera, co-ownership, what have you.

But those things and the name of the GLD and its, you know, community aspects or whatever, you know, and, you know, that's obviously something that needs to be defined as what are all those things that want to ask those questions, but the answer in their application.

Then they all - any of those that are going to multiple controls or a structure that has more than one registrar-registry would be sent off to the competition authority for evaluation.

And it may even be sent off -- and I don't know that we've got that included there but this came out in some other discussions -- it could be sent off to several appropriate competition authorities depending upon, you know, obviously, where ICANN is located, where the registry is located, you know, or going to a country that also has a regional authority.

Now, one of the questions that people come up with is "Do we know whether the competition authorities are going to accept these and act on them in our timeframe?"

And that's in fact informally in the background as I've said in the list, but yes, if we start to have a solution that requires, you know, competition authorities to interact with us, well, we do need to take the step as the working group to more formally establish a fact.

So - and then the other thing we added is we realize that when we were in this, we sort of have a default for what happens if they, you know, don't have

a negative answer, but we never have something that sort of said if a competition authority comes out and with the slides I think, yes, we have a problem here. We need to indicate that of course ICANN does go forward with the application until that slide comes down.

So I don't know if Michael has anything to add to what I went over and certainly would want to open it up to questions.

Michael Palage: No, nothing further to add on that, Avri. Thanks. All right, so I guess, we'll just take questions from anyone from the list.

Mike O'Connor: Yes, that's planned. At least tentatively, we will try to wrap this section up right at the top of the hour. It gets going again. If we've got a little flexibility, we can run a little over that. But if people have questions, this is the time for...

Woman: Mike, should you have a follow up question for Kathy, this might be the time.

Michael Palage: Yes, I guess, one of the things Kathy when you are talking about how the PIR proposal would help with IDNs and developing countries, I guess what I struggle with is out of those 900 plus ICANN accredited registrars, how many of them are from the developing region?

I think there's only the last time I check, a single digit if not one or two in South America, single digit in Africa, so it - I guess that's kind of what I struggle with. And one of the things that we try to do with our proposal is to provide the cultural or linguistic TLD operator to have that flexibility to go outside and perhaps go direct.

So that's one of the - I think positives that (Milton), Avri and myself sort of saw on our proposal when we were developing it. And perhaps you could maybe contrast PIR's proposal to what we're proposing and how that would play out in developing countries.

Kathy Kleiman: Actually, in the due time can I ask you to do that comparison, because I've got, you know, we've got the defined exceptions that would work precisely for small registries coming in who can show that the orphan, that there's really no one picking up that distribution or the community gTLD.

This is set up. This comes, you know, this concept, not the community gTLD but the orphan gTLD come straight out of MCUC and it's to debate on this issue back and forth.

In that real concern it needs for developing countries and the distribution to the registrar.

Michael Palage: So I guess that my concern - I'm not opposed to the orphan concept and Avri and (Milton) and I talked about perhaps including that as one of the exceptions.

Our concern, however is with the orphan, the TLD almost has to be on like support before you give - you have to be orphaned before you have the business flexibility to try to be successful.

So I guess from our standpoint, we'd like to give the registry the opportunity from Day 1 to compete in the marketplace, innovate, provide new choice to consumers as oppose to say, "You need to be on your last dying breath essentially to be orphaned and then we'll give you the flexibility." We think that that's somewhat suspect.

With regard to just following up on TLDs and let's look at .cat, Eric, Nacho I think is on the call, but there are 900 - as you say 940 ICANN accredited registrars.

Now, out of those 940, only 20 have signed up with .cat to provide domain name registration services, and out of those 20, three accounts for 80%.

So again, that's just a small one. Now, fortunately...

Kathy Kleiman: Wait, wait, wait, but doesn't that show that counted to your point .cat is perfectly successful working through the ICANN accredited registrar process. Even if they don't have all 945, they've got enough to be successful in their own book and they're not asking for any exception.

((Crosstalk))

Michael Palage: I would tend to disagree with that. What happens is they have - they started off with 30, they're now at I believe 40,000 names.

Now, again, that is - if you look at account on people, that is primarily in Europe where there is a large install base.

What happens if you go to say South Africa? I believe Jonathan Frakes is on the call and I think MMA, mind the machines is talking about doing the (Dad Zulu).

How many ICANN accredited registrars are there to provide choice and innovation to those people that might want to register (Dad Zulu)?

Kathy Kleiman: It sounds like a community gTLD to me. And just to correct something because (Milton) raised - so you don't have to be dying to qualify for the orphan gTLD. You don't have to be dead, you don't have to have exhausted your financial. It's a pre-launched certification, so it's a form...

((Crosstalk))

Kathy Kleiman: ...to prevent gaming, it's to prevent someone raising their hands and saying, you know, .buzz and that's prescribing them so that they're proclaiming themselves to be orphan when in reality they're not.

Michael Palage: So what happens Avri - I mean, excuse me, Kathy, the problem is they want to talk about gaming, so now, there's a pre-launched certification which means ICANN staff in addition to processing hundreds of applications as they're working their way through are now going to have to do another subsequent verification.

The beauty and this is one of the reasons why in the joint proposal we took ICANN out of it. Let's acknowledge the fact it's a technical coordinating body. It's not a competition authority.

There are people they paid good money that are professionals that work for institutional government that make these determinations on a regular basis. Let them make this decision.

Kathy Kleiman: Getting involved in all work, though, ICANNs were some of the competition authorities, right? So in your - it's your proposal at least if I read in helping out, ICANN is someone many, many more times than...

Michael Palage: No, they're just - no, all ICANN does is it packages the information and it gives it to the experts to make the determination. That's what it does.

ICANN makes no determination of market share, nothing. It packages it up and it sends it. And in fact, just the US Department of Justice were looking it from the scalability standpoint of whether they can handle these volumes, the DOJ just last year came up with the new hotline and it was almost anyone could submit a potential inquiry to DOJ to look for antitrust concerns.

So the ability again, we're looking at this from a broad international perspective, not just US centric but the people I know are more familiar with US law but at least from a US standpoint, what's being proposed is not - is viable is the simple answer.

So if we can allow competition authorities to do their job and let ICANN to focus on its job which is technical coordination, that - I guess, that's the end goal.

And again, it goes back to, you know, the whole - the initial - our initial comment that we discussed I think last week. Competition happened in comp, GoDaddy Enom resulted in MSI going from 100% market share to like 30% market share in three to five years.

Yes.

Mike O'Connor: Michael, this is Mikey. I'm just pointing out that you're nearly at the end of the time and you've got a little queue building up.

Michael Palage: Okay. I'm done.

Mike O'Connor: Okay. (Jeffrey), you're first.

(Jeffrey):   Thanks. Actually, thanks. If I can switch gears and this a question to the M - I guess just MMA on the call today and it's just a question on your proposal. And I guess part of the proposal that, you know, described, you know, audit checks and, I mean, the strict penalties and those sorts of things immediately going on to a TLD, you know, just right away that that's part of their infrastructure.

Do you think that it is worth exploring or would you - have you - did you explore doing something where it would be maybe just a complaint driven up until a certain size, you know, that's predetermined like up until 100,000 domains or whatever that certain number is.

So up until there are those audits or other thing wouldn't be required to keep the costs down for these new TLDs or I'm just - it's a thought in my head versus saying, you know, including, hey, you know, you're sort of innocent

until proven guilty until somebody complains or make some issue of it having thought about that versus automatically starting off that way.

Michael Palage: So Avri, do you want to take this or I can go?

Avri Doria: Yes, I can start.

I don't actually think we thought about it. It definitely is an interesting idea. I think that there's two things to be brought up.

One is the self audit infrastructure and the other is the yearly audit by someone properly designated.

I tend to look at it in terms of its parallel to - and accounting audit. I don't potentially see it as being that big a deal for a small entity but I would certainly consider that kind of complaint driven thing within certain, you know, balance and perhaps still with yearly or biyearly type of audit.

But I certainly wouldn't dispose it but we didn't talk about it from my recollection.

Mike O'Connor: This is Mikey. I'm going to jump in here. You're right at the end of your time. I'm going to do the same thing and give you five more minutes, but you've got two more folks in the queue.

(Jeff): All right. Okay. This is (Jeff). To answer, Avri, I think we touched about this originally and I think our discussion was to focus on the - going with the maximum safeguard.

So one of the things I think our proposal in which we're in total agreement with PIR is wanting to protect registrants.

So we thought this higher safeguard within your audit would be the safest way to go, but we did recognize some flexibility for relaxing those standards for the future dates.

And at case in point if you look at the ICANN proposal, the five-year financial bond is only - needs to be in place for the first five years and then it relaxed.

So we would be open to exploring that again, as long as registrants' interests were protected, though.

Richard Tindal: Okay. Yes. Thanks. Yes, just adding those, that was exploring, that makes total sense to me. Thanks for the answer.

Mike O'Connor: This is Mikey. Richard, if it's okay with you, Kristina, has got her hand up and we haven't heard from her before.

So can I have her first in the order of the queue and let Kristina go first? Thank you. Silence is a (unintelligible). So Kristina, why don't you go?

Kristina Rosette: Sure. Thanks, Richard.

I just - I have to say that on a personal intellectual level, I'm very intrigued by the MMA proposal. I just use the one that appeals to me.

I just keep coming back to this issue of the proposal is built in large part around the willingness of competition authority to have some kind of hotline or referral mechanism that is appropriately staffed and that they would be in the provision to act within the slide claim that they're claiming on.

And I just think that if we're - these proposals were going to pursued any further, that there needs to be as what are suggested on the list some kind of substantive contact with some of these competitions where you can say this

is viable. Because there is no point in setting something up that once you kind of put it to the real world, isn't going to work.

Richard Tindal: And the response Kristina and I got the name right with great effort, Kristina, the - we are looking at that and the preliminary results that we have uncovered is it is viable and can be implemented.

And again, the other thing I would point out here is ICANN's own experts that they paid a lot of money to do propose a similar referral mechanism to these competition authorities.

And again, just one other point that I have raised to some other people off list, if ICANN does not have these established relationships in place with competition authorities, then we have a real big problem with the funnel request which requires upon that same concept.

Because if we don't have - if we're not working and don't have that mechanism in place right now to handle issues regarding competition authorities and new request from 20 gTLDs, how is that going to handle when we scale to 400 new TLDs?

So again, we're working on that homework. We recognize that that is a component and that is - we're working on that, Kristina.

Mike O'Connor: Okay. One last question and then we'll change gears. Richard, go ahead. And Michael, could you mute when you're not talking? I think you're the one that's generating a lot of noise on the line. You may be outside or something. Thanks.

Michael Palage: Yes.

Richard Tindal: Yes, this is Richard. Yes, I fully agree with Kristina's comments. I'd like to see some evidence of that as well.

But let's assume Michael that in fact that mechanism is in place, given that ICANN would - to your proposal would have no involvement with any decision I need...

Man: No.

Richard Tindal: Okay.

Mike O'Connor: Hang on a minute. Gisella, can you get really aggressive and just mute everybody that's not talking except Richard?

Gisella Gruber-White: I'll do that, Mikey.

Mike O'Connor: Thanks. Go ahead, Richard. Try again. No, we muted Richard too I guess. Richard, are you still there?

Richard Tindal: Yes, can you hear me?

Mike O'Connor: There we go.

Richard Tindal: Okay. Great. Yes. So here is the question. So let's assume for the moment that there is some sort of competition authority with thorough infrastructure in place to deal with this.

Given that ICANN is not involved in that decision, what would be the reasons to not allow an applicant to seek to that approval before putting their application in currently in your proposal and if does, after the application is submitted.

But it seems to me if ICANN is not involved in the decision making, then the applicant could simply seek that sort of judgment before they submitted their application.

Michael Palage: I guess the answer is if an applicant wanted to disclose that information, the string and answer to the questions as to they intended to market that, I - again, we didn't consider this but I don't think there's anything that would be - we would be opposed to that.

Again, all we want to do is make sure that the competition authorities are not looking at who is doing it, but the string in which it's connected because there is a potential for the string to have some potential competition.

So if you wanted to answer the questions that we're talking about and submit that earlier for pre-approval, I don't - right now, off the top of my head, I don't see any objection to that.

Mike O'Connor: Okay, Richard - oh, Avri got her hand up. Go ahead, Avri. If we haven't muted you, we may have muted you in the process. You might have to hit star 6 to get back online.

Gisella Gruber-White: Your line is open, Avri.

Avri Doria: Sorry, I got lost in Utah. I wanted to actually ask clarifying questions from Richard because in Mike's answer, I sort of understood that going public in doing all that or are you thinking that there's a method by which you, yourself can approach these competition authorities directly, any of the ones that would be relevant to an application and get some thought of letters that went with your application that said, "Everything was okay."

I would think that it would still need to be confirmed but it's such a mechanism or such a thing could be developed, I don't see how it could be a problem, but that's just me talking.

Mike O'Connor: Richard, any follow up on that? You may be muted too. Star 6 if you are. You may have muted your phone in addition to star 6.

Gisella Gruber-White: Richard, your line is open.

Richard Tindal: Right. Thanks. Yes. So can you guys hear me?

Mike O'Connor: Yes. Coming through fine.

Richard Tindal: So that's exactly the same - that was exactly the question I was going to ask Mike. So given that the competition authority is the only one, only party making a judgment on the facts, why would the application need to be public and (in it) way?

It seems to me that free application, you could submit a confidential competition authority review with exactly the same information that you're proposing but it wouldn't need to be public. And then you can have that judgment determined before you submitted your application.

By submitting the application, the competition review post application is putting (unintelligible) the application to your resume.

Mike Zupke: And put it this way, Richard, it's a very valid question and in the research, we're doing we will add that to our data points to get answers to those questions.

But again, I don't think we see anything that would be a nonstarter to that proposal.

Richard Tindal: Okidoki. Thank you all...

Keith Drazek: This is Keith. Sorry. Can I jump on there real quick?

Mike O'Connor: Sure. Go ahead.

Keith Drazek: Sorry. Just real quick. Well, I think, you know, as we talk more about competition authority referral moving forward, it would be very helpful, you know, Mike and Avri to have a little bit more detail about, you know, which authorities you've contacted, you know, that, you know, surveyed. Or if it's even a third party that you've consulted with, you know, kind of like a little bit more detail about what, you know, what competition authorities we're talking about and what the feedback really is.

Because, you know, obviously, you could be talking about a US government agency, you could be talking about, you know, an agency or a department from another country or it could be, you know, manic but I think we need that information.

Mike Zupke: And as I've said, we're working on that and I think if there is the potential for this to be a viable proposal, if there appears to be some momentum formally contacting them and trying to get responses is on our list but, again, Scott as you would appreciate a good lawyer always ask.

Before they ask a question, they always tend to know what the answer is before they ask the question and that's the homework we're doing right now, okay?

Keith Drazek: Okay. Thanks, Mike.

Mike Zupke: Brian, Do you want to question?

Mike O'Connor: I'm going to draw this section to a close. We're running pretty much on schedule.

The last chunk of the call - I want to completely switch gears, we've got folks who stepped forward to basically do staff work for us. I want to clarify what's going on here.

We, the working group are going to be the evaluators of the proposal. However, we need a structure in which to do that evaluation.

And so the evaluation team, the gaggle of folks who stepped forward and anybody else who wants to join them are not volunteering to review proposals. And if you volunteered with that end in line, I can save you some work.

Rather, what the people on that team have volunteered to do is to collect and draft and develop a series of framing questions, not unlike the kinds of questions that Phil was talking about in his proposal at the top of the call, that we can use as the structure to evaluate the proposals.

And so where I want to use this last 15 minutes for is just the brainstorming session to say to try and flesh it out, the first try at the list of criteria by which we want to evaluate the proposals and present that as a gift to the evaluation team so that they can get started on their work without having to write in an absolute fact.

So if you want to have a conversation about the role of the evaluation team, the process stuff, let's do that off list.

Where I really want to spend the rest of the group time on is on what criteria should we use to evaluate our proposal by? And it's just a preformed conversation. We'll just run it through the queue the way we've been doing everything else, the reviews, the recording to record all that and carry on.

Richard? Richard (unintelligible). So anybody who's got ideas about how criteria - I like Kristina's notion of an analysis team. I'll immediately redraft my mental math to include that because it's a good suggestion.

So, you know, what are the criteria? How do we decide? What's the framework we're using?

Alan? Okay.

Alan Greenberg: Yes, I have an answer to that but first I would also suggest I'm not sure if everyone will agree that in addition to the proposals, we attempt to successfully understand it to include the baseline, the board baseline or whatever. They haven't called it that position so we understand the impact of not coming to closure also.

Mike O'Connor: Yes.

Alan Greenberg: I'll echo the two that I raised in my last intervention. Public interest is the best we can define that and evaluate that and does the proposal endanger any specific types of gTLDs which possibly could succeed in some other framework but under this framework might have significant problems.

Mike O'Connor: Great start. Thank you, Alan. (Jeffrey), you're next.

(Jeffrey): Yes. Thanks.

I have a concern about what Alan's request is about trying to figure out what the board- the current board resolution's (state) because I don't think it's up to this working group to define that or to figure it out.

If the board comes out or staff comes out, this is exactly what the board means. I think the resolution has a good amount of ambiguity in it and I would have the (unintelligible) trying to define what it is because I think a lot of people are very interpreted different ways and so that's just my point on us trying to do that work.

Mike O'Connor: Yes, that's fair enough. I think we'll pick that one as a separate issue and let's try now and stay on criteria by which we want to evaluate our proposals.

Kristina?

Kristina Rosette: I'm very reluctant to say this because I know that this acronym just generates all kinds of generally adverse reactions in ICANN land.

Having said that, I wonder if there is some utility in looking at the checklist of questions that the IRT use when we originally propose our solutions.

Obviously, we wouldn't want to use those specific questions but having kind of a benchmark of what is the harm that's being addressed, will it scale, does it accommodate, you know, territorial variations, in this case, you would say the competition law.

You know, having a very general checklist that you can kind of run things through. And we really found that in many cases, we rejected a lot of things simply because, you know, we got some kind of the game and abuse and the answer was resounding that, "Yes, we couldn't figure out a way around it so we just get this in the solution."

Again, it's not going to be a one for one match. But it's maybe a good place to start.

Mike O'Connor: That's a great idea. Let's see. Avri is agreeing. Anybody else want to chime in with more criteria?

If we're out of gas, that's fine. I was mostly just doing this to give - announce this team sort of a running start, but the concept that Kristina is prescribing is exactly what I had in mind which is some sort of checklist, some sort of framework that we can use to parse through the various proposals and to come to some conclusions.

Kathy, go ahead.

Kathy Kleiman: I was wondering how others would feel, how you would feel Mikey in addition to a set of evaluation criteria, some kind of chart lining up the proposals on different issues that they all have to address like co-ownership and where they come out on the different variations of it. I just wanted to see everything lined up kind of head to head.

Mike O'Connor: I love that idea, and in fact, some folks have indicated that they're building such charts for themselves to help with their own analysis. And if you would be willing to share them especially the right most or the less most column which describe the components of the proposals that you're using to compare them.

What we've asked Marika to do is build such a chart and parse through the various proposals for a very first draft to build that table and then get that draft back to the proposal developers for them to review it and edit it and make sure that it's not misrepresenting their view.

But essentially, that chart plus the evaluations that we're describing is our primary deliverable. And that chart is also going to be really helpful in helping us get to consensus chunk by chunk.

We're sort of reaching the end of the phase where we have distinct proposals and need to start honing in on either a consensus view about these various topics or at least give me a cluster of views around any given topic.

And I think that that chart is the primary deliverable that we're going to be taking snapshots of as we go and at any given time people can say, "Yes, that's where they're at." So I love that idea.

And I saw some hands go up and then I saw them go down. Any other evaluation criteria, ideas that people want to share right now. I'll give it one more round and then - Scott, go ahead.

Scott Austin: Okay. I just have a quick question with all of the experienced people if you're on this list.

We have registrars and registries now that have been operating under Rule 19, et cetera, do we have any examples where an audit has been conducted, and if so, the criteria that were applied in those audits or if anyone's ever been be accredited based on an audit.

Mike O'Connor: Did anybody - I'm curious about that. Did anybody got any...

Michael Palage: Mikey, there were audits conducted in the original from '99 until 2001 in connection with the com.org agreement. So I believe (Jeff) actually - if you go to Jeff Neuman's proposal he provides a link to the audit criteria as it appeared in the VeriSign contract, the registry contract at that time.

Mike O'Connor: Thank you. That was Michael Palage for the transcript. Good idea. That might be a good thesis paper for the analysis for them to do. Just take a look at that.

Any other ideas people have? It seems like we're winding down and I don't want to hold this many people on the call unnecessarily.

I'll give it one last look and then I think we'll call it a day.

I thank you all for participating. As always, it was a great conversation and if anybody's got any process issues, take them up with me off list.

And that's it. Thanks.

Gisella Gruber-White: Thanks so much. Bye-bye.

Man: Bye.

END