

---

BEIJING – GAC Meeting with Brand Registry Group

Sunday, April 07, 2013 – 16:00 to 17:00

ICANN – Beijing, People’s Republic of China

CHAIR DRYDEN:

Good afternoon, everyone. If we could begin to take our seats, please.

Let's get started. I can hear an alarm going off in that corner of the room. So, if any of you are able to take the initiative and find the alarm and switch it off, I would be very grateful. Yay!

[Applause]

Well done.

Okay. Excellent. Okay. So we are reconvening in the GAC to meet with a new registry group called the Brand Registry Group. And we've identified some topics of what we believe is mutual interest, which are industry oversight and compliance by ICANN. This is certainly something that the GAC pays a lot of attention to. And also the changes that would result as a result of the creation of new brand top-level domain operators and how that would impact the generic name supporting organization.

So I will hand over, first of all, to Philip Sheppard, who will take us through the presentation you can see in front of you on the screen. And then, after we have a presentation, then there will be an opportunity for some questions and some discussion. So I will turn it over to you, Philip.

---

*Note: The following is the output resulting from transcribing an audio file into a word/text document. Although the transcription is largely accurate, in some cases may be incomplete or inaccurate due to inaudible passages and grammatical corrections. It is posted as an aid to the original audio file, but should not be treated as an authoritative record.*

PHILIP SHEPPARD:

Heather, thank you very much indeed. As you heard, my name is Philip Sheppard. And I am, essentially, the coordinator for this group called the Brand Registry Group. Now, the eagle-eyed amongst you may just be able to make out on the top right-hand logo of the Brand Registry Group up there the two words, "in formation." That is not one word information but two, "in formation" because we are a group that's in the process of coalescence. We're in the process of coming together. That's why, at this meeting in Beijing, we wanted to take the opportunity to explain to you why it is we are doing so, where the common interest lies, and where the relevance is for yourselves.

So, if we move on to the next slide, you'll see I'm just going to take you through some explanatory matters to do with the Brand Registry Group, the BRG; talk a little bit about the vision and mission we've already adopted; then try to draw out some of the elements which makes us different to other registries, hence, the reason we're going coming; and talking a little bit about the structure that we will be -- and the nature of our dialogue with ICANN. And then section 5 I'm going to hand over to my colleague to talk about some of the issues of relevance to the GAC. And after that we hope there will be plenty of time for a liberal question and answer session with you. Thank you.

So, moving onto the next slide, about the Brand Registry Group.

If you go through the process of looking at all the applications so far, about one third of all the TLD applications have been submitted by brand owners. And they've been submitted by brand owners for a string that matches their brand or one of their products or one of their

---

services. So, essentially, that one third of all applicants in this current round is our potential membership for this group.

We've identified within that a common vision, that all these registries have unique plans to run registries themselves in furtherance of a business purpose beyond offering registry services to the general public. And this is the key difference between us and, if you like, the former TLD world where, typically, those TLDs, as you know, were very much there to offer domains at the second level and indeed sometimes below.

So, moving onto the next slide, this is a slightly wordy slide, which is the current definition we've come up with to try to be rather more precise about who we are and, therefore, the nature of the registries we'll be looking at joining the organization.

So registry operators who are the owners of an organizational brand that forms applied for TLD, whose TLD represents an identical and pre-existing trademark, whose TLD is in furtherance of their pre-TLD operations business interests. And, again, that is a very significant point; because the majority of these applicants have business interests that go way beyond this. This is merely an adjunct to what they're currently doing. In other words, their main business area is outside of the domain name industry. And their TLDs are typically going to be single entity, single user. So they do not intend at this time to sell second level domain names to the general public. So all those definitions are cumulative in terms of defining who we are.

---

On the next slide we'll see a very short statement of currently who we're not. And the Brand Registry Group at the moment is currently excluding registries that are single registrant, single user generics.

Now, if you look at the nature of some of the applicants, you'll see that some of the same companies, of course, have applied for brand TLDs and also for generics. But the common interest of us as a group would only be for that aspect of their business operation that represents the single user brand and not the generic.

And, moving on to section 2, we get to a little bit about our vision and mission.

And, after a little bit of internal debate, we tried to tease out, really, the one element that binds us all together. And I think that makes us different to some of the registries of the past and also helps to perhaps underline some of the things that you're concerned with, in particular, the public interest aspects of your work. And our vision is to create Internet environments built on trust. We think that trust is a single word that is binding us all together. And we've teased out the vision a little bit.

And on the next slide I'll take you through a few words of our mission, which, essentially, is addressing different audiences, four audiences all together.

So with respect to our common interests of our members, we'll be providing services of advocacy, of representation, and of networking for themselves.

---

Our mission with respect to ICANN is, of course, to represent the common interests of our members. We will seek to be recognized as an essential stakeholder by ICANN. And we will be engaging in dialogue and advocacy with ICANN to champion policies that enhance trust for Internet users.

On the next slide we mention the next two audiences, the first one being yourselves and others with respect to governments and public bodies.

Again, to represent the common interests of our members, we would like to be recognized by yourselves and others as a key interlocutor, someone who you would might like to see and speak to again about some of our common needs. And we believe that one of the main areas of dialogue that we want to have with you is to explain how brand registries aid in enhancing consumer protection and creating a thriving digital economy.

And the fourth audience is more general to users and more challenging to address initially, but we thought it was quite right to include them and, essentially, is about improving the understanding of the role of brand registries within the universe of top-level domains, in other words, how we are different, how we may be islands of trust within the whole universe of top-level domain names that we are delivering consumer protection in e-commerce and in those branded spaces.

So that covers our vision and our mission with those four audiences and moves us on to the next section on the next slide. And we just thought it might be helpful to tease out a few of the things that makes us different to other registries; hence, why we are coming together and to

---

explain to you some of the things that we'll be asking about of ICANN now during this application process, what we might be asking of ICANN in the future, because we are setting up as an organization long term to go way beyond the application process and to talk a little bit about who else we'll be talking with.

So on the next slide just looking at values. As you saw from the vision statement, our key value is an ethos of trust.

And, essentially, though, if you look at the descriptions and the applications of the sort of companies and organizations who make up what we're doing -- and we go beyond companies also to not for profits and public interest companies -- we are making innovative offers of an existing trusted business that we believe will enhance the digital economy and, in so doing, be a contribution to job creation and, therefore, also, a contribution to wealth creation. That, I think, is our key brief description of our values.

And on the next slide is a somewhat lengthy list of what our immediate job is in terms of talking to ICANN. And it all really focuses around the registry agreement. That list about compliance, about transition of a TLD upon termination, issues to do with arbitration, of liability, indemnification, about change of control, amendment procedure, applicable laws, the whole host of registrant protection measures such as letter of credit, trademark clearing, Uniform Rapid Suspension, sunrise, IP and UDRP, use of registrars and public interest commitments -- all of those are -- have a unique relationship to the very nature of brand registries because those registries are not selling at the second

---

level to the general public. And so registrant protection measures are not necessary where there is no registrant protection.

And, having come up with that rather long list of problems for ICANN, on the next slide is our current solution for ICANN in which we are saying on the following slide that -- can I have the next slide, please -- the easy way forward to make the existing registry agreement relevant for that one third of applications is to go through those elements of it that are not fit for purpose of brand registries and to create a specific template registry agreement. That was a request we made during public comments. We've seen some support of that from different parties and different organizations subsequently. That is the nature of the immediate dialogue we're having with ICANN this week to say it will be so much easier to have a specific template that works more or less as brand registries, use that as your starting point for individual negotiations. And, rather than having 300 difficult negotiations from a fundamental point of difference, you'll have 300 relatively easy negotiations from a fundamental point of agreement. So we believe that's the best way forward. And we may talk a little bit about that later on.

And, advancing to the next slide, is the third point, which is what we'll be doing after delegation. So we were planning on existing as an organization in the long term. I'll talk a little bit about that in a second. And, essentially, the advocacy and engagement with ICANN after delegation will focus around four points. Of course, to be the voice of brand registries; to be able to advise on ICANN policy developments that will affect our members.

---

So acting, indeed, as an association doing the work collectively, whether it was a common interest and, therefore, adding to efficiency and reducing cost. We'll be engaging directly in response to request for comments on relevant ICANN policy and on the common implications of the evolving registry models to our members to recognize that nothing in this world is static and that may well be a fruitful area of dialogue in the future.

So, moving onto the next slide, advocacy to governments and public bodies, a little bit, as you saw earlier, under our mission statement, to improve the understanding of what we're about, our objectives. And, where relevant, to solicit your support in pursuit of these objectives. So do feel free, indeed -- if you think the concept we're talking about earlier of a registry agreement specific to these types of registries is a good idea, then please ask those questions of ICANN when you talk to them this week.

Moving on to the next section, a little bit about structure. In order to have a legal identity, our first move, which will probably be, we hope, shortly after Beijing, will be forming an independent not-for-profit organization, an organization operating for the benefit of its members, like a typical trade association, and, therefore, we'll have a board of directors. We'll receive fees from our members to employ staff. And we're looking to register that in a country that welcomes international NPOs. And that will be part of the internal discussions we'll be having this week to make more precise those general points about structure and who we will be. And then, moving on to the following slide, that will then give us some options in terms of the nature of our dialogue with ICANN. Firstly, we could remain just a trade association, a lobby



---

from the outside. Or we could become a new constituency. And, indeed, it is likely that it will be preferred to be a new constituency. And we can also look at future opportunities, indeed, of maybe a new stakeholder group in new ICANN. I'll say a couple more words about that in a second.

But, just following up from the second point there, a new constituency, on the next slide you may see a -- I think we've just gone back, haven't we? I beg your pardon. lobbying from outside. Yes, go forward to the next slide.

So one of the problems about lobbying from outside is, indeed, there will be no ICANN support in terms of financial and services ICANN can offer. And there may also be some uncertainty within ICANN about a new way of doing things. So our feeling at the moment is probably the second option that you saw on that earlier slide of forming a new constituency.

And, moving on to the next slide, you'll see, I hope, a chart that is familiar to you of the whole of the ICANN multistakeholder model. And toward the bottom left in green there is the GNSO, very familiar to you. And on the next slide we see that in its current makeup of the council in the form of the contracted party house and non-contracted party house with the stakeholders underneath. And the likely fit of us would be, naturally, in the registry stakeholder group.

And, moving onto the next slide, that is something that is possible now. The ICANN process allows us to apply now. They have various rules which we've looked at and think there will be no problem in complying

---

with. And we're also going to be talking with ICANN about some of those formalities of the process this week.

And that, I think, concludes what I'm saying for the moment. I'm going to hand over to my colleague, J. Scott Evans from Yahoo!, one of our founding members, who is going to talk about some of those issues that we did.

J. SCOTT EVANS:

If I could have the next slide, please. So the issues that we feel are relevant as a brand registry group is that ICANN's current model is based on one business model that exists to date. And that is a registry model whereby they sell domain names to the consuming public through registrars in a contractual based way. A dot brand registry that is closed and owned and used for the benefit of an existing business is a very different business model than has been seen in this environ since ICANN's inception in 1998, 1999. For that very reason, the registry agreement that is the template that is within the applicant guidebook is very much designed for an open registry that sells domain names to the consuming public. It is not designed for a model where all the domains on the second level are owned by the very entity that is using it in furtherance of another business that is not in the business of selling domains.

And it is very important because ICANN its very self in this body and to the press and to brand owners has said one of the solutions for some of the massive fraud and cybersquatting that occurs that affects brand owners and consumers, most importantly, is that brand owners could create a trustful, safe environment under their own brands for their

---

consumers and have the ability to control that environ and, by doing so, eliminate some of the bad actors and bad actions that we see that take place in the registries that exist in the model today.

So we need a new registry agreement. And we need a group that can come in to that and use the efficacy and the efficiencies and offer a helping hand to ICANN to sit down and have a dialogue about those issues. Fadi likes to tell a story many times that we have heard since he joined us about a friend of his who owned a home, a very expensive home in California, as most homes are, that had a very small leaking pipe under the home. And they never fixed that small leak in the home. And then they eventually had to do some tremendous repairs to the entire structure based on having ignored a leak, a very small leak that existed in the piping under the home.

And we see that this change in market and the change in relevance of where we sit within the structure is that leak. We've identified that leak. And what we want to do through a Brand Registry Group is offer ICANN the ability to work with us to use a funneling mechanism to handle a majority of issues that face like-minded registries within this business model to plug that leak and offer expertise to make it more efficient and effective.

We also are concerned that, as currently constructed, the rules of the registry stakeholder group are based on volume. And that's how votes are done. And Brand Registry Groups are never going to be able to own a volume of names that would give them any sense to have their issues bubble to the top within an organization and be discussed with a level of seriousness because they're a very different business model. And

---

they would always fall to the bottom. And that's a concern. That is a concern for businesses where this is an ancillary tag-on to a business that is already operating. This is just another avenue to secure a solid brand and trust and a safe environ for our consumers.

And the TLD world is changing. And we were told, as I'm sure the GAC was told and we were told in the GNSO that the improvements that we went through in 2008/2009 and were eventually agreed upon in 2011 were put into place with the idea that self-forming entities would identify themselves. And then they would be -- form on their own in a sort of holistic, organic way. And once they did that, they would then be placed into this system.

And we believe that, because the TLD world is changing with this business model, this is an absolute prime opportunity to put that hypothesis and that promise to the test. And we think this is an excellent opportunity to do so. Next slide, please. So what are our issues with the registry agreement that is currently in the applicant guidebook?

Well, the agreement has many obligations for registrant protections that aren't relevant when the owner of the registry is the only registrant. So there are a lot of issues there that are superfluous to this business model, and there are obligations that are there.

Another thing you have to realize is many of these businesses that are coming in to this fora have established, some of them for hundreds of years, business practices. And they have procurement departments and contract departments. And this is -- this agreement is going to have to go through those departments for approval. And it will be very difficult

---

for ICANN to have, you know, 3- to 600 discussions about that when we can sit down in a room and speak for that and handle probably 75-80% of the issues in an efficient way. Now, there's always going to be a 20% variant where there will have to be nuances and some individual discussions. But we think a template that takes care of some of these issues would be good to eliminate some of the lag time.

Failure protection is not relevant when there are no victims of failure. If, for instance, dot Yahoo! decides that they want to close a portion of their business -- we've decided that we don't want to have Yahoo! finance any more, that's our business choice. We will handle the failure or whatever what happens with regard to our consumer base on our own. That is a choice that we make. We are not taking away a home-based business, as you might in dot com, by closing down dot com. We're the owner of all the second level domains. So, therefore, the only harm is for us to choose. And that reputational harm that we might face is one that we would have to deal with, as any business does, as it, you know, ebbs and flows with commerce and decisions based on the relevant markets at the time.

Compliance audits that are mandated in the open TLD registry, may, based on where a brand is located and headquarters, have huge privacy implications. And that can cause great squeamishness with corporate entities that want to make sure that they're in compliance with the local jurisdictional laws for their particular jurisdiction. And we need to be very cognizant and sensitive to that.

Next slide, please.

---

The rules, as I mentioned before, of the registry stakeholder group is that registry stakeholder group, as currently designed, all of the voting is weighted based on your second level registrations. And the majority, if not all of dot brands will have a very small number of second level domains because of the very structure of that business model. The dot com registry model is no longer relevant to these new registries. And that needs to be acknowledged. And these registries need to have a voice in the system.

Next slide, please.

So the world is changing. I think we all know this. I think this is one of the innovative ideas that ICANN was created to present to the world is a changing Internet landscape and environment, one filled with competition and different business models and new and innovative ideas.

So post delegation of the 1900 new gTLDs, there will be an entirely new GNSO structure that needs to come into place to handle the particular changes that have happened in the environment based on the experiment that we are embarking upon. And we need to be prepared to that. With one third of brand TLDs being part of this mix, that old model is going to be challenged and needs to be changed. And we need to be able to do that. And we need to show our innovative spirit by allowing groups like this to form and come in and bring a new and varied voice for consumers to the table.

Learning curve for new back-end registries is something that's been happening. Many of the brand registries will be run by current existing models. But it will be a different contractual relationship than we've

---

seen in this model that exists today, because they will be servicing clients rather than actually providing their own services to the consumer, which is more of a B2B relationship. It will be an interesting dynamic we see coming into play. And all of this is we see that there needs to be structural changes to recognize the new ICANN stakeholders and that this takes time. But this -- as we are here, we're taking the first steps, we believe, to step into the brave new world of structure and bring brave new voices into the debate. Next slide, please.

So we thank you so very much for taking the time to listen to us. I hope, given that there are many of you here that are not native English speakers, I have not spoken too fast or that my southern accent hasn't had you questioning for what I've been trying to put forth or Philip. But we appreciate very much the time, and we now would ask you to ask us any questions that you may have on our presentation today.

CHAIR DRYDEN:

Many thanks to you both for that presentation. That was very interesting and I think has given us good food for thought about some of the changes that are coming and what it really means to be a brand registry rather than other kinds of registries. So I see Switzerland, please.

SWITZERLAND:

Thank you, Madam Chair. And thank you for this interesting presentation. It is funny. It reminds me of some discussions that we had in the GAC back in 2009 and 2010 where -- you can read it in the

---

communiques of Seoul and Nairobi -- where we asked the board or advised the board to explore and track differentiation between categories of new gTLDs. So we have to say that is too funny. And people like Bertrand De La Chapelle, when he was still a GAC representative, and I drafted papers and categories like brand TLDs and generic TLDs and inside of the cross community working group to deal with that. And the majority of the community then decided that a one size fits all solution would have the highest chance in moving on as fast as possible. They might not have been wrong. But now I think we see that we definitely have different categories with different uses and that we need appropriate mechanisms to actually allow the purposes for what they are meant. So I think, in terms of substance, I think we all agree. And now we have to find the best solutions for the situation. Thank you.

PHILIP SHEPPARD:

Thank you for that. And just a short response. I think it was interesting in the outreach exercise I've been doing over the last few weeks inviting everybody that we felt was a potential member to join, the variety of those was interesting indeed. One of the early responses we had was from what in the past we've categorized as a geographic type TLD or city TLD. And in this case it was the canton of Zurich who essentially qualified for the same type of values that commercial companies are setting up. And, indeed, some of the other organizations that have recently expressed interest include the public interest broadcaster from the United Kingdom, the BBC.



---

So we are -- I think you're quite right when you say that the categorization of TLDs is a difficult thing to do. But we think that perhaps the categorization we're doing is one based on values. And that may be the simpler one.

J. SCOTT EVANS:

I agree. And I would say that, you know, many of these dot brands, you must remember -- we're bringing new voices in from C-suites who don't follow these issues quite as closely. And what they have -- the executives -- I'm sorry to use an American idiom. The executives in many companies do not follow these issues. They've relied on those who have attended these meetings to do so. And now, when they're asking us, well, where is our voice, if we're going to participate and we're going to -- you know, bring all the money to build a new web 4.0, we need to make sure that we're going to have a voice here in the process. And this is where we believe self-forming is identifying and helping. That what we're doing is trying to offer help to bring new voices in so that we can become efficient with ICANN in identifying issues and resolving those in an efficient and very good way for our community. All of us, but especially our community and for consumers.

CHAIR DRYDEN:

Thank you. I have U.K. and then Netherlands.

UNITED KINGDOM:

Yes, thank you, Chair.

---

Even as a native speaker, I learn something new every day. C-suite. I have to look up what that is. I haven't come across that. Is that a southern American term?

Okay.

I just wanted to sort of reflect on the internationalization agenda of ICANN, and the GAC now is 140 members, and Fadi is advancing well the internationalization agenda. And I wonder what the brands can bring to that. First of all, I'd be interested to know how many non-European and non-North American members you have got and whether your outreach is extending to the developing world.

And in particular, sort of in anticipation of further rounds where we might see a lot more companies from developing countries seize the opportunity of new top-level domains to advance their contributions and engagement in the global digital economy. And I was very interested to hear that as one of your sort of mission objectives.

So, yeah, that's my question, really. How do you see the brands, perhaps through your association or constituency or however it's ultimately constituted, contributing to the internationalization of ICANN and its development of the Domain Name System?

Thank you.

PHILIP SHEPPARD:

Thank you, Mark, for that. I think there are two responses. One, of course, the outreach we are doing is limited to those who are the applicants. But that was one-third and that was quite a diverse lot.

---

The head offices of probably the majority of that potential are going to be North American or European based by the nature of those who chose to apply.

Our outreach, of course, is global, and, indeed, we already have interest from brands in this country and China and, indeed, for a number of our existing North American or European brands, some of them have also applied for their name, their brand as an IDN. And, therefore, they are also included.

But the second response, of course, is that the very nature of some of these organizations, regardless of their head office, is that they're global brands. They are all over the world already. They're multi-nationals trading globally. So diversity is built into their current DNA and, therefore, their value set and the innovation that they're offering and everything else is built into their DNA.

So to some extent, the origin of the applying entity, which in some cases is a head office and in some cases is a special company that was set up for the purposes of the application, is largely irrelevant. It's the values of the organizations that are joining us which are global and diverse.

J. SCOTT EVANS:

Mark, I would echo that, and I would say in the world today of the Internet today, the move is localization. So all large companies are thinking of themselves as being a part of the local market, and they are doing that. So by that, the large multi-national nature that Philip spoke of is trying to reach into local markets and bring that.

---

I mean, we're Yahoo! Japan. We're local Yahoo! Mexico, Yahoo! Brazil. We're localized, so there's that. But also the very nature of brands. We also have an infrastructure that is very international. We have the International Trademark Association which is a large brand organization of over 5600 brands from around the world, and we will use that network to reach out and bring brands in that are current applicants and to encourage them to use these mechanisms to apply in other rounds and that they will have a voice.

We have Marks and IPTA and FIPT and Pan Asia and APAC groups that are already internationalized. And we will reach out through those and use those mechanisms to bring this.

But we believe having this voice in this structure in process, in place will be a very large encouragement for those voices to get involved and join and come and create a new and differing world in e-commerce.

CHAIR DRYDEN:

Thank you.

I have the Netherlands and then the United States.

NETHERLANDS:

Thank you, Heather. And I also thank you for the presenters. It's interesting to see a new group forming. Also to have a spokesman for -- spokeman for this new group. And apology for being critical but I think we are a public-policy organization, and we look, really, at the public policy and the public interest. And what I fail to see, but maybe you can explain better, what in the general, let's say, goals of the new gTLD

---

program, what I fail to see is the contribution of brand TLDs to user choice, to competition. Innovation I can see. Accessing customers I can see. But what I fail to see brand names in a TLD structure practically organized really contributes enlarging the namespace and to access to names.

Thank you.

J. SCOTT EVANS:

One of the things it offers to many users, let's say in the banking industry or the insurance industry is a sense of trust, and that the level of trust for luxury goods, that you are actually going to a source and retrieving from the source the exact control.

So you are giving a new and different universe of trust that isn't there. Because you control that universe, you can say when you go to a dot Suisse Bank or, you know, dot HSBC, you are getting exactly what you want. Today we don't, because of the structure of the system, have that same type of security that exists.

You may go to HSBC dot something and it may have been phished and moved and for 24 hours they're scamming everyone and getting their account details. With this new models you're bringing that to the table, and I think that is very good for competition and it AI house those in certain industries to offer things to their consumers and compete effectively amongst themselves in an environment where more and more the e-commerce section of that environment is becoming ever increasingly important to even sectors that were brick and mortar 10 or 15 years ago.

---

CHAIR DRYDEN: Thank you.

I have United States, then Lebanon.

UNITED STATES OF AMERICA: Thank you, Madam Chair. And thank you to our guests for giving us this very, very interesting overview.

I have a question that -- apologies in advance. It may be completely stupid or inappropriate because you consider it business confidential. But I was just curious to know whether you have developed, as a group, a template for a revised registry agreement that you would be able and willing to sign? And if so, would you be willing to share that, just to inform us?

PHILIP SHEPPARD: It's an excellent question, and of course as we're a group of businesses who are in the business of offering solutions, the answer is yes.

We have started -- I mean, from the moment that we submitted a comment to the public comment round on the revised registry agreement saying we thought such a template was a good idea, we felt ourselves beholden to start work on that in order to be able to produce something that was practical so that we knew what we're asking for is possible.

That is work in process. We're meeting as a group later this week, and part of the purpose of that meeting is to consolidate the group

---

agreement around some of the points on that. And as soon as it's mature, its intent is, indeed, to share it widely with the world.

So the answer to your second question is yes, but not quite yet.

J. SCOTT EVANS:

And the reason is we're still doing outreach. So there may be voices that need to be heard on some of these issues. So this meeting is sort of a beginning of the tide, shall we say, where we've identified issues and begun work, but we're hoping we can get divergent voices from all around the globe that have applied to come in and provide perspective so that when we do come back with something, we come back with a solid piece of work.

CHAIR DRYDEN:

Thank you.

Lebanon, please.

LEBANON:

Thanks again.

What is your assessment of the potential power that this association may have? And what would that do to the market all together?

PHILIP SHEPPARD:

It's a very challenging question. Thank you for that.

I think it's less about power than our ability to express the common interest that we would have as an association. So there will be some

---

things where we're saying all together this is what we want in terms of the world, our offer to the world. This is what we want in terms of relationship with ICANN while asking for that.

So we hope that that common interest will be seen certainly by ICANN with respect to the number of people for whom it will be relevant. And as you saw earlier in the presentation, our potential market this is one-third of all TLD applications.

So it is potentially significant for ICANN. As a group information, I think it's perhaps too soon to comment any further on that, but I think that's probably where we're heading.

CHAIR DRYDEN:

Thank you.

Netherlands.

NETHERLANDS:

Just a very quick question. You said that you had a kind of freezing dates or you have -- only accept brands who are already registered, in one of your sheet. Is there, then, a fixed date which it's a fixed freezing date somewhere or is it something which rolls along?

Thank you.

PHILIP SHEPPARD:

No, I think what we've done is defined who would be members. So to date, that potential is fixed by those who apply to ICANN in this first round.



---

The ambition for the organization is to exist in the long term, so there will be a new potential set in future ICANN rounds who would all qualify to be members. And we would be open for members to join at any point. So they can join now while they're applicants, they can join ones they've been delegated domain names.

So like any association, really. So long as they still qualify for the criteria that we would agree relevant for the group.

CHAIR DRYDEN:

Thank you for that.

So I don't see any further requests to speak, so at this point I will thank you both very much. Again, they were very interesting presentations that you gave and I believe it has been quite informative for us about this particular category of brand registry.

So for the GAC, don't move. We have another session now with law enforcement in attendance to discuss revisions to the Registrar Accreditation Agreements. So we'll just get settled for that, but please don't move.

Thank you.