
ICANN Transcription

IDNs EPDP

Thursday, 20 October 2022 at 13:30 UTC

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DEVAN REED:

Good morning, good afternoon and good evening. Welcome to the IDN EPDP call taking place on Thursday 20th October, 2022 at 13:30 UTC. In the interest of time, there will be no roll call. Attendance will be taken by the Zoom room. If you are only on the telephone, could you please let yourselves be known now.

We do have apologies from Admin Chung and Emmanuel Vitus. Our members and participants will be promoted to panelists for today's call. Members and participants when using the chat please select everyone in order for everyone to see the chat and so it is captured in the recording. Observers will remain as an attendee and will have view only chat access. Statements of Interest must be kept up to date. If anyone has any updates to share, please raise your hand or speak up now. If you need assistance updating your statements of interest, please email the GNSO secretary.

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All documentation and information can be found on the IDN EPDP wiki space. Recordings will be posted shortly after the end of the call. Please remember to state your name before speaking for the transcript. As a reminder, those who take part in the ICANN multistakeholder process are to comply with the Expected Standards of Behavior. Thank you. And over to our chair, Donna Austin, please begin.

DONNA AUSTIN:

Thanks, Devan, and welcome everybody to today's call. Ariel, do you have the agenda? Thank you. I just never know what I'm supposed to do as a part of the chair update. Just a reminder that today I will be joining the GNSO Council call to provide the council with an update on our project plan and basically making a request to counsel that we split our work into two parts.

With part one to deal with the top-level charter questions and part two deal with channel two questions, second level questions. So I will be talking to counsel about that today. And we will provide feedback to the group on what happened as a result of that interaction with the council. We have sent a request to the Chinese, Japanese and Korean generation panels to help us out with charter question that we have on single character labels.

And I think people had a chance to review that letter and provide input and an update on the responses to charter question C2 and D3. So correct me if I'm wrong, Ariel, but I think we had language that we had developed, or those responses to the charter questions. We didn't have substantive comments. So we're going to go ahead and assume that we're okay to provide that draft text

in what will be our initial report. Any other update, Ariel? Anything I've forgotten?

ARIEL LIANG: Thanks, Donna, this is Ariel. I don't know. Do you want to quickly mention this afternoon's council meeting or...?

DONNA AUSTIN: I've already done that, Ariel.

ARIEL LIANG: I'm sorry. I'm not a good listener today, then I've exhausted my ideas. I don't think there's any more to report.

DONNA AUSTIN: No problem. So with those updates, what we're going to return to try to question C1, B and B4. And I saw that just been reminded folks to have a look at the flowchart that we walked through during ICANN75. So that was to give folks an idea of the process for an application for a new gTLD. So this is the process based on the 2012. What happened in 2012? And walking through that process was intended to give us an idea of where there would be touch points for various labels.

And that was to help us in considering the question about those IDN gTLD operators that applied in 2012, and weren't able to apply the variants. So the process was intended to help us understand where there would be touch points in the process for applying for variants. So we'll go back and consider the questions

that are associated with variants for existing IDN gTLD operators, and then how that will work moving forward. So with that, I'll hand it over to Ariel.

ARIEL LIANG:

Thanks, Donna. So I don't know whether folks needs to look at the flowchart again, because we did a pretty detailed review of that since ICANN75. So just a high-level refresher basically, what staff did is based on the 2012 rounds, new gTLD program and the entire evaluation process, we have added the new elements suggested by SubPro in the flowchart, and then also indicated where the idea and variant elements may be. So basically, what's part of the process may need modification, according to the recommendations from this group. So it's a pretty extensive kind of update.

And thanks, Emily, for posting the link in the flowchart. And if some folks need to read it again, you're welcome to click on that link. But we're probably don't need to talk about that in detail again today. And I think before we started discussion of the charter questions, we just want to provide some observations of the flow charts. And that's from staff's perspective, and we welcome your comment and input as well. So if you recall, when we develop the flow chart, we have some questions in mind. And we're hoping the group can kind of answer that.

So first is understand which elements in the new gTLD program will be impacted by variants implementation. So based on the flowchart updates, what we observed is that the same stages and stops in the new gTLD program are applicable to an application

for an IDN gTLD variants label just like a regular gTLD application. So in other words, if applicant applies for a variants, the variants application needs to go through every single step, and it doesn't seem there will be a shortcut for variant.

And then I just want to remind folks, what applicable means in this context is that some of the elements in the program may not be impacted as a result of variants labels. But variants do need to go through these stages and steps. So the basically, for example, there's a step for completeness check of the application. And it may not be a specific question asked for the variant label. But does the variant label application still need to go through the completeness check just like a regular gTLD application? So that's what it means by applicable.

And then the second observation is regarding how new gTLD program would need to be modified to accommodate variants gTLDs. And based on the flow charts, we presented almost half of the elements in the new gTLD program will require specific considerations and modification. And that's reflected in the proposed recommendations from this EPDP team. So we basically number the boxes if you remembering the flow chart. And then we just did a quick count, how many boxes that have specific variants related to modification. And it's about half of them. So that's what we observed.

And then, the definition of specific means that some specific considerations and modifications are required to accommodate variants. So for example, if an applicant submits an application for a variant label, there will be possibly additional questions where responses are needed, and then the fees may be different due to

the cost recovery principle. So some of these elements will require specific changes because of variant. So that's the second observation we had.

And then the third observation is regarding analyzing the level of efforts of evaluate variant applications, and also the associated costs and fees. And so the question we're specifically have in this observation is regarding the, if the existing gTLD registry output applied for variants, what would be the level of effort to evaluating these?

So based on the survey, we got the responses, there are 44 existing gTLDs that actually have allocatable variants, and these are 35 Chinese gTLDs, and 9 Arabic gTLDs. And most of the Chinese gTLD registry operators and but only 2 of the Arabic gTLD registry operators that responded to the survey indicated interest in applying for variants. So they definitely do have an interest even for Arabic one, we don't know because only two responded to the survey, but the Chinese ones we know that you have an interest.

But based on the previous two observations, it may likely be expensive and impractical to develop a standard along round to just accommodate these 44 gTLD registry operators because as we said before, that variants application needs to go through almost every single step in the program, and then half of the program elements require specific modifications to evaluate variants.

So it seems to be quite expensive and impractical to develop a standalone round. So that's a third observation we have. And

now we're go to the discussion question. And I think we're going to talk about the D1B first. So the D1B is the chatter question asking what should be the process by which an existing variant should operator could apply for variants for its existing gTLD?

So when you reflect on the observations that I just explained, our question for the group is that, is there a compelling reason to create a standalone round for owning visa, 44 gTLD registry operators to apply for variant after labels? So that's our question for you. And if the answer is no, then by default, they will apply for variants during the application round. But if you believe there is indeed a reason to create a standalone round, then we would like to hear that. So I will stop here for a moment and see whether there's any comments, feedback, hear questions. And I see Maxim already has some comments in the chat.

DONNA AUSTIN:

Thanks, Ariel. So Maxim, can you just, what's the distinction you're making between a standalone process rather than a standalone, separate round?

MAXIM ALZOBA:

Maxim Alzoba for the record. I think one of the reasons to have these as a potential standalone process is because it's quite complicated from the technical perspective, distinctive from the non-variant TLDs and potentially could be the way for more ideas to be used. If we call it a separate round, due to linear nature of ICANN processes so far in past 10 years, I saw it many times that

if you create some kind of process, you cannot have the same kind of process called the same way.

So if we say that it's a new round. It's either going to be past the next round or before the next round for every TLD possible and allowed. So the idea is to have something similar to what ccTLDs have with the fast track for IDN's. I know that, ccTLDs ideas are not applicable, I meant something similar like an idea. Thanks.

DONNA AUSTIN:

Thanks, Maxim. I think what we're suggesting here, based on the flowchart that we went through in KL is that an existing IDN gTLD operator that wants to apply for, that now wants to speak to variants of the IDN gTLD is going to have to go through pretty much the same process for any applicant seeking to apply for a new gTLD regardless of whether it's an IDN or not.

So I think what we're based on a flowchart is what we're highlighting is that all of the different many of the steps in the process and IDN gTLD operators going to have to go through those anyway. So it doesn't make sense to do a standalone because it's going to incorporate many of those processes. Jeff?

JEFFREY NEUMAN:

Sorry, I had a tough time. This is Jeff Neuman, tough time unmuting. I want to support what's being suggested, Donna, by you, and of course, Ariel and others, that it should be in the same, quote, round, it may have a fork in the road in terms of different things being evaluated and stuff like that. But because objections

and all those other things still apply, I think there's two reasons, at least in my mind, why it's compelling to do it in that round.

One is, so that when people are monitoring, whether it's republic comments or objections or whatnot, that, they know it's in discrete windows, and they know when to monitor and it doesn't put a burden on them if they want to object or anything else. The second reason is, when you talk about cost recovery, it's much more efficient to do a cost recovery when lumped in with all the other applications than it is to do a cost recovery with respect to only existing TLDs applying for their variants.

So if it's lumped in with everything else, it's going to be a much lower cost, if it was just by its own. You could see it costing a lot more to apply for a variant than it would be to apply in the ordinary round and that not only would be the wrong message to send, but also could stand as an obstacle for getting more ideas IDN TLDs out there. Thanks.

DONNA AUSTIN: Thanks, Jeff, Hadia?

HADIA ELMINIAWI: Hi, thank you, this is Hadia for the record, if I may ask Maxim, what are the benefits of actually having a separate route for those IDN TLDs, is one of the reasons for example in order not to waste too much time during, I would say, an original round? But if this is the case, I don't know even if we discussed, what if one or two applications are taking too much time, how would this impact other applications? I guess this could be one of the reasons. But again,

it would waste everybody's else's time when it's happening in another round. And everyone would need to watch for those other rounds and time would be also lost there. Thank you.

DONNA AUSTIN: Thanks, Hadia, do you want to respond Maxim?

MAXIM ALZOBA: Maxim Alzoba for the record. While I was speaking about process for separate from the next round, I didn't mean that during the next round, there is no place for IDN variants. I think it should be one of the processes during the next round, if any. And in addition to that, we might check the possibility to have the process to apply for the variants to an existing IDN as a separate process.

Since all things here are based on cost recovery, potentially, the such, TLDs who want to ask for extension, might face huge bills potential. And it will be up to them if they want to use this process, based on cost recovery or not. But I remind you that we might not see the next round in the next two years, or maybe more. So limiting everything to next round, maybe just not allowing countries and to use some of their native languages. That's it. Thanks.

DONNA AUSTIN: Thanks, Maxim. Jerry?

JERRY SEN:

Thank you, Jerry Sen for the record. I agree with Maxim about his idea that there should be a possibility for a separate one before the next round, because at first, there is already marked the need for the variant TLD. Because I gave you an example that many people from Hong Kong and Macau, they already read this some Chinese IDNs but they use the traditional Chinese.

So what they can do is to use the traditional Chinese on second level and the simplified Chinese in on the top level. So it's not their user habits, because they don't use them applied Chinese in their daily life. So actually, in the Chinese community will be eager in post such variant TLD for the past many years. So I mean, if there could be a possibility that we can open a separate run before the next run. I think we should try it. Thank you.

DONNA AUSTIN:

Thanks, Jerry, and I certainly appreciate what you're saying. But from a pragmatic perspective, and understanding the ICANN processes with looking at it through that lens I wonder if, notwithstanding the concerns that you raised, but understanding ICANN processes and to do this from a pragmatic perspective, I think my personal opinion is that the most expedient path forward for existing IDN gTLD registry operators to seek the variant would be through the next application round.

I don't really think. Well, I think one of the concerns that I have is that the cost will be prohibitive. If we're going to look at preparing or creating an application process, specifically for existing IDN gTLD registry operators to apply to their variants ahead of any next round, I think the costs will be prohibitive.

And I think that the time that it would take to do that is probably going to end up colliding with a new gTLD process. Anyway, so I think it's unfortunate that everything has taken this long, but I really think that from a timing perspective, we're actually going to collide anyway. So with that in mind, would that change your thinking at all, Jerry?

JERRY SEN:

Thank you, Donna. I understand your concerns. And well, I'm just saying to express my ideas, and also to convey the main opinions in the Chinese community. That's it. But I understand your concern and your analysis. Thank you.

DONNA AUSTIN:

Thanks, Jerry. Hadia?

HADIA ELMINIAWI:

Thank you, this is Hadia for the record. And my question here is what can we say we are actually ready, from an implementation point of view that we are ready for a next round, even if it's only an idea and gTLD variant next round. When do we tick this box and we can say, we are ready for this, regardless of when this will happen? Thank you.

DONNA AUSTIN:

Not sure I really understand what you're asking, Hadia? Jeff?

JEFFREY NEUMAN:

I think I follow. So I'll try to answer as best I can. So for the next round, right now, we're in the operational design phase. And so this operational design phase, although it does not include analysis of the costs of specifically this IDN variant program, is considering all of the costs and resources needed for implementing what was in the SubPro report. And so this operational design analysis will be out in December.

And I'm saying this, by the way, as the liaison for the ODP. So that'll be out in December, the thinking at that point is that it will go to the board. Obviously, the board will discuss it. The board then needs to approve all of the policies within the SubPro PDP. And remember, the SubPro PDP has a lot of policies that we've confirmed here in this group, though, we've gone into more detail here. So part of what in theory the board will be approving are things like the same entity rule and things like that, because those are recommendations in Sub-Pro.

And at that point, then the board will have to vote and approve the policies, and then set up an implementation review to call for the setup of an implementation review team. That implementation review team will need to then work with ICANN because ICANN staff leads the implementation review team. And we'll have to develop the applicant guidebook and then ultimately get that approved by the ICANN Board.

And then at least according to the SubPro report, if everything is approved, it will then have a six month. So once the board approves, it says yes, we're ready to move forward. There'll be a six-month communication period, which is a period of time where

ICANN are supposed to be spreading the word a lot better than it did last time to actually have the open up the new round.

And then ultimately, after that six-month period, the new round can open. There's a lot of stuff that needs to happen prior to that obviously, during the implementation phase, after the board approves the policies, other than just the guidebook, but that's in general. So we are talking about depending on how fast the guidebook could be written and approved and the systems put into place by ICANN. You're still talking a couple years.

Hopefully, they can figure out ways to shortcut it. And I do know that at least the GDS team is thinking ahead to implementation and how they can shorten the writing of the guidebook and things like that. So we'll see, but a lot of it's dependent on the board actually approving the policies.

DONNA AUSTIN:

Thanks, Jeff. I think it's helpful to have and it's useful to certainly have your knowledge and understanding of what the steps in the process will be for SubPro. And also, to add to that, we're looking at having our initial report done early next year, with final report for the top-level questions.

So part one, I can't remember Ariel but I think we're looking at later in 2023, but for the final report for the top level. So taking those things into account and understanding that, even if we do get the final report done towards the end of next year, it's still going to be a period of, three to six months for the council to consider it and the board to consider it. So highly unlikely that we

will be in a position to have around dedicated for existing IDN gTLD registry operators to apply for variants in between all of that. Ariel.

ARIEL LIANG:

Thanks, Donna, thanks, Jeff, for the detailed explanation of what to expect. And I just want to kind of give a reminder to the folks about the board resolution regarding variant gTLDs, I think was in 2009. But someone may be able to correct me; or 2011, I can't remember, it was more than 10 years ago, the board resolved that variant TLDs cannot be delegated in the root zone, I mean variant gTLDs cannot be delegated in a root zone until the variant management mechanism is addressed. And also, the definition of variants is created and developed.

So basically, what they said that is the variant gTLDs cannot be delegated until all these issues are resolved. So even if there is indeed hope and wishes to fast track the process for existing gTLD registry operators to apply for their variant gTLDs until all these issues are resolved, they cannot be delegated.

And then the other part of that is that not just at the top level, the various management mechanisms need to be addressed, but also there are second level questions that need to be addressed as well. And then as we all know we're kind of trying to put these questions in to the second phase for the EPDP and that would take time to work on as well. So even we do have the hope to help the existing ROs to apply for their variants, but tactically speaking in may not be able to do that if the board doesn't

approve variant delegation on to all these questions I answered.
So I just want to give folks that background and reminder as well.

DONNA AUSTIN: Thanks, Ariel. Jeff.

JEFFREY NEUMAN: So one thing we can consider, even if we think that...

DONNA AUSTIN: Are you there, Jeff, I think we might have lost it.

JEFFREY NEUMAN: You can't hear me at all?

DONNA AUSTIN: There you are. Welcome.

JEFFREY NEUMAN: Sorry, I don't know what happened there, sorry. So, we can we can always decide after the next round, to have separate in between windows for IDN variants. Because at that point, everything will be, have been developed and all the processes in place. So I think it's really two decisions.

One is, when is the first time we're going to allow existing TLDs to apply for their IDN variants, but then the second subpart of that or second part question is, when after the next round, will we allow

now the new gTLDs, as well as existing apply for variants on a go forward basis, because the sub pro recommendation is not just for one next round, it's for Windows. And so we may decide it should just be in Windows, but...

DONNA AUSTIN: That's pretty much painful.

JEFFREY NEUMAN: I'm sorry.

DONNA AUSTIN: That's okay, you've given us a bit of an introduction too before, but that's what we'll get to in the next question. So always trying to look at now is, what's the process for an existing IDN gTLD registry operator now? And I appreciate what Jerry has said and concerns and the disservice that we're doing to the Chinese language community. But it really is a timing issue.

And I think, from a pragmatic perspective, the quickest that we're going to get existing registry operators to move forward with variants TLDs is by giving them the ability to apply for that in the next round, and I think that's just a timing issue of where we are. So I am with no worries, if so with that perspective, do you think we could go ahead and develop a recommendation along the lines that for existing IDN gTLD registry operators that they can apply for variants during the next new gTLD application window? And all we're talking about here is for existing IDN gTLD registry operators. Jeff?

JEFFREY NEUMAN: So I agree with that; the other thing we could in theory do is that the SubPro recommendation includes a prioritization for IDN gTLDs such that, and there's a whole formula, and I am not going to be able to recall the whole formula. But we could say, if we wanted to, that the existing TLDs applying for their variants should have priority in that prioritization.

In other words, of the IDN TLDs that are selected for priority, we could say that the first, whatever should be the existing TLDs applying for the IDN variants so that they can be earlier in the order. So that's how we can sort of try to make it go a little bit earlier. So that's just a thought. Thanks.

DONNA AUSTIN: I think it's a great thought, Jeff. Wondering whether we actually take it further and say that existing IDN gTLD registry operators should be, I know, there's a desert formula that was used for that, Jeff, but I wonder whether there's a possibility to maybe take a step further and give absolute priority to IDNs. But maybe I shouldn't suggest that as the Chair perhaps. So does that kind of work for folks, and I'm seeing support for the idea of prioritization. And Jerry, maybe that will help overcome some of the need for existing Chinese operators in particular.

So, are people comfortable that we can go away and develop some language that would support that as a recommendation? So that an existing IDN gTLD registry operator, will need to apply in the next round for their variants. But there would be some kind

of prioritization for existing registry operators, does that work for folks? Jerry is okay. And I see that Michael is good with that, Hadia, Satish.

So I think we can go ahead and develop a recommendation in accordance with what was discussed here. So thanks, everybody. I think that's a good outcome. So with that, we'll move on to the next part, which Jeff had fallen into a little bit. And that's about the timing and sequencing for in the future. So, Ariel, do you want to bring us up to speed on this one?

ARIEL LIANG:

Yeah, sounds good and also thinks that Jeff was suggesting that idea, will capture that for the draft recommendation related to [inaudible - 00:40:56], this is a related item but it's a little broader, and [inaudible - 00:41:06] look like in terms of timing and sequence for an existing and future registry operator with respect to applying their allocatable variant TLD labels. So I think the focus here is really about timing and sequence, and what can be applied for rounds, that kind of thing.

So we thought of perhaps two discussions, discussion questions to kick off the deliberation on this question. So one is, during an application round, are all these options allowed? So there are three options we thought of; one is a new applicant applies for a primary IDN gTLD only, that's one. And second is, a new applicant applies for a primary IDN gTLD and one or more of its allocatable variant labels. And the third option is, a existing registry operator.

So we're talking about, [inaudible - 00:42:17] existing registry operator, just not the current existing one. So once a registry operator already managing a gTLD, it wishes to apply for only a one or more of the variant labels off its existing IDN gTLD. So is this option allowed? So that's the first question we're asking, are all these three options allowed? And do we miss any other potential scenarios? So we'd like to hear your thought on that?

And then the second discussion question is that, based on the observations that we just captured in the previous slides, is there a compelling reason to allow applications for burying gTLDs of existing gTLDs between application around. So in other word, can existing registry operator, like including future existing one, applies for a variant label off its gTLD between rounds? Is there any compelling reason to do so? And if so, what are the reasons and how to make that happen? And if not, then the default is that, only mattering can only be applied during a round. So that's some of the questions we'd like to kick off the discussion. And I will stop here.

DONNA AUSTIN: Thanks, Ariel. Michael?

MICHAEL KARAKASH: Yes, and thanks. I'm Michael Karakash for the record. For Question one, I think those three options should all may be included. And I don't see any thing missing. Not for the second question, I'm wondering if an applicant applies for one or more of a variant TLDs together with their main TLD, will they have to

activate all those variants directly, or would it be okay to say, apply for one TLD and two variants and activate only two of those three TLDs and activate the third one anytime years later between rounds? Or is it always the case that they have to activate all of them? Because in that case, I would say they might have a reason to activate one of the TLDs between rounds. Thanks.

DONNA AUSTIN:

Thanks, Michael. I think that's a good question. So people can give some thought to that. Jeff?

JEFFREY NEUMAN:

So it is a great question. And I think, if you read the SubPro rules, and again it didn't consider something like this, there is a rule as to how long you have to quote activate a TLD, which really just means putting it into the root and having a homepage or whatever, the minimum ICANN requirements. So that's for delegation. And so I'm assuming that's Michael, is that what you meant by, did you mean activation or delegation? I guess is the first question.

But even so I think we can come up with an exception to that rule here, because of the unique circumstances, we could come up with a policy to say, yes, we know that the first TLD, a gTLD registry operator applies for that needs to be delegated, within the timeframe of SubPro, but perhaps other various variants aren't subject to that rule. So we could decide a different policy. And I'm thinking of delegation first, and then Dennis has got another great question as to activation may be more like, having to run the

sunrise and everything else. So I guess back to you, my goal I guess is the question.

DONNA AUSTIN:

Thanks, Jeff. So maybe what would be helpful is to pull out that sub pro recommendation about the time to delegation. And I get activation and delegation to me are the same thing, but I know that they mean different things to other people. So we need to be careful with the language. But I think just to point, I think it would be really helpful to pull out that recommendation about timing, and whether we want to apply it here. Because I think that goes some way to answering Michael's question about the timing for activation. So Jeff?

JEFFREY NEUMAN:

I can state and I guess others can look it up, but SubPro only looked at time to delegation, not anything else. So to answer the question of activation in sunrise or anything else, there is nothing required in SubPro. So it's only time to delegation.

DONNA AUSTIN:

delegation?

Okay. And Jeff, there's a timeframe from contracting to

JEFFREY NEUMAN:

Yes.

DONNA AUSTIN: Is that the timeframe?

JEFFREY NEUMAN: Yes, it's one year from signing the contract. I think there's a timeframe to sign the contract as well. And then I think that's like nine months from the date you're invited to contracting. But that can be extended for different reasons. And then there's one year from the time of signing the contract to having to be delegated. Again, that could be, there's exceptions to that. But essentially, that's the rules.

DONNA AUSTIN: Thanks, Jeff. And Steve has put the recommendation in chapter that's great. Hadia?

HADIA ELMINIAWI: Thank you. This is Hadia for the record. It's a question, are there any specific payments related to delegation? Thank you.

JEFFREY NEUMAN: Can I answer that?

DONNA AUSTIN: Go ahead, Jeff.

JEFFREY NEUMAN: The answer is yes. ICANN start billing you as soon as your delegated. They start billing you the minimum fee, which on a

quarterly basis, so if it's the same going forward, it would be 6250 or 6750. Hold on, whatever 25,000 is divided by four. They start billing you right away after delegation.

DONNA AUSTIN:

Thanks, Jeff. And that's another good question, Hadia, because I don't know whether, I think we do have a question about these in here. And it's a question of whether the IDN primary and the variants I considered as individual gTLDs in the room, then does that multiply that fee by three by two or three or however many variants, or is it considered as one fee. So that's an interesting question.

So, back to the question we have in front of us. So Michael has said that he's okay with one a, b and c, that's all reasonable. And then we've along the way we've come up with a few other things that we might need to factor into the discussion. So, folks are okay about the where are other folks on this during an application round. Is it okay to allow for the options that we have on the table? Michael, I saw that your hand went up, but I guess that's about the issue that you've put in chat.

MICHAEL KARAKASH:

Yes, basically, it was just a sample of one reason, registries might want to delegate activate one of the variants at some later point, but they most likely don't want to be restricted to the rounds, especially if the rounds take maybe 10 years or whatever, for the next so they might want to apply for a variant already in around to be able to activate it, sometimes later. But if it's not possible to

activate it sometime later, then I would suggest that there need to be ways to apply for one of the variant gTLDs between the rounds, thanks.

DONNA AUSTIN:

Thanks, Michael. So just looking at the chat. So, Hadia is saying we don't know yet how the said relation to variants are going to be paid. And that's true. Jeff is saying that, "I think we can create an exception with a primary master delegator within timeframes with SubPro, but perhaps longer for the variants." And I think that that would be a good way forward. So how does folks feel about that, if we can be consistent on the timing to delegation for the source label, but then maybe we need to probably shouldn't be open ended, but perhaps we could put extra time in there, just saying.

JUSTINE CHEW:

Sounds good. This is Justine for the record, I don't really want to complicate things. But I do note that there is an outstanding question about, and I'm just wondering whether the team here wants to consider it or not. Which the question is that, is there a possibility for an applicant to which is applying for a source label and a variant to hold back delegation of the source label, but go ahead with the delegation of the variant first?

DONNA AUSTIN:

I know this is something that Hadia raised during our conversation in KL --

JUSTINE CHEW: No, I believe it was Michael that asked the question.

DONNA AUSTIN: How do you picked up on it? Go ahead, Jeff.

JEFFREY NEUMAN: Yes. So the answer I think I gave, which I still think is the answer, is that there's no real difference between a primary and variant in the sense of, other than the sense of the primary is the one you pick first. It's not like there's a term and then that term has variants. It's whichever one you want First is the primary, that's it, and everything else becomes a variant of the primary. So I don't really understand the concept of you apply for a primary, and then, but you want to launch your variants first, because then that just becomes your new primary. That's why I'm not really understanding the concept. A primary just means first.

DONNA AUSTIN: Well, I --

JUSTINE CHEW: Can I answer that?

DONNA AUSTIN: Yes.

JUSTINE CHEW: This is Justine for the record. Jeff, the way I understand it is, there is a possibility, I don't know how each case this possibility is. But if you apply for a particular source label to get at a particular variant that you want, you may not necessarily get the same result if you apply for the variant that you want as the source label. So the variants set that you generate is dependent on the source label. Meaning to say that if you use one label as a source, you may not get the same set that you get by using a different source label with -- sorry a variant within that source label as the source. You get my drift. Thank you.

DONNA AUSTIN: Thanks, Justine. Michael.

MICHAEL KARAKASH: Thanks, actually, to correct, Justin, the variants set will be the same, independent of the fact with which label your staff, but the variants can be allocatable or blocked, and that property is different, or can be different depending on with which variant you start. So I put up an example of the German word 'street'. And depending on whether you start with one with two s, or the one with a set, you will be able to get the other label or the other label will be blocked. So that's a problem. Thanks.

DONNA AUSTIN: Thanks, Michael. Jeff and then Hadia.

JEFFREY NEUMAN: I think then the answer is, again, you say the label you start with. So in your analysis, if you start with straw, like I say it straws, then you've now indicated what the primary is. I think that that's the one that the rule applies to whichever one your quote start with has to be your primary.

DONNA AUSTIN: Dennis, it looks like you what you've posted in chat is a mathematical equation to me, could you just speak to what you have in chat, and then I'll come to you, Hadia.

DENNIS TAN TANAKA: Hi Donna, this is Dennis for the record. So what we're talking about, Michael, Justine, we're talking about and trying to describe an example, is the characteristics of a variant set. Due two items here. So we have the variant relationships, which is established by the calculations, and the property of the variant relationship is one that is symmetrical.

So having two labels A and B, so A has a variant relationship with B, and vice versa, B is variant of A. So that's both directions in result, but there is a disposition by right and we talked about block and allocatable states. With those are the disposition that isn't talked about. So that's unidirectional, that depends on where you start. It might be that A and B are variants of each other, but when you go from A to B, that these are locatable variants, but when you go from B to A is a block variant, and that's where there's a difference, and that difference is depending upon the source label.

My follow up comments, so that's the comment about variant relationship and disposition values based on the source and target. My follow up comment was just an addition or maybe it's in relation with Jeff suggested that the primary label is delegated and subsequent variants can be delegated until a later time. Maybe we decouple the conversation between how they variant what's established and what is delegated. After, that set is being established and that will, it's a decision that the approval makes which label in the set, regardless, source, target, or what have you, is delegated first. And then, they can activate all the variants in the set later in time. Thank you.

DONNA AUSTIN:

Thanks, Dennis. Ariel, and then --

ARIEL LIANG:

Thanks, Donna and Dennis. And actually, I was just going to show everybody example to make it a little less abstract because I think the string similarities small team discussed it. So this is the example string. So basically sorry, just one moment. So on the left side, the primary is the yellow highlighted one. That's the traditional version of the HSBC. And then when it goes through the RZ- LGR, the whole set of variant labels is calculated, but only one, the simplified HSBC is allocatable, so that's the calculation.

But then when you use the simplified HSBC as the primary level, and then you go through the RZ- LGR calculation, the whole set of variant labels are the same as the left table. But now you see the allocatable variants increased by one. So not only the traditional

one on the second one, and then the third one, it's another traditional one that's allocatable as well.

So basically, I just want to supplement what Dennis said in terms of the primary label if it changes, the set of variants remain the same, but the disposition value of certain labels in the set may change. So, that's a key thing we should keep in mind. And another question I wanted to post to the group is that so if the applicant already indicated what the primary label is, presumably it's just something they want to activate in a route, what will be a compelling reason for only activating a variant of that but not the primary.

Maybe we need to think through, is there a compelling reason to do so. And if so, maybe we should create that possibility to accommodate that kind of thinking. But if we can't think of anything that could be a pretty hard ash case. So that's some thought for folks to think about.

DONNA AUSTIN: Thanks, Ariel. Jeff?

JEFFREY NEUMAN: Thanks. Look, from a policy perspective, given everything taking a step back in the whole new gTLD process, I would say the answer is no, that should not be allowed. What ICANN is looking for or evaluators are looking for, or valutors are looking for, people who filing objections are looking for, they're looking for you to present your business model, your business case, your policy case for your TLD.

And I don't think it is fair within the process or even in line with transparency and obtaining a public resource that you should have -- sorry, I should say, it is in the public interest for you to, when you apply, indicate what your primary string is, meaning the first one that you will delegate to justify your business case in everything else. Because to do otherwise is just basically to kind of cover up what your true plans are, maybe game, what objections are filed and stuff like that.

I just think that consistent with ICANN open a transparent model to set up a rule that you can at one point delegate something as primary and then, essentially change your mind and allocate something that's a variant. I just think that, that's incongruent. That's not the model we have and I can't see a compelling case within this ICANN model that a registry would apply for one thing, knowing it's going to allocate something else first, other than to gain the system. Thanks.

DONNA AUSTIN: Ariel, is that in your hand or wrong hand? Go ahead, Michael.

MICHAEL KARAKASH: Thanks, Michael. I just put it in the chat too. I disagree with Jeff in that case because if you have a brand name, which for example contains an [inaudible - 01:05:50] in similar cases might exist in Chinese, I don't know; you might want to first start with a TLD that is internationally acceptable, writeable, because most people can't type an [inaudible - 01:06:10].

And so you say at first you want to start with the international version, which is the one with the double s, and if that's successful, you later want to also use your own script, own language version with an [inaudible - 01:06:32,]. And our rules would take that opportunity away from the registry. And I don't think -- there's a real reason why we have to take that opportunity away. Thanks.

DONNA AUSTIN: Thanks, Michael. So, Jeff, your question is it really gaming? What you're talking about. Well, is it?

JEFFREY NEUMAN: Yes. Can I go on, explain? I was going to respond to Michael. But I do think it is gaming because it's really about avoiding fees to ICANN. Because in the sense of we're not talking about activation, remember, we're just talking about delegation putting in the route. So you could delegate both of them into the route and then quote, start, with the other string, with the variant in terms of launching it to the market.

The only reason you wouldn't do that is because you wouldn't want to pay the ICANN fee, which I call that gaming. There's no other, I think we're confusing delegation and a launch. We shouldn't be confusing those two things at all. We're only talking about paying the ICANN fees. That's it. So I don't think that's too high of a burden. And I think that again I can't see a compelling reason to make it so complicated to have all these permutations and make it really confusing for people that are trying to have put

in comments and all these other things. So yes, I do think it's gaming.

DONNA AUSTIN:

So I'm not convinced it's gaming. I think it's the challenge with the route zone LGR system in that if you identify one string as your primary then the string that you really want is blocked. But if you go with another string, you can get the string that you really want to be allocatable is available. So I don't know that it's necessarily about, whether you want to pay ICAN fees or not because set that aside we haven't really got to that yet.

But it seems to me it's more about the applicant really wants what's allocatable rather than what's blocked. So, some could think of it as maybe it's gaming as the route zone LGR, I don't know, or it's just making the route zone LGR work from a reverse engineering, I suppose, to get the allocatable string that you want rather than be in a position where the string is locked. So my brain's sticking over here to try to work this through. Jeff.

JEFFREY NEUMAN:

It's such an edge case. And if that's the case, if it's a string you really wanted, then why wouldn't you just make that string your primary? I understand, because then there's other versions that are blocked, but at some point in your application, you're supposed to be justifying to ICANN why you want a particular string? Why it's quote in the public interest? These are TLDs.

So, all you have to do if you really wanted to do that is just pay the ICANN fees. I think at the end of the day, we're confusing it. We

we're making it so much more complicated than it has to be with these edge cases that again, I don't understand the concept well, I really wanted this string that apply for that string that you should really want.

And again, Michael, I think your point is you may not want the string now, but you don't want to lose the opportunity. Choices have to be made by businesses and entities all the time. So then apply for what you want and just delegate them. Again, this is not what you're launching to the market, this is just what you're delegating. I don't think we should be setting up all these exceptions and we're really not talking about a big burden. It's just to get it delegated and yes, you have to pay the ICANN fees. Figure that into your calculation.

DONNA AUSTIN:

Michael, did you have a follow up or does anybody else have something they'd like to add to the conversation? So can we just put this bit aside for the time being, Ariel, can we go back to your questions? So the question that we had in front of us, what I'd like to do is wrap up, 1A, B, and C. So setting aside the delegation and activation, so whether it's possible to activate a variant first.

So during an application round, can an applicant apply for just a primary IDN gTLD only? An IDN gTLD primary plus allocatable variants however many labels they want because they don't think that. Well, there is a question of whether we want restrictions on that. Or registry applies for one or more variants of its existing IDN gTLD. So would enable us to do D1B. It enables us to cover off that recommendation. So does anyone have any objections or

any additions to the what can be applied for? I'm not seeing any hands, so I'm going to assume we're okay on that.

What we will also look into, so I think to Jeff's suggestion about the timeframe to delegation there's a recommendation in SubPro. So I think we should apply that here as well at least to the primary. And then there's a probably a gap about whether, how much time we should have for the allocatable variants?

And then what I'd like staff to do is just do a little bit more investigation into the consequence on the process of an applicant delegating a variant ahead of a primary. So I want to do a little bit more investigation into that before we make a decision on that. Does that sound reasonable? I'm going to take that as a yes. Jeff.

JEFFREY NEUMAN:

That's reasonable. Sorry. I was just suggesting that the gap -- to just go back to SubPro -- SubPro's concerns was about warehousing strings. And so they were very concerned that even a year would be too long to delegation. But they settled back on a year because that's what was done previously. I think if you go and read that report, having too long of a gap for the delegation of the variants that you actually apply for would not be in line with that. So I do think that an additional 12 months or maybe an additional 12 months per variant or whatever, there needs to be some closing gate. Otherwise, what SubPro was afraid of would happen.

DONNA AUSTIN: Thanks, Jeff. Michael.

MICHAEL KARAKASH: This is Michael. Regarding the warehousing, I don't see a real problem because you're not causing any harm with keeping those strings in your warehouse, what to say, because no one else will ever be able to apply or register them anyway. So they are reserved for you. So why would you have to be forced to activate them in 12 months? So for me, it's like telling the registry either you get them now or you have to wait for the next round, which maybe in 10 years, but you have no chance to say, I want to activate it in 3, 4, 5 years. So don't see a reason to put it time limit there. Thanks.

DONNA AUSTIN: Thanks, Michael. I think that's correct for the variants, I think, regardless of whether you're an IDN gTLD or just a gTLD, I think there has to be some kind of timeframe on when you delegate your TLD once you're contracted. But I take your point about variants and there is no warehousing issue because nobody else can apply for them anyway given the same entity principle rule that we've put in place here. Jeff.

JEFFREY NEUMAN: Thanks. I understand Michael's concern. In theory, I know we're dealing in today's world in the last 20 years, but if the SubPro recommendations adopted to have regular intervals between rounds and not 10 years, but closer to two or three years I don't think this should become an issue. I know like now there's that

fear but perhaps this is something that can instill an ICANN, how important it is to stay on that schedule. And this is to assume that this indeterminate period is going to happen after the next round, I think is dangerous and sends the wrong message. Thanks.

DONNA AUSTIN:

So my understanding with variants is that the intent is that you would delegate your IDN gTLD and your variants pretty closely together because that's why you want them to operate, however it's going to operate. And to Jerry's point earlier, there are compelling reasons why the existing Chinese IDN gTLD registry operators want their variants now because there is a language issue there.

So I understand the conversation we're having, but my understanding coming into this is one of the reasons you apply for variants is because the two or three or four strings are going to somehow operate together and be delegated pretty closely together so that that can happen. So I think that's the flip side of the coin too. We're eight minutes from time. So I think, the question two that we have here, let's give some thought to that. We'll come back to it.

But I think Jeff might have mentioned when we were talking about D1B. Maybe it is possible following the next round that it would be possible to apply for variants of the source previously applied for source label in what may not be an application round. So I think that's something that we will consider when we come back to these questions. So something for folks to think about.

And I think it probably goes back to what Maxim was talking about as well is that, maybe there is a process already existing that that could be used. So, it's going to be a big effort, I think we all appreciate and Jeff probably more than most, it's going to be a huge effort for ICAN to get the next gTLD round up from running. But after that, once everything is put in place, it should be a simpler process moving forward.

So maybe there is the possibility for variants to be applied for out of rounds. I'm just reading Jeff's comments. And one of the challenges we've always had through this is the implementation and the impact on the new gTLD processes over any decision we make here. And we're always pretty cognizant of that of it. Jeff.

JEFFREY NEUMAN:

And so my last comment was just also some more thought on what I call the warehousing, and then maybe that was not the appropriate term, but just because a string may only be delegated to you because it's an allocatable variant doesn't mean that you as an entity have the right to launch that string. That variant could, for example, match someone else's trademark. And you may have no right to launch that. And that trademark owner may want to object to your use of that particular variant. So from an IPC perspective, there are reasons why you'd want it to all go through rounds with objection periods and things like that.

DONNA AUSTIN:

I guess my thinking was that even if it was, if you could apply for a variant out of round that it would still have to go through most of

the process. But at that point in time, ICANN should have all the systems and evaluators and whatever in place to do that. But anyway, we'll come back to question two at a later date. Good discussion today, folks. I think we'll leave it there with.

I think we're in a good place to come up with a recommendation for D1B and B4 based on our discussion around question 1A, B, and C, I think we're in a good place there. And there's a couple of other things that we need to investigate about whether well the, probably the consequences of delegating a variant ahead of an IDN gTLD and pulling out some of the discussion that we've had today and just exploring that a little bit more. Thanks everybody. We will talk to you next week.

DEVAN REED: Thank you all for joining. Once again, this meeting is adjourned. I'll end the recording and disconnect all remaining lines. Have a great rest of your day.

[END OF TRANSCRIPTION]