ICANN
Transcription
New gTLD Subsequent Procedures Working Group call
Monday, 13 August 2018 at 15:00 UTC

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Michelle: I'd like to welcome everyone. Good morning, good afternoon, and good evening to all. Welcome to the new gTLD Subsequent Procedures Working Group call on the 13th of August, 2018. In the interest of time, there will be no roll call, as we have quite a few participants online today. Attendance will be taken via the Adobe Connect room. So if you happen to be only on the audio portion today, would you please let yourself be known now?

Anne: Hi, Michelle. It's Anne Aikman-Scalese. For the moment I'm only on audio. Thank you.

Michelle: All right. Thank you. We will note that. As a reminder to all participants, if you would please state your name before speaking for transcription purposes and to please keep your phones and microphones on mute when not speaking to avoid any background noise. With this, I'll hand the meeting back over to Cheryl Langdon-Orr and Jeff Neuman. You may begin.

Cheryl Langdon-Orr: Thank you very much, Michelle. And if we could have the first slide in the slide deck for tonight, that would be terrific. Hi. I'm Cheryl Langdon-Orr. Jeff and I welcome you all again to today's call. And today we'll be looking at a single topic of registrar support for new registries and Rubens Kuhl will be the lead on that. So perhaps staff, if Rubens could be made a presenter that would help with the slide progression and administrivia-- also it's going to be useful if everyone can do the progression through their own slides.

As you can see, we have our usual agenda slide up in front, which means after my rough welcome, which is what just happened, I'd like to ask if anyone has a statement of interest update. Not hearing anybody, and if you do need to make a statement of interest update, you can also just let us know in chat. Let's move on to the next slide. And with that, I will be handing on that to Rubens. And Rubens, if you'd like to take the microphone and get us started through registrar support...
Rubens Kuhl: Thank you, Cheryl. And for the record, I will be talking to you today about one of the discussions we had during our last intercom meeting, which is possible support for new registries. We'll start with a brief review of the ICANN sales channels model, which is on slide 5. It started in 1998, before ICANN even existed, because US government now at that time was manager of the domain (inaudible) of the domain name system and we selected solutions that now call it after many corporations called Verisign to build a registry-registrar model. And at that time, they agreed to that model, there were already 2 million what we now know as (inaudible). So it's already started with Dawson market of 2 million domain names.

ICANN was created approximately at the same time. And when it was created, one of its first tasks was exactly to oversee the transition from monolithic model to registry and registrar model. It was done selecting a handful of registrars to assess that, which started April, 1999. And by July 1999, there were approximately 7 million recorded (ph) domains. So it was right in the rise of the dot.com bubble, with the beer (ph) bubble afterward, but with a rapidly increasing number of domain names. A few months while this was discussed, it increased threefold. The (inaudible) ended December 1999. So the next number here is when this model was actually run in production level, to say that it was January 2000. There were 10 million domain names at that time.

Then so far, none of the 2012 gTLDs we then fabricate by registry standards, like for instance, domain size (inaudible) passed 4 million domain names that had previously known as (inaudible) had 5 million domain names and counting. And none of them even achieved the 7 million domain names that were available at that time. So in terms of scale, this has changed drastically since then. And besides number of domains, a domain at that time cost 10 times more than what a new domain costs today. So this was actually a market that was much times larger in money figures than it is today in the growing market.

Economies of scale apply both from the infrastructure side, both from the let's say the author side; but in terms of price to domain sales channels. So cost of selling one specific TLD is lower if the remaining domains (inaudible) TLD, and it gets higher if it's just a few TLDs, a few domains or one. And in light of the 2012, we introduced a novelty, the virtual integration. So registrars could in theory start some registries themselves with their own TLDs. There was no provision in the system for the association between selling one TLD or selling all TLDs. So every obligation, including how much you have to pay ICANN or when it was issuer's policy with how was the value of that measurement; all of those would go between selling one lone TLD and selling all TLDs. So this also helped scalability. Because registrars couldn't sell or were interested to sell more TLDs would have more domains to share the fixed costs among them. So this is (inaudible) how it was done.

During our field committee, there were two main foundational questions that we discussed. The first one was this policy issue. It is something that (inaudible) should have a say on that, or is this something that we should only let the market
forces? So market forces would determine the outcome of how that model would imply. Then at least for those on the field committee, there was a consensus having measured the responses, of these new policy issues not being let just to market forces. But on the other hand, there was a discussion between how to realize whether commercial TLD that's selling low, does it have broad effect as in people are not interested in that TLD? It's not good enough for them to register or is it a channel defect, when the sales channel's infrastructure is the one that's preventing the TLD from growing? So that is a very difficult questions to answer. That's one that would require very thoughtful economic studies and no one agreed that we have a clear picture of which TLD that is said that is not going that well. Is that more of a product problem or more of a channel problem?

So we'll go to slide 7. There were some angles on the issue. One was about registries that some-- a good number of high-use (inaudible) prefer concentrating the domain operations in a single registry. And that's one of the factors that makes it a sales channel issue for some new registries, having challenged (ph) registries for internal registries. So the first one, that's the favorite of one user or a good number of users. Those are carrier TLDs that usually hurts the selling of the TLD.

From the registrars' angle, registrars usually favor registries for that reason, so they usually favor new registries doing the same as previous registries were doing. Because that costs less for them in the software development costs and in training costs for customer support personnel. And they figure that they're less likely to avoid a niche TLD or a TLD that's different (inaudible). So that is from the registrars (inaudible), it makes common sense that they operate that way.

On the other side, registries with very few exceptions, like .xyz, which has a proposal that has a proposal of an average generic domain of .com for instance, most of them are trying to differentiate or focus on specific verticals or geographies. Let's say gTLD like .berlin, focusing on the city of Berlin in Germany, or .design, focusing on design or the verticals which could be within the design companies or design areas inside other companies. But most of them are going maybe for differentiation path, which goes against what registrars would prefer that which are generally as possible. So these three angles, the three we have here have very different agendas, of course. And they do not operate that much into a market that could grow.

So if we could go to slide 8, we first look at a possible solution that was mentioned in our physical meeting. This was not approved at least by the group that was there, that registrars above a certain size would have more scale obligations. Let's say, if you have more than 10 million domains, then the management team must carry all of the TLDs, which is something that happened in some other markets, some other industries. But that's something that the group said it would only be an option if a problem of the sales infrastructure could be demonstrated. So this is not something that could be done without certainty that it was a serious problem and serious channel problem and this would correct that problem. This would fix that problem. So this solution was disregarded, and it's possibly because it would be very hard to prove a channel defect in a market. That would require very tough standards.
So if you go to slide 9, then we can look into the possible solution that the group brought in that we could -- before I go to that, I would like to answer Jean’s question on how many registrars participate in these breakout sessions in Panama. We had at least one (inaudible) present. But we had comments from registrars that were participating online. I don't have any identification or show me a pattern whether they were registrar or registry or someone. But some people self-identified themselves as I'm a registrar, I'm from a registrar. So we have at least two comments from those. But even so, what we got from them is pretty much commonplace in what we hear about registry from registrars. So it also sounded exactly how registrars usually sound to me. So it seemed reasonable that they would present that position.

That said, one of the solutions that carried at least some consideration during the meeting and people said, oh, we should look into that; not to say, hey, we should definitely do that. But why they would say the solution to be consider, one of them was as a wholesale registrar that would carry all the gTLD that were to be carried by the wholesale registrar. A whole registrar that doesn't sell directly is one that sells to re-sellers. And re-sellers are very commonplace in a lot of developed markets. Because they don't carry all the obligations and the costs of being like a (inaudible) registrars with clearance for those to the wholesale registrar. But they have the end-to-end relationship with the domain registrars. So for the domain registrars, they appear as domain sales outlet, even though they are not ICANN accredited. And in countries, like for instance Brazil that has zero ICANN accredited registrars, all domain outlets are domain resellers, not domain registrars.

So the idea of the wholesalers registrars would be that ICANN would pay a wholesale registrar using whatever procurement process ICANN has for deciding on vendors and ICANN would pay such a wholesale registrar to develop and support integration in order to carry gTLDs that work at this last-resort registrar, or let's say like that. This would however reach markets for jurisdictions that or verticals that have few or no accredited registrars to have one, at least that would provide resellers and then resell it. And we have a question from Ken. Please go ahead, Ken.

Ken: Yes, can you hear me, okay?

Rubens Kuhl: I can.

Ken: Okay, fine. I've got a couple of questions. First of all, you talked and you-- please correct me if I'm wrong-- about ICANN subsidizing the development of wholesale registrars and subsidizing the cost of the integration. At this point in time, is this presumption based on the idea that because many registrants prefer to use a single registrar, they need to have a wholesale process here to allow registrants to find domains? I would say, to me it makes little sense. If-- let's say I use GoDaddy as my regular registrar. And let's say that GoDaddy does not carry a stake in design. It's almost as if either number one, you're going to force GoDaddy to carry everything, or number two, I don't have the ability to find somewhere on the internet who manages design or who's selling it. It would seem to me that if anything, ICANN could develop some sort of a promotional
program and they would have a landing page showing which registrars are selling design.

I don't like the idea of using the community's money to subsidize development of new TLDs. This is a market economy in which somebody made the decision to bring the TLD to market. It's not the balance of the community's responsibility to subsidize the success of that TLD. Years ago when affiliates first started, there was really only one big player, the same with Neustar. We were both competing against a big player who's still a big player today. But the point is we had to use our own resources to compete. We had our own resources to create awareness. I don't think that ICANN has a community responsibility using resources that it's getting from the registry's registrars, which is really end users' money, to develop markets for strings that either were poorly conceived or poorly funded to begin with. Thank you.

Rubens Kuhl: Thanks, Ken. I would say that your comment has two parts. One is referring to the previous slide, when we have a policy issue versus a market force issue. So you are clearly articulating in the side of market force issue. And what we are doing in the field committee is that there were at least one or two that also prefer the market forces approach. But there was strong support for (inaudible) that is a policy issue. On the other part which you commented on referred to wholesale registrars for the likelihood of a big registrar carrier TLD, isn't the registrar that you mentioned, GoDaddy, currently it uses wholesale registrar for some specific TLDs, most specifically they could use that for some gTLDs as well. So the possibility of having a single wholesale registrar also increases the likelihood of the options by registrars in size. And for some markets, some re-sellers might have more market power than the ICANN registrars. And that usually happens within jurisdictions where there is no ICANN registrar or in a vertical that there is someone that has a good input into that vertical and could be a domain seller. So before (inaudible), it is all ICANN registrars which is a normal basis. Big operators or re-sellers, they had a market power among the broad vertical that was with only high. So the (inaudible) for wholesale health can play on all types of registrars and all types of registries. Whether it brings the sales or not, then it's up to market forces. But it has an increased likelihood.

Then I don't think that anybody that mentioned each of these specific solutions that we are looking to today, the three different solutions, believed that each individual solution would be their only solution. I think most of the people linked their solutions to specific concerns and measures and say, hey, if all these concerns are covered or a good number of those, then we have a possible viable solution.

Let me go into a question by Maxim on the check. Maxim asks the question, how (inaudible) were that particular gTLDs usually passing the $1 million are refundable and that wholesale registrars need to be covered by ICANN?

Maxim, you see that people consider that issue with the solution that I'll present later, so I defer that question till later.

Question two, why not add your suggestion to the (inaudible) guidebook before going to (inaudible) TLD meeting might be a good idea to have a direction with
ICANN registrars in order to facilitate technical integration issues, market issues, et cetera?

That's a fine suggestion. But I remind you something that happened in the 2012 round, that ICANN originally didn't specify that a new (inaudible) would be required for selling new digital IDs. That decision came later, in a later version of AGB after the applications were filled. And when ICANN did that, ICANN basically threw everyone's economic study into the trash. Because now it could be a different market. So that's a nice thing to have if we also bear this with the predictability framework. Because discussing market possibilities usually depends on a scenario. And if the scenario changes, like it changed in 2012, then all these discussions would be useless. So having such a suggestion is nice, but it probably would only be effective after we have a predictability framework, which we hopefully get from subsequent procedures. So that's a nice touching point here.

Ken, is that a--

Ken: No, it's kind of a response to the comment that you just made here. And I'll do it very quickly and Cheryl, I hope you can hear me better now.

Cheryl Langdon-Orr: Ken? It's Cheryl here. Can you just speak a little tiny bit louder? Some of us are having a bit of difficulty with the volume. So perhaps just reorganize your microphone to make it a tad louder, thanks. Back to you.

Ken: Thank you very much. I guess it boils down to the fact that this is not an anomaly. In the year 2000, when many people were in the process of putting into the initial round of TLDs, we had a huge upheaval in the market and it looked at the projections, in fact the original application staff, they were based on the pre-2000 crash numbers. Well, that's the way economies work. And I think it's a mistake to throw the projections out, because it implies that there was no thought process. Maybe the numbers change, but the assumptions lag, just look at the assumptions as well. And I'm sorry if we had a change in the economy. But I don't think the change in the economy justifies subsidization or development of processes to make new TLDs more successful at the cost of these resources. So ICANN was not, in my opinion, designed to foster success in new TLDs. I feel it's about security and stability. I think honestly over the years a significant number of the TLDs that went to market in 2012 will not be in business, or would be so small as to be non-existent. This is just my own personal thoughts, not the company's. Thank you.

Rubens Kuhl: Thanks, Ken. So if you move to slide 10 now, let's have a look into one of the other solutions that was discussed during the committee meeting and a solution that got some traction. This would be to increase the self-allocation (inaudible). Currently registries already can have up to 100 domains with some minor restrictions. But these are actually almost boilerplate restrictions that added up not being effective restrictions. And for those 100 domains, registries already have to follow the registrar contract legislation. So a registrar contract is already incorporated into operating to registry contracts. So registries need to manage those up to 100 domains, within those registrar rules.
Then one idea that was vetted during the meeting was that maybe it could be expanded to numbers like 5,000 or 10,000 registrations. Those are some of the numbers that were mentioned there. Actually though (inaudible) another other numbers. So those two numbers seem to be what we had in collective conscious. And the idea that up to that point, registries would have-- if you could show registrars that that TLD could trigger common issuances (ph) that after such number that would be easier, and say, my TLD already grew to 5,000 or 10,000 and so it's a viable TLD that has demand. So can you please carry it? So this would allow registries to grow within that number and later be carried by the strongest sales channel of how ICANN is characterized. And this idea had two versions. One was the idea of increasing self-allocation rate (ph) and the other idea would be all registries (inaudible) to include a registrar license, possibly (inaudible), possibly not.

But these different interpretations actually don't have any specific limit. So it would be more similar to an unlimited version of without limit. Either way, it would be self-allocation in some way. Noticing somewhat different from vertical integration, due to the economies of scale I mentioned earlier and to some point for some organizations that are exploiting into two legal entities is harder than others, mostly non-profits and organizations that have different shareholder structure than for-profit enterprises. So that was one of the ideas that was discussed.

Then we had a comment from Maxim. He says that that (inaudible) talk 100 names is extremely low for geographic TLDs, due to obligations for local governments. Sometimes number of streets is higher than a few hundred. But it was better than nothing. So possibly the number would be either 5,000 or 10,000 could serve for the rest of TLDs or not. So that's also a consequence of what Maxim commented.

And this was the second idea. Any comments or questions specifically on this? Hearing none, let's go back to slide 11, which is something that was asked during that committee was-- how many TLDs would apply depending on which number is available? So a few counts from last week, looked at 44 registrar families, which is like a single company that operates more than one TLD, sometimes through subsidiaries, sometimes its own. 44 of those have more than 20,000 domains under management. 11 of them have between 10,000 and 20,000. 16 of them have between 5,000 and 10,000. And approximately 30 and 3-0 are a bit more registries that are not grand TLDs that have already been launched, have less than 5,000. So the third level would be 5,000. That would apply to approximately 30, majority of these. If you extend that to 10,000 it would grow near 50. And if you go to 20,000, that will go to near 70. So we are (inaudible).

Note that also that the main TLDs that have not launched by the registrar operator, they acquired the rights to operate in 2012. But they are simply storing them in a drawer. It could be they are waiting for better channel conditions. It could be they are waiting for better overall domain maturity of the market. They could be waiting for better universal factors. Or nobody knows why, but we have a good number of non-launched TLDs. And that's something that hurts a bit on our analysis of this, because we don't know for which reason they have not launched. And they could easily double the numbers that I listed here.
Maxim sent a comment that breaks out this (inaudible) markets use of the company and the number of domains has not been lack of success. They're actually (inaudible) correct, and that's why this was restricted to non-brand TLDs for grand TLDs. The three domains that those three domains have high recognition among their brand customer base, we have success. So that's why this numbers discussion will only apply to TLDs that are actually counting on sale of the domain registrations to succeed.

And that's what we have for this idea. So any questions, comments? Going once, going twice. So let's go to slide 12, where we have our last solution that was covered in the field committee about a registry-registrar clearinghouse. It was a solution that incorporated two issues that were mentioned by participants in the meeting. One of them was that sometimes a registry requires a prepaid deposit of some value. And so a registry needs to prepay an account that every TLD there is, this actually would require lots of money to do that. And they would have to guess their (inaudible) and probably sell 100 domains in that TLD, 1,000 in that other. And that becomes trickier to do when volumes are low. So you have actual award of zero or one domain. And so how do you prepay one domain if the registry requires a prepaid? So one of the ideas was a clearinghouse would ask for some prepayments for held (inaudible) prepayment. The payment wallet would be shared among registrars. This is actually something that is already used in practice, although not established by ICANN, but at least one back end registry which allows registrars to pay (inaudible) for each different registrar operator.

But this could also apply to postpaid invoicing. Let's say instead of repeating hundreds of invoices or actually dozens of invoices, a registrar could receive a single invoice consolidated for many TLDs, make one payment. It could sometimes, due to the international banking (inaudible) costs would be somewhat high. Also they get money flowing a little more (inaudible).

Then the other issue that remained to be tackled by such a clearinghouse would be currency conversion issues. Because even if registrar and a registry thinks that they feel right for each other that they should always sell the TLD and say, hey, I will sell you a TLD and say, oh, my economy here uses money from (inaudible) and then the other will say, oh, no. We don't use that money here. We use this other currency. So even the currency conversion is a challenge even for registries that have been willing to do business. So this would tackle those issues by having local currency for both parties. And it would issue local currencies (inaudible) and it would get local currency and that clearinghouse would do the bridge between registry and registrar.

We have a comment from Jeff Neuman that there is nothing stopping a registry from switching from prepaid to postpaid to encourage registrars to sell their TLD. That's right, Jeff. And that actually what most TLDs seem to be doing. I actually don't know for a fact that also TLDs are asking for prepaid. But there must be someone out there. Because people threw out this concern at the table. But actually most of the TLDs operators I know are doing postpaid payments. But even for postpaid invoicing, there are issues relating to making international sales for each registry in a different jurisdiction or making payments for dozens of
different registry (inaudible). This is also applied to post-payment. It's not restricted to prepayment. But in prepayment, this is what usually happens.

Jeff also mentioned that something should direct to market forces when-- well that was mainly what people mentioned that no solution would address all problems, even if they were (inaudible) that was discuss which ones could address it and how and which ones should not. So I don't think that even though they indicated that policy issues or kind of market forces issues, imagine that every problem needs to be addressed by ICANN, even if (inaudible). And note also that not all problems are channel defect problems. So every problem that's a product defect, it wouldn't be helped anyway, no matter how perfect the sales market is. So there are limits to everything that can be done in any area.

So any more comments, questions on this? And most of our how-do-we-proceed is with those three solutions that are being considered. So is there one that we should (inaudible) from start from scratch, or should all three continue to be discussed? Ideas? Thoughts? Jeff is typing. Jeff says, I think you should discuss all three in the initial report. That's one way of looking at it, so we don't have to kick any of these ideas out this week. We can look at all of them with pros and cons laid out clearly. Anyone have some pros and cons for each idea they want to discuss now? We have the possibility to wait, but discussing now would already jump-start the process of those discussions.

Many people are typing, probably with some comments. One from (inaudible) that's he's not 100% clear and so we will not reach full integration with switching. By that do you mean that for instance vertical integration would be allowed in the sense legal entity, but with account book separation? That is how it's done in some of the industries, for instance, in the telecom market. There is a good number of jurisdictions. There is an allowance. But the same legal entity to participate in wholesale and end user market that they should be counted separate, just for purposes of monitoring by regulator. So it could be a solution, but that solution was not mentioned in the field committee, but we could add that solution as well.

We have comment from Christa, where emerging markets there are few accredited registries. They have to rely on re-sellers also an expected (inaudible) that I believe would be some type of plan worth developing?

Thanks, Christa. I will take that look into the wholesale registrar idea. Because that's the idea that is specifically targeted to the wholesale markets.

Jim's typing. Jim says that these deliberations (inaudible) concentrated outreach to (inaudible). Let's do that. I'll just state that least one of those ideas have already vetted with some registrars and it was already incorporated into their discussions. They will have the feedback, but that doesn't apply to all of the ideas. So if you could send them all of the ideas, we can get comments on each one of those that's (inaudible) at this point. Thanks.

Then seeing no more people typing, no more hands; I will get back to Cheryl then. Thank you, all.
Cheryl Langdon-Orr: Thank you very much. Cheryl Langdon-Orr for the record here and I'll jump you to slide 14, which is the consensus call process. And we obviously in today's discussion, this is not going to be the last opportunity why-- I must have-- do you think I double-hit these (inaudible). I'm typing feedback to slide 14 again.

Sorry, (inaudible). I looked up and it something entirely different. Even with today's discussion and deliberations, in our usual form, we are not going to make any decisions in any one meeting. And so with the refinement and development of pros and cons on these options that were discussed during the Panama meeting, we will take these to the list as well and look forward to further discussion and refinement that can happen.

Jeff, sure, we can (inaudible) the slides (inaudible), if we have lots of slides and if everyone knows that we are on slide 14 and we are about to start our next agenda items discussion, which is on the process to achieve consensus. And thank you, I really appreciate the thinking. And with that, Jeff, did you want to jump in and start leading this?

Jeff Neuman: Sure. Thanks, Cheryl. This is Jeff Neuman. So this discussion that we're going to start today on the consensus call, while next steps and consensus call process is going to be evolving. So this is probably the first of, I think, several times that we'll have this type of discussion, especially if we get closer to finalizing recommendations and then doing the actual consensus call. But this was a discussion I think that we started in earnest in Panama during the first session, I believe.

So just to kind of recap and rewind a little bit of what the next steps are, obviously we have a public commentary that's ongoing for the Work Tracks 1 through 4. We also have this discussion here on the five new issues that we just finished with Rubens or I should say finished the initial discussions on. Where if you remember in our work plan, which we could probably put a link up in Adobe as well if it's not already there. That has us going and starting the process within the next couple of weeks of coming up with some kind of recommendations or preliminary drafts of a supplemental initial report on these five issues.

The five issues, just to remind everyone, we started discussing in Panama and the other issues would include things like the role of private auctions, the contention of mechanism of last resort, the role of public comments, and the ability to make changes during the application process were the other four that we discussed previously. So we've discussed working on this supplemental initial report to come out prior to ICANN63 in Barcelona. And I think we're on a good path to get there. So while that is all going on, of course, the public comments on the initial report that was released in early July that comes due-- comments are due on September 5th. And so what we will do at that point is divide up into subgroups and analyze those comments. So we're going to review, consider the public comments in order to either draft new recommendations where we believe they should be changes or where we didn't have recommendations, but just options.

We will also look at the public comments to see whether we need to revise the existing ones that we have in there. So there's going to be lots of work with the
sub teams and then ultimately the full working group. But the default, just to remind everyone, is that we are-- it's clearly understood to be the 2012 implementation. So if we-- sorry for the phones in the background. I can't stop that. It's going to go on for another 15 seconds. So if we don't come up with a consensus on changing what happened in 2012, so it's understood that the defaults will be happened in 2012. And then of course all the recommendations will actually go through what we'll discuss in a couple of minutes, which is the consensus call and the full working group.

So even if we work out some parts within sub teams, everything ultimately is going to have to be direct consensus call of the full group. And again, we will also need to come to a conclusion on whether things that we recommend are policy changes or in other words, recommendations that they adopt, ICANN adopts. Or whether they're implementation guidance, so in other words things that we have preferences for, but defer to ICANN if those things need to be changed due to them being purely implementation-related details.

So moving on then, and of course if anyone's got any questions, please type them in the chat or raise your hand. Greg, okay. Cool, Greg please.

Greg Shatan: Thanks. Greg Shatan for the record. Following this process, does this mean that essentially the 2012 implementation will then become a policy recommendation of the PDP working group even to the extent that it's obviously diverged from the 2007 policy recommendations? So essentially this will anoint the end results of 2012 unless we do otherwise, as now GNSO policy recommendation, even though many of them mutated or came into existence otherwise after the policy recommendations and were never policy recommendations of the GNSO?

Jeff Neuman: Yeah, thanks, Greg. It's a very complex question. I'll give you my interpretation or my personal belief. Though I'm sure others can weigh in. I do not believe that if we are unable to reach consensus on anything that the 2012-- what happened in 2012 will become, quote, "policy." I just think that we would reflect in the final report that we were unable to achieve consensus or will indicate what the level is, according to-- let me go to the next couple of slides. And that's we will say that there was no consensus to change it, but we would not make a statement that would say, and therefore what happened in 2012 should now be memorialized as policy from here on out. I just believe that at this point there's no consensus on the exact way to move forward on that particular issue other than the way we did it in 2012. And of course, that could always be revisited by the GNSO at a subsequent point.

So again, I don't think that would be policy in the sense of in trying this is consensus policy, but it would be more of a path forward only because we were unable to come up with a consensus to change the 2012 implementation. And I know that's not a perfect answer. But that would be my personal belief.

And so Robin says, will the board of directors have any vote or approval of our group's recommendations? And Robin, I believe that everything that we do that we-- meaning that we recommend to the GNSO and then the GNSO recommends to the board. We'll ultimately have a vote of some sort of the board of directors. So I believe that will happen, though we have not discussed this
issue with the board. And then Rubens says we have to sort out 2007 recommendations that were likely not a good idea, like first come first serve while there is a pent-up demand. And GNSO recommendations are overturned to worst.

So Rubens, I think you're right. I think we will certainly have to go through in the final report with a fine-toothed comb and make sure that we may, for example, by consensus believe that what happened in 2012, like I said by consensus, we make believe that what happened in 2012 is not the way we want it to go in the future. But we may not by consensus have a recommended path forward. And I think even that is an important aspect. So we may have to divide certain things, as I think it's sort of what you're saying. So there may be interesting areas in the report such as we disagree completely with what happened in 2012, but unfortunately do not have consensus on the exact way forward. So we'll have to see how these issues come up.

Anne says, question, how will we avoid a stalemate at the board level where our advice makes them switch to staff advice on SupPro? (Inaudible) the stalemate delays forward progress? So Anne, another great question. I think our hope for us because we are inviting staff members to actively participate and that we are specifically trying to get their feedback. If there were areas that the GAC has provided as comments and we've attempted to deal with their comments within the GNSO-- well, first this working group and then in the GNSO. Then hopefully the board will have enough information to not completely have a stalemate. But of course, there are certain things that are required in the bylaws that theoretically could result in some amount of delay, but hopefully not as much delay as we saw between the final policy the last time and the 2012 round.

And then the final question, what is the status of GAC outreach on the initial report? So Anne, as you probably are aware, all throughout the processes or over these last several years, we've gone and updated the GAC on what's going on. We've solicited their input and have incorporated their input into our initial report where we could. We have also specifically directly sent the report, the initial report, to the GAC asking them for their comments by September 5th. They are, from what I understand, fully engaged in trying to come up with comments, though they may need some more time on this. And as Taylor-- thank you, Taylor Bentley says in the chat, GAC is in the process of reviewing the draft. So I am hopeful that they will come with some comments and that we will incorporate those as appropriate.

These comments are moving quick. So we're making every effort to reach out to them and we'll continue to do so, up and through the final report and some good conversation going on in chat. So just going to that now, what will we do then with GAC consolidating view? And it highlights relevant items that correspond in the existing advice. So let's wait until we get those reports to automatically believe that there will be a lot of conflict.

Great, so with that said, let's go onto the next slide, slide 15, which you all should have control over. So as you all know, the 3.6 and the GNSO are working those guidelines to find the methodology for making these decisions. And just to kind of recap, it's really for Cheryl and I as the co-chairs to make the evaluation of how
we're going to designate. And then of course (inaudible) is part of the report and of course we'll publish that and see if it's good for review. The items that we could designate are indicated in that paragraph there, full consensus, consensus strong support but significant opposition by (inaudible) and minority view. And after this working group has discussed our designation, then we could reevaluate those based on the group discussion or then we can publish an updated evaluation.

And then if there are still disagreements, there are mechanisms in the working group guidelines on how to propose those. But I'm not going to go over those now. And we just want to remind everyone-- and I think this is probably the most important one that we keep trying to stress-- and I see it playing out or having played out in discussions for other groups. The way that Cheryl and I and frankly the leadership team, will evaluate how to designate each recommendation is not going to be by individual vote. It's not going to be, for example, if we get 100 people from the registry stakeholder group all voting in one way and 15 other people feel a different way; that because 100 greatly outnumbers 15 that we're going to use that as the measuring stick for how to designate the advice.

We are going to look at the representativeness of the positions that are articulated. We're going to look at positions as opposed to individual views. One thing that Cheryl and I may ask for at some point as we get closer to the determination, is for each of the stakeholder groups/constituencies to designate a person that could speak on behalf of that individual constituency or stakeholder group, if necessary, so that we can-- that would help Cheryl and I and the leadership team understand whether a position is being advocated by an individual or by a constituency or stakeholder group advisory committee as well.

So as we get closer to that part of the process, which is a number of months away, we will likely ask for that, again, so we can understand whether someone when they're advocating a position is doing that on their own behalf, which is fine, or their company's behalf or whether they're doing it on behalf of a constituency or stakeholder group.

So turning back now to the comments before we move on to the next slide, question from Anne, will the board be commenting on the initial report? Anne, we did send a letter to the board and as well to the staff for responses. And so I believe that we will be getting responses from both the board and the staff. And so in fact I believe that the staff may have already sent-- again, I've been out for a week and I saw an email which I think may have been a response from Akram in GDD, but I will defer it to-- because I have not opened it yet. So I will defer to Steve and Emily and Cheryl to see whether that was a response by staff. And if it was, if we could post it. Because I'm sure they're going to post that onto the correspondence page.

Sorry, Steve, and Emily to put you and Cheryl on the spot. I just haven't opened it up yet. Because I received it when I was away. Or am I imagining things? Cheryl? Yeah, Cheryl, please?
Cheryl Langdon-Orr: No, I was just going to say, it was basically, yeah, there we are. There's the letter. You can all read it yourself. I don't have to do a paraphrase. Back to you, Jeff.

Jeff Neuman: Great, thanks. I have not opened this up yet. So I'm assuming it's a full response. But it may be that they need more time. I don't know. Again, I haven't clicked on it. I literally just got back last night. So hopefully that answers your question. As Jim says, it basically says it's a lot to cover and they'll do their best, so they'll also outline. Okay, so it's not a full response yet.

Anne is saying, can we extend the time deadlines? Anne, we can discuss that as we get closer to the deadline. At this point I think we gave everyone a full 60 days. I understand it's a lot and I understand that it's (inaudible). But let's do what we can to get to that deadline. If we send it now, we'll just get another request to extend it later on. So Cheryl is reproducing the letter. So thank you. And I apologize for not having read it before. Just know that we did receive a letter.

Okay, moving on to the next slide, just indicates in slide 16 what those different designations are and that's taken, I believe, I'm not sure if that's exactly word for word what it says in the working group guidelines or it's a very close paraphrase of how each position is designated. And I believe-- I know again this is just the start of those discussions, and completely appreciate the questions. We're not going to have answers to every part of it now. But as we get closer to the final report and making those recommendations, Cheryl and I will continue to keep you updated as to the process we're going to use. But for now I think we can move on to the ICANN63 session planning. And so Cheryl, if I can turn that over to you, I have to drop off (inaudible), but I will be still online or on the phone, sorry.

Cheryl Langdon-Orr: Thanks, Jeff and welcome back. So if I can get you-- it's Cheryl for the record-- if I can get you now to move through to slide 18, you have control over the slides still. And on slide 18, you will see our tentative ICANN63 session timing on Saturday. That's Saturday the 20th of October. We're currently planning the full working group to meet between 09:00 and 1:15 local time in Barcelona. And then on day three, that's Monday the 22nd of October, there will be a Work Track 5 specific session plan, between 09:00 and midday, local time, with questions for the full working group session where we also would like to-- sorry, questions for the full working group session which include where do we envisage we will be at this stage here, where do we see we're going to be on that time for ICANN63 and what should the purpose or anticipated outcome be for our full working group session.

I'll just mention to you at this stage for the Work Track 5 session on the Monday, Work Track 5 leadership. And that Work Track is already starting to discuss their work planning detail with the reference point of hoping to have some initial reporting ready out by ICANN63. So we would predict that that will be the primary topic for the 3-hour session on Monday the 22nd.

So coming back to our full work group meeting, between 09:00 and 1:15, I'd like to open a queue now to see whether you have some initial responses of where you envisage we will be at this stage. Certainly the leadership team will continue
to discuss this and we will update as more details of the agenda are added as we work towards ICANN63.

So can I ask, have I missed anything? Because it's 2:00 AM here or 2:15 AM in the morning after all. Have I jumped over anything or glossed over anything? What do you see?

Steve Chan: Thanks, Cheryl. This is Steve Chan from staff. And no, I don't think you missed anything or glossed over anything. But I would add, I guess, some context around that first question about where we envision we'll be at this stage. So we do have the draft work plan that's been shared with the group on several occasions and within the agenda and within this Adobe Connect room chat. So that gives us an idea of where we think we will be, at least tentatively. So according to that plan, the idea is that we would have probably for about a month been operating in a series of sub teams that would be reviewing the public comment received. So from that perspective, related to the initial important comment that is at least anticipated where we'll be for that aspect.

In addition, there may also be the supplemental report on the five additional topics that we've been discussing the last couple of weeks, or I guess actually over the last month and a half in fact. So there may in fact be that supplemental report for those additional topics. Those may be out for public comment as well or some other form of way to seek input. And looking at the report, I think that might actually be all that we had on the docket for planning in anticipation for ICANN63. So I guess for additional context, I just wanted to highlight that's where we expect we might be for those two aspects. Thanks.

Cheryl Langdon-Orr: Thanks, Steve. Took me a moment to manage to come off mute. Yes, certainly I was seeking input via fresh initial reporting would be a certain aim for our group if at all possible. With that, is there anybody who wants to make any sort of comment or contribution? Obviously we'd like you to diarize now those blocks of time. So those of you who are in Barcelona can join us face to face. And those of you who are not, are able to join us remotely, because we will of course have a normal amount of participation available. This will be a working session of the full working group and we will only have the one opportunity at this stage for doing this. We're not going to be able to break it up or shift it around to another day. We could, I suspect-- Steve, correct me if I'm wrong-- if need be, if there was some desperate pressure to do so, switch Work Track 5 of the full working group slots around. But I would suggest that's ill advised, unless we have the most extreme pressure. Because Work Track 5 needs to avoid the GAC meeting, high level meeting that will be running on the Saturday. And Steve, back to you.

Steve Chan: Thanks, Cheryl. This is Steve Chan again from staff. And Cheryl, yeah, you're right. There's some flexibility left in the schedule. You'll note on the top of the slide this is tentative, of course. So in addition to possibly switching between the full working group and the Work Track 5, there remains probably some flexibility in let's say on Saturday, if there is a compelling reason, at least by the members, that the afternoon session, the SubPro needs to be in that slot instead, of let's say our PMs. There's still a possibility to switch things around to make sure things work for the working group and for the rest of the community.
At least in the tentative schedule right now, the expedited PDP on RDS is also intended to operate the entire day of Saturday as well. So I guess just some additional context, and without having the entire schedule in front of you, it's hard to know exactly where there might be issues and conflicts. But to the extent there are any that working group members identify, certainly do bring it to our attention and we'll try to do what we can to mitigate those issues. But I realize it's early and hard to identify those issues. But the sooner you do so, it certainly will help all of us in our planning activities. Thanks.

Cheryl Langdon-Orr: Thanks, Steve. So ladies and gentlemen, obviously the gist is that you'll be seeing something similar to this slide rear its ugly head again and again between here and Barcelona, until such time as we have a finalized as opposed to tentative session timing and that we have a more extended and confirmed agenda. So if there's no one who wishes to speak further on that, is there anything else we need to know about for ICANN63, Steve, before we move on?

Steve Chan: Thanks, Cheryl. This is Steve again. At this stage, not that I'm aware. Thanks.

Cheryl Langdon-Orr: Excellent. In which case, move onto slide 19, the last one in the slide deck. And that's a call for any other business. Is there any other business? Nobody typing, nobody raising their hand in the Adobe Connect room, which is excellent. With that, if I can just ask for our date and time for our next meeting to come up on the screen? Thanks, Greg. It seems like a late-night cabaret to me, of course, with all these meeting times. But that's another story. Just for the record, Greg's mentioned in chat there's no business like show business. So I was having a joke back with him.

Steve is typing, which hopefully is going to be the date and time of the next call. Thank you very much, Steve. That is the 27th of August. That will be at 20:00 UTC and it will be another 90-minute call. So with that, ladies and gentlemen, thank you one and all for joining us today. And please we really are starting now another fairly intensive-- we don't have a lot of time between now and Barcelona and now and the end of the calendar year. You need to get your discussions going on this. We can prepare Google docs for comments and suggestion mode on these things that may be a good plan forward for the pros and cons development a bit on the issues that just have been discussed today.

So with that, and my apologies for my Android thinking it needed to talk to me in the middle of that wrapping up. But I don't know why it did that, a takeover from Google. Thank you one and all. Thank you, staff. And with that, we can stop the recording and that will be bye for now from me and from Jeff.

Michelle: Thank you so much, Cheryl. The meeting has been adjourned. Operator, please stop the recording and disconnect all remaining lines. Have a great day, everyone.