

**ICANN Dakar Meeting
New gTLDs /Joint Applicant support- TRANSCRIPTION
Sunday 23rd October 2011 at 10:30 local**

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Coordinator: This conference is now recorded. If you have any objections you may now disconnect at this time.

Man: Thank you, welcome back everyone. So as I just said, we will be starting our new gTLD session with Kurt Pritz and his team in a few minutes. We have Dennis Jennings with us now to give us an update on the (variants) project and we will start off our session with that. Dennis?

Dennis Jennings: Thank you very much indeed. Dennis Jennings here speaking. I'm going to talk about the IDN Variants Issue Project or as I like to call it the VIP which tickles my fancy, the Variants Issue Project. I'm going to give an update as to where the project is.

I'm not going to be talking about the content or the material that's being produced because that's going to be discussed at the public session tomorrow, Monday, which is now at - first thing in the morning at 9:15 I believe for two hours.

This slide gives a quick overview of the whole project. There are three phases. The first phase is now completed. The six case study teams were

formed as you probably know. They've been working very hard to deliver the six case study team reports by the end of September, nearly made that deadline.

All the case study teams have produced reports and they have been published now for public comment. We're now moving into the second phase, the integrated issues report. We've created an advisory team, the coordination team, to advise ICANN. And the ICANN VIP team would be producing this report with advise from the case study teams.

So run quickly to the slides, the point of this phase is to develop an integrated issues report that summarizes and synthesizes the issues identified by the case study teams. We formed the coordination teams from the case study teams. We formed our own team with staff and consultants and there's information in that link there if you want to follow it.

The issues report coordinating team which advises us, the members are listed there, a couple of members from each of the case study teams and some very well-known names as well. The info - the report will have two main sections, at least this is the current thinking. We have to see how it emerges and see how it evolves.

The section describing the common issues across the case studies - cases studied and a section on the issues that are particular to specific case studies and in addition we hope it will provide a - roadmap may not be quite the right word, advice and guidelines that can be used for study and development of additional case studies.

Remember, we've only done six or how many other scripts in the world and we hope this will create a model for further work.

The objectives identify the set of issues that require solutions, identify the set of issues to be solved with specific scripts, clarify those issues according to

type whether they're technical issues, policy issues, or other issues and prioritize them. Try and identify the appropriate groups to resolve the issues; identify if there are other studies required and document the level of support for the conclusions.

And very importantly for ICANN in the world of transparency and accountability, document the analysis and the rationale for the conclusions reached. And as I said, create this set of advice or roadmap for additional cases as advice for additional cases to be done.

Key stakeholders are obviously - and perhaps this should be in the reverse order, for the potential TLD requestors and applicants, for the policy groups and advisory committees who if necessary if there are policy issues that lead to be readdressed we'll address those, and of course for the Board of Directors and for the Board Variant Working Group whether BV-WG which is the Board Working Group that supervises this particular project.

Just to be clear, the ICANN staff will do the drafting and the editing and the coordination team will have an advisory and reviewing role. So in the first phase it was the case study teams that did the report and they're going to do the analysis of the comments. In this case, it's the ICANN team which is drafting the report with the advice of the coordination team.

(As a wiki) we'll meet by telephone conference, we met yesterday at a working session, all day working session, and we decided we're going to meet every week by phone. And here's the timeline, it really is excruciatingly short and a tremendous challenge but we'll see if we can do it.

So on the 3rd of October the case study's public comment period started with the publication of the first case study. Yesterday the coordination team meshed and we had a very good meeting and you'll hear about that at the public session tomorrow.

Public comment on the case study closes on the 14th of November so if this is an area of interest please address the public comments and provide your comments to the six case studies.

The case study teams will start analyzing the comments so we've asked the team, the case study teams, the six teams, to analyze the comments. We're not asking them to produce a revised report, simply to analyze the comments and get them back to us by the 28th of November.

On the 5th of December, draft integrated issues reporting - in fact, that's now the 2nd of December after our discussion yesterday.

And we're going to have a face-to-face meeting, at least the current plan is subject to budget approval, is to have a face-to-face meeting on the 8th and 9th of December, two-day meeting, of the coordination team to work on the draft report and to produce by the 15th of December - and notice how short these timelines are, the integrated issues report to be posted for public comment.

Public comment period closes of the 30th of January and the report is to be published on the 20th of February in time for the ICANN Board Meeting on March 12 in Costa Rica.

And that is a quick canter through where we are and what we've achieved. And one final comment if I may, I'd like to publicly thank the six case study teams for the enormous amount of work they did under pressure to deliver the six case study team reports. So from me and I hope from you a big thank you to the teams. Thank you.

Man:

Thanks, Dennis, and we certainly echo that thanks. Are there are any questions please or comments? Looking to Marika? Anyone manning the Adobe that I'm not on?

Okay, Dennis, thank you very much.

Sorry, there is a question.

Marika Konings: Someone just posted a question, someone called DKM. The ICANN similarity assessment tool explains that any strain yielding a similarity level of 30% above is cited. I don't see that as a question. He's still typing so hold on a second. Meaning that if there is 50% (suspend). Would it be denied or not necessarily?

Dennis Jennings: Could I take notice of that question and pass? Maybe you'll forward that question to me and I'll get the team to work on it. Okay?

I just want to - I mean I've just gone through the process. The content of the reports will be presented tomorrow so just to distinguish that.

So please, I'd encourage you to attend the public meeting tomorrow to hear the work that's being done and to hear the content of the issues that have been identified.

Man: Thank you very much, Dennis. We'll have a short recess then, wait until Kurt arrives and then pick it up again with the new gTLDs, thank you.

Operator, this is now closed and we'll reopen again in a few minutes.

Coordinator: The recordings have resumed.

Man: Thank you very much. Welcome back. We now have Kurt Pritz and Karen Lentz with us to talk about new gTLDs and I believe we have a presentation that is just being loaded up. So Kurt, the floor is yours.

Kurt Pritz: Good morning everyone, thanks for having Karen Lentz who's the - ICANN's Director of Policy and Operations Research and myself on to talk about the program.

Slightly anticlimactic but still on some very important paths to be undertaken, I'm going to - at the request of the Council, I think, I'm going to talk on each of these topics -- communications, application readiness, procurement, applicant support, working with the JS, and a word about batching. See how far we are.

And then, you know, there's a - (unintelligible) we're going to talk about ICANN's strategic plan right after this to the extent that the Council wants to hear it so I have some slides about that.

So, you know, that ICANN launched a new gTLD Web site on the 19 of September that seeks to better organize the volume of material that has been published about the new gTLD program and also increases the translation to that material and recently released FAQ sheets in six UN languages. There's a pretty good four-pager on trademark protections that's been done, videos in different languages and a calendar of upcoming events.

So I'm going to go pretty fast because you guys know what's going on and to the extent that this is meaningful or needy to you, you can stop me.

There's been a communications virtual with 35 events in 20 different countries and we would ask the Council members and the GNSO and other community members to suggest additional venues, especially in regions where there's only been a few areas of participation so certainly this region, you know - (unintelligible) was speaking Africa as well as (unintelligible) Africa and then Asia to help increase participation in events where there hasn't been a lot of participation yet.

((Crosstalk))

Man: Thanks, this is just about the communications plan so I thought it was probably apt. The - how do you think you're tracking with respect to the global communications plan and how is the tracking to budget demand? Have you got any ideas as to how much you've got left and how it's going?

Kurt Pritz: So the - yes, so we've actually - as far as personal appearances we've actually gone to more venues than planned. (Rob) specifically has been on the road for about a month-and-a-half in different venues.

We've - you know, we've overspent parts of our budget, especially our travel budget, and we're just managing to that but we've also - working with ICANN's finance committee so an authorization of an additional amount of money to hire communications professionals to help us with the messaging. So the finance - the ICANN finance committee just authorized an additional expenditure for the communications plan.

Man: Yes, I'd like to commend the effort and I know that (Rob)'s - I attended the (Drytech)'s meeting and it said 100,000 attendees. It's like - it's a massive tradeshow. He actually did a presentation to 100 people in a closed room so I don't know that - that might be a little misleading to think that he was up on a big screen in front of 100,000 people, sort of Mick Jagger style. But he wasn't - I think he'd like to be but he wasn't.

And, yes, I think that - certainly there could be a further concerted effort, you know - at the call phase we're still seeing people through the Middle East, throughout the Asia Pacific region that are - have no idea about the program which is a clear concern to us.

I certainly think there's good penetration in North America but I think you've correctly identified that the rest of the regions globally could do with, you know, some wider outreach. So we'll certainly do what we can do to provide

some assistance there but, you know, we want you to keep moving forward with that.

Kurt Pritz: Yes, so you're right. We did this map - you know, we did a graphic with little flags every place we've been and, you know, we look at that graphic and say, isn't that pretty. But then you see the holes and say, well, that's where we've got to go. And I think on that slide, that comma was really a decimal - you know, isn't a comma a decimal point in some regions of the world?

Man: Any further questions on this? (Unintelligible) yes?

Andrew Mack: Just to reinforce the last comment having just come back from some meetings in South America, I think that there's the underserved regions definitely. Oh, I'm sorry, Andrew Mack.

I definitely think that there is interest when the idea is out there but there are still an awful lot of people who need it and probably need it translated, a step back from our internal - the internal way we think about it.

Man: Thanks, Zahid?

Zahid Jamil: Yes, and I think it's a - I didn't know about the (unintelligible) one which I think is fantastic, that's a large (IDUN) for my region. But I also think that it may be useful to have outreach events in every - you know, many countries in the (sub continent) for instance, where I come from.

You could do that over webinars, you could do by association with - (unintelligible) associations in that country to try to generate support. Now that we have a JAS report maybe more applicants from those surrounding continuing communities who would feel that this is something they could do.

And I'd really encourage the ICANN outreach team to basically try and do those sort of things without having to fly in, just do webinars and stuff in association in IT associations.

Man: Thanks, Zahid. (Andre)?

(Andre): I'd just to make sure. I saw the Moscow on the list so just to make sure that it comes with (a notice and intent). Is Moscow on the list? And I just like to make sure that it comes as not surprise, so, like, prepare for that.

Man: Anything else? (Unintelligible)?

Man: Yes, sorry, just one more point, I think (Andre) makes a good ones, is there seems to be sometimes very short lead times in notification about some of these events. And, you know, I think ICANN wants us to attend them. We can make them more robust and we can certainly assist in supporting the message.

So maybe there's got to be some way that when a new event is scheduled rather than just dumping it on the calendar if there was some sort of external notification that could go out to the industry, I know that there was an event in (Catahar, in Doha) that we literally found out the day before. And, you know, we scrambled to try to get there and couldn't make it.

But, you know, we want to try to support ICANN at these events and continue to get the message out. So the better notification out to the industry would be appreciated, thank you.

Man: Yes, taking my chair hat off for a minute, taking a queue from what Chuck said earlier on this morning, I think you just made a very important point personally because there's been a couple of meetings in Europe that I've been or my organization has been told of very, very late in the day.

And actually when we wanted to participate there's already people there and we were told that business interests might not be welcome but business interests were already represented.

So it felt a bit strange and certainly I echoed the group and the team would echo the desire that Adrian to has just spoken of to support ICANN in this program given enough lead time to do so. Any further comments? Chair hat back on, any further comments?

I should have made the point at the beginning that these discussions are open to questions from non-Councilors as well so anyone in the room, if you wish to ask a question just come to the table, please introduce yourself when you take the mic, and you're welcome to do so, thank you. Kurt, back to you.

Woman: I just wanted to add one more point about the notice of upcoming events. On the previous slide, that link at the bottom goes to a calendar which does - I was just looking, has at least events for November and I think a few for December so that's one point of reference to aware of, thanks.

Kurt Pritz: Okay, with regard to processing of applications. What - one is the customer service function and that is to provide timely supporting in a transparent manner.

So we're developing some online self-help tools but most (unintelligible) regard it - the new gTLD mailbox and the new gTLD Web site are supposed to be most helpful. On the new gTLD mailbox is really a - it's almost a public forum for questions and that is that, you know, we want questions and answers to be in writing so that the communication is cleared but it can also be shared publicly.

So you think about, you know, a tender offer, you know, at some point you have a bidder's conference where bidders can ask questions but they ask them in public and they're answered in public so everybody's on an even

playing field. So that's the idea behind this mailbox. You know, my impression is it's managed fairly well. Responses are put up fairly quickly.

I know we have a meeting once a week where all the more difficult questions are considered by a group of us sitting around the table, you know, that includes Karen, myself, Dan Halloran, you know, all the experts in ICANN sit down once a week and every week and answer the questions that remain unanswered.

Sure.

Man: Jeff?

Jeff Neuman: I don't know if you're going to cover it. At the last meeting in Singapore there was a presentation by Michael Salazar that said that the (CAST) would be - there would be a demo and it would be up and operational within a couple weeks after the Singapore meeting.

Obviously that hasn't been done yet and it's been a few months. Is there any update as to when that system will be available so applicants can go in and play around and see how that - view their application?

Kurt Pritz: I know we did a video tape of a demo that we're going to show in the new gTLD session on Wednesday so we'll see what questions come out of there because that's - you know, like I said, it's a video tape so it's not really interactive and - it's all going to answer your question about when that - you know, when trials - you know, more interactive trials of the test system can take place.

Chuck Gomes: I think that there's a link to the (CAST) system now that's available. I looked at it yesterday, right? Sorry, that was Chuck Gomes speaking.

Marika Konings: This is Marika. I have a question on (unintelligible) participants from Alex GaKuru. He asked, could communications consider broadcast quality videos that can be distributed to media stations in all regions for the consideration for broadcasting programming?

He's asking as whether as part of the communication finding whether you can consider broadcasting quality videos that then can be distributed to media stations in all regions to spread the message?

Chuck Gomes: Certainly I'll take that on and pass it to the communications team.

Man: Sorry, Chuck, just to touch points, is the video of the (TAV) available or is the (TAV) available?

Chuck Gomes: No, it was a link to the (TAV) system where you can actually click on different things and kind of check it out. It wasn't a video that I recall.

Kurt Pritz: Can we get that sent around? I'll take care of it.

Man: Did you say you're going to send it around, Kurt?

Kurt Pritz: Yes.

Man: These things are on the new gTLD Web site that ICANN has put up by the way if anyone wants to go there now. There's a dedicated Web site that I - any further questions? Sorry, Jeff.

Jeff Neuman: Once it's gone out I think - like you have announcements on the ICANN site, is there a way to get - (unintelligible) that will tell you when things change on the new gTLD site? Is there any kind of way to get that?

Chuck Gomes: Yes, so - I know what you mean.

Man: Any other comments? Back to you, Kurt.

Kurt Pritz: I'm trying to bring up the (TAV) - okay. The guidebook really didn't change much between the pre-Singapore version. The only changes that were already incorporated were those directed by the Board and that is the - for the first round at the top level there won't be registration of certain names associated with the Olympics and all, so the International Red Cross.

We amended some of the language in the GAC early warning and advice processes, and I can talk more about them if you want. But really the change in language in the guidebook really got out of the way of the GAC so they could - they are to provide their own rules and procedures for providing early warning and advice. And I know they're working on that now.

And then finally there was a slight change to the URS loser-page threshold where the number of claims in a single - the number of names listed in a single claim would become loser-paged after - if there's more 15 names in the claim. So those are essentially some of the changes that are made.

The guidebook, I want to talk a little bit about additional updates about changes - you know, not changes in the application date but elaboration on the date and resources for submission.

So I just want to point out because it hasn't been really clear, you know, that the application window opens and closes on the 12 of January and April respectively but importantly there's a March 29 date too for what we call reserving a slot. So that's so certain checks can be made against the applications so it can be submitted into the full-blown process.

So applications aren't due complete until April 12 but slots have to be reserved by March 29. And so that's in the guidebook so it's not a change but it hasn't really been part of presentations or really in our common lexicon

when we talk about open and closing dates for the process. So I just - I've just been flagging that in presentations I've been doing so it's really clear.

So - yes?

Man: There are two questions.

Kurt Pritz: Sure.

Man: Tim Ruiz is online, he has a question. Tim?

Tim Ruiz: Yes, two questions I guess. One about the - about (TAV) which I had some problems, didn't get in early enough. My question on the (TAV) is just that - you know, it looks like from some of the - from what's been available so far that applicants will spend a lot of time pulling information together and then they'll have to go into (TAV) to do a lot of cut and pasting to get the information into the actual application form.

So what - will (TAV) support multiple logins? In other words, if you have a team working on applications, you know, will they all be able to log into (TAV) and be working on perhaps separate applications?

My other question is on the applicant guidebook and if, you know, what - are there any other changes that are expected or that we might expect to see in the guidebook or is what out there now considered final? Thanks.

Karen Lentz: So this is Karen Lentz speaking. On the first question about - as I understood it, multiple users or multiple logins in (TAV) and I believe the capability has been built in. It was one of the discussions early on about capabilities we wanted to have so that applicants could assign certain sections to different users for example. And certainly there's a capability to, you know, go in and work on the application and save the progress and go back do that multiple times.

Kurt Pritz: I think as far as changes to the guidebook, I think the changes you'll see will essentially be, you know, outside the guidebook and sort of really elaborations. So we're going to see elaborations from the GAC about, you know, the language they're going to propose in their communications to the Board and to applicants as far as the early warning process and GAC advice. So you'll see elaborations on that.

You'll see - you will see the applicant support program, which is, you know, as we know, is late breaking. You'll see elaboration on that, that evaluation for support will probably occur outside the guidebook.

And then what - where you'll also see additional detail is in the implementation of certain mechanisms. So one that comes to mind easily is the trademark clearinghouse where the - you know, the rules for how the trademark clearinghouse operates specifically so it's clear to trademark holders how to register and clear to registries how to operate sunrise and IP claims processes are fleshed out.

You know, you might also see some changes in - or elaborations in URS operations as we actually engage with URS providers and do that negotiation. We'll be negotiating for, you know, good service and low fees and the types of services required. So that will probably be a negotiation with, you know, maybe some choices made in community discussion about what's the highest priority for URS operation.

So I think those are the kinds of elaborations you'll see as time goes on and maybe you have some others. I think Chuck was first.

Man: Jeff had a question before then Chuck.

Jeff Neuman: Yes, my question is on the Olympic and Red Cross names. As you may know we have a meeting with the GAC later on this afternoon and this is one of the subjects that they want to talk to us about.

It's one of the subjects that the Board has asked for our advice as well as the GAC advice on - and question I have is it seems like in the guidebook ICANN - you all put this, the Red Cross and Olympic names, as kind of a separate category from all the other reserved names that are at the top level whereas the normal reserved name list you would do a string similarity review.

In this one there is not a string similarity review. There's - can you just give us some background as to why that's the case? It'd just be helpful to know going into that meeting?

Kurt Pritz: Yes, I think the Board considered what to do with the specific IOC and Red Cross request given, you know, the importance of the request to the GAC and the GAC advice regarding those specific names. And so the - at the end, you know, my interpretation of the Board action was that they didn't want to go so far as making them reserved names, that it was still undecided whether they should be reserved or not.

And so they're not on a reserved names list, rather they're on - they have the status where they're not going to be registered in the first round while the GNSO or appropriate policymaking body considers how names such as these be handled.

So after the first round then the presumption is those names would come off. And because they're not reserved names the string similarity review doesn't occur. So it's not a - if you think about it, it's not a - it doesn't rise to the status of reserved names but for the purpose of the first round while we continue to consider the question and the GAC advice, you know, we can at least not register those names during the first round but at the top level only.

Man: Chuck next.

Chuck Gomes: Thanks, Chuck Gomes, from Verisign. Kurt, if I understand you correctly, you're not anticipating many more if any changes to the guidebook and the changes that were made in the latest version of the guidebook only included changes from the Board's motion. So can I conclude from that, is it accurate to conclude that all the comments on the guidebook Version 7, no changes resulted from any of those?

Kurt Pritz: All right, so there's a couple of open issues, right. So - and you're familiar with one of them, we're going to have a discussion about the continuing operations instrument and have a public discussion about the registry proposal for that. And there's one other that doesn't come to mind that I know is still an open question. No? Yes...

Chuck Gomes: But there were a lot of comments submitted to guidebook, Version 7. None of those resulted in any changes at all as far as I can tell because the only changes that were in the latest version relate to the Board motion. So my conclusion from that is nothing was done in response to the comments - public comments for guidebook, Version 7. Am I right on that?

Kurt Pritz: You know, so I do much better when I can remember specifics. So I don't have any specifics on that. I'll tell you that one - and this is the best answer, one of the reasons we knew we were done is that comments tend to become repetitious and tend to focus on smaller issues.

And so there's a sense that the guidebook can be closed out. There's been a couple of larger issues raised lately, the continuing operations instrument and, you know, the incorporation of applicant support that are still - I think, the two biggest issues being considered.

You know, before - you know, I just don't want to say, no, we've already considered those issues so there's not but let me go back and look at the comment and see what that triggers in me.

Man: Thanks, Steve.

Steve DelBianco: Steve DelBianco, (with Net Choice BC). Kurt, one of the questions that came up at the Internet Governance Forum in Kenya is this notion that if new applicants want to propose significant restrictions on the registrants that they'll permit that - I was making a representation during that session there that ICANN would enforce those registry restrictions that were in their proposal.

Although when I read the guidebook I'm confused now because if an applicant is a community-based and they achieve that designation, they score the points, then it's clear that the registry restrictions then apply. But suppose an applicant as a tightly restricted registrant pool for an industry, say banking, finance, and they don't want to go the community route or they can't score the community 14.

Question is, are the restrictions that they've baked into their proposal, do they become contractually enforceable by ICANN? And it's important because registrants would rely on that promise being met by the applicant.

Kurt Pritz: So that's a very interesting question because the balancing for that is that gTLDs have to be allowed to accommodate changes in their environment, change their business model. And so it's always been within our contemplation to allow registries to do that.

So under what set of circumstances are those restrictions, you know, baked into the agreement? And so - and what's in the guidebook is, you know, for those registries that elect the community label that they have to have those restrictions baked into the agreement.

I think outside of that, you know, my best answer for right now is restrictions, you know, can be put in (an agreement) at the election of the registry or that, you know, if the obligations that the registries make themselves to their customers that will require at the end of the day. The value that they're providing to their registrants is that they follow through on those restrictions. And once they cease to provide there their market goes away.

Steve DelBianco: One thing I want to say is the question came up because governments were asking about how they would participate in the objections. So if an applicant proposes lots of registry restrictions to overcome anticipated government objections but they elect not to go community the governments may say, well, I'm not going to object.

I don't need to object because their application includes a very tight restriction on who's in there. And then they go in without any obligations to hold to that. We are going to get ourselves in so much trouble with regulatory authorities because we fooled them into not objecting and then didn't enforce the restrictions.

Man: Thanks, Steve. I have Marika with an online question. And then (Andre), Tim.

Marika Konings: This is Marika - this is Marika. I have a question from (Rubin Skule) and the question is I don't think continuing operations instrument need to be posted as application or delegation.

Kurt Pritz: It has to be posted prior to delegation. I think it's part of contract execution, right? ICANN will execute an agreement once the continuing operations instrument is posted. But if they secure one during the applications process you get an extra point in the evaluation.

Man: Thanks, (Andre).

(Andre): This is very short notice, just to emphasize that the previous question involves the restrictions supplied to the registries and to the registrants. It's very, very important because this question will be asked many times so please just - make sure that this question will be answered exactly. It's very, very important.

Kurt Pritz: Yes, that's why I'm ignoring you and looking down because I'm writing it down.

Man: Any further questions? Tim has lowered his hand. Okay, Kurt?

Kurt Pritz: I think the next three or so slides has a series of eights and, you know, I'll list them quickly but we'll - if the slides aren't already posted to the GNSO we'll make sure they are so you have access to them.

So it's intended that the strings be posted two weeks - about two weeks after the closing date, after some preliminary reviews are accomplished and that opens a bunch of processes - application comment process.

The GAC early warning considerations to the GAC has two months in which to register a GAC early warning. The GAC advice period and the objections periods really last for about seven months after the applications are posted now that there's sort of a two-week waiting period for GAC advice.

After preliminary examinations and completing the examinations initial evaluation begins on June 12. I'll tell you that initial evaluation would probably - will probably start right, you know, sooner than that but - and in fact I'll share with you that - what ICANN's considering and almost sure we're going to do is do a series of applications, run them through initial evaluation and then stop.

And then do calibration process or a normalization process and check across evaluators that the applications are real applications, not the test ones we're

doing now, are being evaluated in a consistent fashion and recalibrate any evaluators and panelists and then continuing on with the bulk of them.

June 30, the application comment periods close. November 12 is the target date for posting initial evaluation results.

Then applicants who don't pass initial evaluation have two weeks to elect extended evaluation which starts immediately right after that. But December 1 then will also start the transition to delegation for the first set of approved applications.

And, you know, our expectation - even more now is that the bulk of applications would successfully pass initial evaluations. So see quite a high quantity of applications being approved there.

For those applications that finish initial evaluation, you know, that will also start string contention unless there's some sort of objection.

December 1 is also the last day to file an objection two weeks after the close of initial evaluation. And so - then after that, you know, applications are sort of running on their own depending on if there's an objection process or if there's contention but there's opening and closing dates that are graphically portrayed elsewhere that's probably a little bit more clear.

But May 30 we see as the close of contention resolution disputes, that's where, you know, similar or identical strings resolve their contention. And some contention, of course, will be resolved before then because the parties will just agree to resolve them.

So up to date, you know, Karen and I talked about this slide, I don't know - we didn't like it because it seems a little sophomoric but I just wanted to remind you that - yes?

Man: So...

Man: Hang on, I have Tim first so let - are you okay to ask questions? Tim?

Tim Ruiz: Thanks, just curious about the May 1 date, 2012, for (hosting the strings). Is that a hard date or is there the possibility that if a lot of applications come in towards the end of the window that the administrative review might take longer? Or the intention that they'll posted whether the administrative reviews are done or not?

Kurt Pritz: Sorry, so it's a good question, Tim. Never say never but certainly we anticipate the bulk of the applications coming in towards the end, that - and we've also, you know, heard the same sorts of figures about the numbers of applications that you have.

And in fact, the process for reserving a slot so to speak on the 29th of March will enable us to start some of that analysis. So we've put those measures in place in order to make as sure as possible that we hit that date.

Man: Thanks. Elliot?

Elliot Noss: Hi Kurt, Elliot Noss, (two calcs). I have thought that one of the premises for limiting when you could pull an application and get back a significant portion of your application fee was that if the work had already been done in evaluating the application you shouldn't be entitled to it.

So in terms of the ability for applicants of similar strings to be able to come to an agreement should I interpret these days to sort of say that if you come to an agreement between April 12 and June 12 then one of you can pull your application?

But if you come to an agreement between June 12 and December 12 or December 1 then you would both be paying your full ticket? I - you know,

what's unclear to me is, you know, nobody's going to know really how the applications are going to be evaluated but I'm assuming that the ability to withdraw an application and get back a significant portion of the fee - would it end on June 12?

Kurt Pritz: I'm going to ask Karen to test my thinking. The heightened - the high level of refund really extends to the close of initial evaluation, right? So you have that amount of time to resolve differences so that's not the initial begins, it's really when initial evaluation ends.

Elliot Noss: So how does that line of up with the cost recovery point then? Because it would seem that you would have already done a significant portion of your work but the applicant would still be entitled to the refund of a significant portion of your application. Now ICANN's on the hook...

Kurt Pritz: Because it's done a certain amount of work so that - yes, and, you know, I don't remember the details of this but we spent a lot of time with different models that becomes very complex with regard to refunds and a balancing arrived at - that there's, you know - the incentive to withdraw your application really happens pretty early. And the value you get out of initial evaluation is when you find the result.

So during that balancing we developed a refund scheme that - you know, you can get a 70% refund so long as you do it before initial evaluation closes, which is the first time you really hear any news about your application. And we think that 55,000 - based on the spread of what (unintelligible) will essentially cover, the ICANN expenses through that.

Elliot Noss: So maybe I'm missing it again, I just want you guys to get your money.

Kurt Pritz: Right.

Elliot Noss: Maybe I'm missing it but it seems that there's no incentive other than you've already made a deal and you want to go public with your deal to withdraw your application prior to December 1.

Kurt Pritz: Okay, well, let me take it up...

Elliot Noss: Am I right? Like, am I interpreting that correctly?

Kurt Pritz: Let me just take your comment on board because I know we went through some iterations on that.

Man: Thanks, any further questions? (Andre)?

(Andre): I have a whole set of financial questions, just let me know if there will be time for that.

Man: Are they related to this?

(Andre): Yes, okay, the question is, is it possible to provide (unintelligible) report as an applicant, which is not exactly in the American accounting Standards because we, you know, in different countries different requirements for the financial, you know, reporting. So is there - will be - if these applicants will be considered and accepted is the first question?

Second, is - when is this accredited? When - what is the date when the payment must be departed to ICANN as a (unintelligible), the final date of the deficit? What time? I mean just date on the timeline.

Kurt Pritz: Yes, I'm sure it's in the guidebook. I mean (unintelligible) with the closing date of the...

Woman: (Unintelligible).

Kurt Pritz: Yes, so it's like midnight ETC on the last day the applications can be...

(Andre): Okay, so - okay, because it's not explicit.

Kurt Pritz: So there's a \$5,000 payment to reserve a slot by the 29th and then the final payment. And then - yes, so it's recognized that, you know, a lot of the world doesn't follow American accounting standards and so, you know, what's an audited set of reports and the like, you know - process has been developed to accommodate...

(Andre): (Provided they are) gTLDs of course.

Kurt Pritz: Yes, but a process has been developed to accommodate, you know, whatever an audited - the definition of an audited statement or what accounting standards are in different regions.

(Andre): Also, there are other financial questions which is very short, the warrant - the money, the (unintelligible) deficit to warrant to (unintelligible) cannot be done with, like, a local bank or it should be done with American bank or international bank. Just warrant when you apply the fee to make sure that you continue that rate.

Kurt Pritz: The letter of credit? Yes, so that does not have to be with an American bank.

(Andre): But there's, like, strict requirements for the bank or it's just - I don't know, local Russian bank? I mean...

Kurt Pritz: I don't know.

Karen Lentz: It's a - there are some guidelines that are in the guidebook and it has to do with how the institution is rated, for example, by a - you know, it has a rating of AA or several by these rating agencies. So it's not specific to (the region).

(Andre): Okay.

Man: Okay, Alan?

Alan Greenberg: Real small point, Kurt, for clarity, when you set deadlines, please not midnight of a day, that is not a clear statement. Midnight of the 21st could be the beginning or the end. Make it 23:59.

Kurt Pritz: Actually, I said - one, as I said, UTC at midnight is always PM so it's the last.

Alan Greenberg: Not in some people's definition so please be clear, don't ask for confusion.

Kurt Pritz: It's like noon is 12 noon and 12 midnight is 12 PM.

Alan Greenberg: Yes, but it's not always clear to everyone whether midnight belongs to the previous day or the next day.

Man: Okay. Jeff?

Jeff Neuman: I was just trying to interpret that. If you go back to the - if you go back to that timeline slide? It says so May 30 is when the string contingent closes for clean applications, is that the one that starts on December 1? Or is that...

Kurt Pritz: Right, so that's an outside date. Now there's ways to resolve contention before then.

Man: Right.

Man: Okay. So then like I just want to follow-up because this is really kind of detailed but if names do go to auction, is it the plan of ICANN to hold all the auctions for all the names at the same time or is there going to be some sort of rolling dates for auctions.

Kurt Pritz: Yes. I think - I don't think they'll occur at the same time and I think they will - I think they'd occur as soon as they're ready.

Man: Okay.

Man: Steve.

Steve DelBianco: Kurt, before you've talked about an operational capacity of 500 to concurrent applications. If that's still valid, at what point in the timeline would you (think) the determination that we need to do a batch; assuming we got more than 500. And what was the criteria that we're going to tell the world who's in the batch and who's not.

Kurt Pritz: I'll talk a little bit more about batching in a second except you won't get to hear it. You probably won't get a final answer and so there's ways to - and when I talk about batching, there's ways to mitigate the need for batching too.

So, you know, if we - anyway, can I get to that?

Man: Yes.

Man: Adrian.

Adrian Kinderis: I'm sorry. I might have missed this when you were doing your background information to these slides. Is this your best current thinking or are these locked down. I know it says planned key dates but sorry.

Kurt Pritz: Yes. I would say planned but those dates have been locked in for quite some time and they haven't changed over quite some time so those are the dates.

Adrian Kinderis: Okay. Great.

Kurt Pritz: Thank you.

So just to - ICANN's entered into a master services agreement with providers to perform these functions and I think what we'll probably do is in the session Wednesday, list all the contractors with whom ICANN has agreements.

The points I want to make are that in each case there's backup service providers. So for the financial and technical evaluation, there's actually primary - a primary evaluation firm, a secondary evaluation firm and even in those cases, a tertiary evaluation firm and that's to address band width but more importantly address conflict.

So if a firm is conflicted out and, you know, you can imagine these are, you know, big four type firms, there's going to be conflict to manage. And so you know we have at least backup providers and in some cases, tertiary providers for each one of these panels. And I think - geez I hope you'll be satisfied that they're all world class firms that are performing these evaluations.

And then we've engaged with another company to do quality assurance on the applications. And how that works really is that they'll do a sampling of scores of questions and in a blind manner, rescore the questions and if - in cases where a different - different results are found, you know, and this is all based on a statistically significant sampling size that the evaluators are - we meet with the evaluators. The evaluators have been quality controlled and recalibrate the quality - the scoring process and then rescore those applications.

In addition to that, right now there's - excuse me. There's exercises going on - tabletop exercises where sample applications are being evaluated both from the standpoint of normalizing the score and making sure applications are looked at consistently, but also you know for time.

So how much time does it take to evaluate an application because we still are negotiating final price in an effort to, you know, at least meet our goals as far

as costs. You know, I can assure you, we're - the way it looks we're spending on the evaluation money we plan to when we first costed this out.

And did I already talk about the first twelve - evaluating the first twelve applications? Yes.

So our - the plan as we have it now is to take the first twelve or twenty-four, you know, applications, run them through the process initially, score them and then stop and do a quality control check and calibration on all of them to make sure the scoring is consistent across the board before we go ahead with the rest.

So there's like three forms of quality control involved. The testing we're doing now on sample applications, the so-called first twelve applications. That will be scored. And then our statistically based quality control, all to insure consistent evaluation.

Man: Can I ask a question on that? Does that mean the first twelve automatically get priority?

Kurt Pritz: Get what?

Man: Priority. It's best to be in the first twelve.

Kurt Pritz: No, because all the initial evaluation results will all be...

Man: So you're just testing.

Kurt Pritz: Right.

Man: That's not a priority.

Kurt Pritz: Right.

Man: Just to make that clear.

Adrian Kinderis: Kurt - Adrian. I would like to get into the opposite of that which is - will the first twelve receive additional scrutiny and is it better to be number thirteen. That's the first part of that.

The second part of that is are you going to choose the first twelve - literally the first twelve that you pull out of the hat since a number of them will be coming in at about the same time or will you make an effort to try to pick ones that reflect some diversity of what you're saying.

Kurt Pritz: Yes. So the point of the whole thing is to make sure it doesn't matter when you're evaluated; whether you're first or you're evaluated on Friday afternoons or you're evaluated at the end of the process when people are tired. It's meant to insure consistency across the board.

And this first twelve kind of thing is still in development but I would envision it to get where we try to insure we have sort of a cross-section of the different types of applications rather than have all the same or even a random selection.

You know, we just want to make the process as consistent and effective as it can be.

Man: Chuck.

Chuck Gomes: Yes. Thanks Kurt. So in that regard, is it your anticipation to evaluate those first twelve during the application period because I suspect you will actually get many early enough that you could or would you wait until the end of the application to evaluate those first twelve? I'm not sure it matters but I'm just curious.

Kurt Pritz: Yes. So I wish Dan Halloran were here to give his traditional caveat that you shouldn't rely on any oral representations made by Kurt Pritz in this and part of this - part of this whole discussion is to get your feedback as we develop this.

So my unofficial response to your question is, you know, I don't know if I want to release information as to who's implied to anybody just to make sure that stays secure so that would be my original but - but that the evaluation could occur before we officially say evaluations started to get ahead of the game. So that would be an approach.

And like I said, one of the reasons, you know, we're here isn't just to answer your questions but to get advice from those that have done similar things.

Chuck Gomes: Yes. And at least in my own mind, having never thought about this before now, right, is that the doing it before the application period ends will then save time during the regular period because that's going to be a fairly important area to do the quality control that you're talking about.

My first reaction is that that actually sounds good but it's the first time I've thought about it. Okay.

Man: Tim. Tim Ruiz. Tim, are you on mute? Okay. We'll come back to Tim. Any further questions?

Man: I feel (queer) when I'm asking this Sunday after the BC. With the permission of Steve DelBianco, wondering if you expect any difficulty in getting qualified applicants for URS arbitration services. We've heard that entities such as NAF and (WIF) and we thought that the program and feel there may be a difficulty in providing the service at \$300; particularly for multiple names when the qualified IP attorneys charge \$600 plus per hour for their services so that even a slam dunk case particularly has multiple names and can - being targeted be very difficult to get qualified providers at that price.

Kurt Pritz: Yes. So that's just a really good point and you know that model was developed by the IRT but in reliance on existing models where those costs were in the ballpark or close to what existing costs are for some providers for ccTLDs but I'll - you know, I'll say that the URS is burdened or, you know, has been lengthened and burdened with some procedural aspects that might make it more expensive and so we'll see when we get into contract negotiation how those things affect the price and, you know, might make some of those aspects, you know, public for a public discussion on how to do that balancing.

Man: Yes. I just want to note for the record that while the URS concept was (unintelligible) but the IRT - I believe that the pricing point was a point raised by the GAC last year and earlier this year and it needs to be evaluated whether that permits expert arbitration even for slam dunk cases. Thank you.

Man: (Unintelligible).

Kurt Pritz: Steve I want to - Steve DelBianco. So I'm sitting here thinking. So if there's like an early warning against an application and they're looking for - you're nodding as if I'm going to say something good but I'm not.

If there's a GAC early warning and part of the early warning is that the applicant gets to go back and say well I want to address your concern and the answer to that is some sort of registration restrictions, you know, one way that could work and this is outside of ICANN so it's not a guaranty, but the government says okay, I'll withdraw my early warning based on your commitment to put into your agreement that those restrictions are there.

So the government can condition its approval based on that. So I don't - you know, obviously I haven't thought it through but I recognize it as an important issue and maybe some of the education to governments and applicants about

GAC early warning and those other kinds of objections is that that's a way for governments to work in the process. Still not a - yes.

Steve DelBianco: Yes. I'll respond too. Kurt if what you're saying is that you need to tell the world ICANN cannot or will not enforce promises made in an application. They will only enforce things that are baked into the agreement.

And if we're clear about that early on, then everyone will know that if they want to satisfy an objection or withhold an objection, it should only be based on whether restrictions and conditions make their way into the agreement and I think the clarity of having that very early will avoid missed expectations because to me the greatest risk to our program are missed expectations with audiences that really wouldn't mind to see us fail.

Man: Thanks Steve. I have Tim next who's back online.

Tim Ruiz: Thanks. I apologize earlier. That was my error not the system. Now my question is that regarding the first twelve that will be tested or however those twelve are selected, does that automatically mean then that they'll be in the first batch if batching should occur?

Kurt Pritz: I don't think that's necessarily true. You know, it's a chicken and egg thing. You can do the batching and then pick twelve out of that or you can pick twelve and then do the batching. I don't - the first twelve is just about a quality assurance mechanism. It's not sort of independent of everything else I think.

Tim Ruiz: Thanks.

Man: Tim you okay with that. No more questions?

Tim Ruiz: No. Yes. That's fine. Thanks.

Man: Tim.

Man: Great. Adrian.

Adrian Kinderis: Yes. Just a definition question. What is batching? What do you mean by batching?

Kurt Pritz: So ICANN has said that it can process 500 applications at one time and that if it receives over 500 applications, there will be accommodated in batches.

Adrian Kinderis: All right. Kurt, I guess what I'm thinking about is I think I can understand the batching of application. I understand the points you made about entering and sort of fanning out all the work into priorities and master agreements into a whole lot of different areas but I suppose what strikes me about all of this is eventually, and I'm sure you've thought about this carefully, eventually it all comes back to ICANN.

The final - there's going to be a final which is about - will be about the fine detail of negotiating the contracts. Much of the final dotting of the I's and the crossing of the Ts will come back to you guys and it's - you are going to be an organization who is going to be stretched to the limit in terms of parallel capacity and the ability to scale and produce parallel expertise to deal with that.

And I would find as a business manager an immensely challenging exercise and I just wonder how - what you're - I mean the natural mechanism in any sort of I would think program of implementation would be to somehow prioritize that and schedule that out into a sequence of events rather than trying - yet the kind of - the perception around is that everyone's going to be treated equally and that all these think so.

What are the thoughts around all of that scheduling and dealing with all that massive parallel workload that ultimately will come back to your legal team and your operations people?

Kurt Pritz: Yes. So first and foremost it's an encouragement to adopt a standard agreement because the standard agreement requires little or no negotiation and that negotiations that either materially change or maybe even change the standard agreement would require negotiation and result in the establishment of a (cube) which would take some more time.

So certainly we've built a process around accommodating, you know, as many applications as there are in a batch in time - you know, in a timely manner but that that timeline's slowed down by negotiations. But yes.

And when we talk about this whole process and even the complexity of the evaluation, it does come down to sort of a funnel at the end that has to be broadened in order to accomplish what we want to do, have the right amount of legal staff and access to legal staff to process the manual parts of arriving at an agreement.

Adrian Kinderis: So the natural follow element to that is any thoughts on how one might prioritize one application over another. How does, you know, you know wake up in the morning. It's 8 o'clock in the morning, you come in and there's a pile of a hundred applications. Which one - how do you deal with that sequencing?

Kurt Pritz: Yes. I'm not sure.

Adrian Kinderis: No further.

Man: I have Jaime.

Jaime Hedlund: It's not clear to me if batching would amount to prioritizing or not.

Kurt Pritz: Say that again.

Jaime Hedlund: It's not clear to me if batching would not amount to prioritizing in some way.

Kurt Pritz: Yes. So it certainly does.

Jaime Hedlund: Or it would be at a first come, first served basis.

Kurt Pritz: Right. So batching would identify big tranches of applications; 500 or slightly more applications at a time.

But I think what (Jonathan) was talking about - then prioritizing among those in the first batch and how they get through the contracting portion, execution of the contract and the delegating which (Jonathan), I didn't mean to insinuate that no thoughts gone into that, it's just that it's sort of a complex problem and I don't think I can describe in the last few minutes we have here.

Jaime Hedlund: It's just it strikes me as a complex problem and I like complex problems but this looks challenging.

Kurt Pritz: Sure. Well it's not just the contracting problem, then you have after that even if you sign the standard agreement, you have to deal with IANA and no idea, you know, what's - how are you going to prioritize that as far as sending your request to IANA. How are they going to prioritize it? What are they going to do with it? How long does that whole process take? You know, there's always variables. I'm not sure you'll have an answer for that even toward the end but, you know, it's - even if you sign the standard agreement, you still have those issues.

Man: Kurt.

Kurt Pritz: Yes. So I just have a few minutes left and so I want to - I'm going to tell you that we have RFIs open for the service providers that were - actually three out of four of them aren't required until after delegation and we expect the

first delegation of TLDs to occur right around the end of the year or the first of 2013.

I'm going to talk a little bit about applicant support and just kind of want to run through the next three slides and then take a couple of questions but I encourage you to come to the JAS meeting which is tomorrow at 8:30.

Everybody should look at the schedule because the schedule has changed a lot based on the President of the country coming to visit and so keep track of that.

So where are we with applicant support right now? The board resolution in Singapore said that they would set aside \$2 million and create opportunities for others to add funds and consider GAC and JAS advice in order to develop a sustain system.

So the JAS report - this is my paraphrasing so to the extent it's incorrect is my fault.

It says that there should be support in time for the first round, that the \$2 million should be administered via foundation, that in addition to the \$2 million that fees be reduced for worthwhile applicants down to \$47,000 US, or that the ability to pay staggered fees be put in place, that successful applicants commercially should pay back the fees and that there be a relaxation of technical and operating requirements, and that the evaluation panel should be a mix of community and ICANN hired experts.

There is also a GAC ALAC report on the second milestone JAS report that asserted that government should be able to participate in the program; sort of an opposite conclusion of the JAS report that the \$2 million be used to reduce the fee but also may be to fund applicant infrastructure and then the rest of the recommendations were kind of the same. They also recommended a bundling of IDN string requests.

So what are the challenges for us? And you know the board already spent quite a bit of time on it this week.

ICANN has retained a consultant who has done large grant programs in the past or actually at least one very large grant program in the past. So there's a lot of work going on.

Still timing's difficult to solicit - in the first round, to solicit additional contributions, to set up a foundation. So, for example, if ICANN's going to give \$2 million, we could just do that through a bank account and retain a panel so those are sort of the tall polls or critical paths in the process.

How to ascertain, you know, using subjective criteria which applicants qualify based on need and serving the public benefit to the two criteria in the JAS report and then dealing with constrained resources. So if there's not enough funding to give every applicant \$135,000 (unintelligible) in their evaluation fee, then how do we hand out what is available. It's a different sort of evaluation.

So we want to make sure that whatever form of applicant support is been given out is somehow meaningful and sustainable and really support applicants and you know I just want to close this section with saying that, you know, ICANN is looking for GNSO advice on the JAS report that we recognize the importance of the JAS report on to the board which is taking it and is considering it so that one's good but it was pending further GNSO advice and so we look forward to that.

Man: Can you clarify that? What advice are you expecting from the GNSO counsel?

Kurt Pritz: You know, well what - so just as you would provide advice on any report. Do you support the conclusions of the JAS report? Are there aspects you support

or aspects you question? Given the expertise across the different constituency groups here, you know, if there's valuable advice you could provide to the board in implementing such a program I think.

Man: Any questions on this part?

((Crosstalk))

Man: I know but (unintelligible).

Hang on. Because Kurt has to go earlier than we'd planned, I suggest we let him run through the slides and then try and ask questions at the end if there's time. Kurt, is that okay with you?

Kurt Pritz: Yes. And I think I can stay a few minutes later.

Man: Right. (Unintelligible).

Kurt Pritz: So yes. Well let's take a question or two on this and then we'll have the dreaded batching discussion.

(Jonathan): Thank you Kurt. I mean I guess one of the things - it's just a logical contradiction. I think there's a challenge here is that one is bringing potentially to market technically or financially vulnerable TLDs by virtue of the nature of this program.

And the one thing that always strikes me is when I see the relaxed - relaxation of the continuing operations instrument, in that context, it seems that that's a challenge to match. So the combination of saying well we'll give - and maybe this - I sense there might be a response but that's something that strikes me as needs careful thought anyways is bringing as I say technically, financially or operationally vulnerable entity to market which is then doesn't have the fullest financial backing or at least the insurance behind it.

Man: (Farit). I just wanted to agree with (Jonathan). I think the technical issues are a concern. Does that reduce on the threshold the second is - there is a definite importance given to the applicants but we'd also like to see some importance given in favor to given to the registrants as well. We need a balance there.

And just to explain why we abstained at the (BC). We were looking for basically one link and that was one of our reasons actually mentioned in our abstention statement as well. So these are the various three reasons.

Man: Yes.

Kurt Pritz: Here's where batching is and, you know, this first slide is a repetition of things stated often in the past that you know whatever batching method is used, it has to be objective, comply with applicable laws, consistent with what's already in the guide book and comply with our promise that we not delegate more than 1000 TLDs per year, address potential abuses and make sense.

So by make sense I mean things like if two strings are in contention, they would be in the same batch. So one string doesn't get approved and then has to wait for the other.

So there's - so it's still not fully settled and I'll tell you why. But first before we talk about batching we can talk about measures that might reduce the need for batching.

So one that's been mentioned in many talks I've been in is opt in and opt out and that is many entities might apply for a TLD and opt out of the first batch. So I'm thinking of TLDs acquired by brand holders or corporations that are not sure how they're going to use their TLD initially and so while that's decided, opt out of the first round.

And we think those numbers are non-negligible and so it's worthwhile to provide the opportunity to those that don't want to be evaluated in the first round not to be. So that is almost certainly going to be part of the program.

A second harder thing to consider is you know theoretically you could lengthen the initial evaluation and accommodate more batches. So if you've got 1000 applications, you would just, you know, double the time of the initial evaluation and then do them all in one batch. So, you know, after examination, that doesn't seem appropriate from a couple of standpoints.

One is the previously published timelines now we've committed to that we want to meet and two is there's a whole set of complexities that are introduced by this.

So for example, you know, the - what (Jonathan) just brought up about how do you get application through the last steps to delegation. So if you were to actually increase the size of the batch and lengthen the time, at the end of the day, you'll be trying to arrive or execute agreements with say 1000 TLDs instead of a few hundred.

So then that introduces operational difficulties that we don't think are palatable either. So you know maybe slightly increase the size of the batch beyond 500; depending upon how many applications there are.

So if there's 1200 applications, you know, two batches of 600 or 537 applications or do 537 and if we need to lengthen the initial evaluation by, you know, days then that might be a viable way to reduce the need for batching.

So that's reducing. So in batching, you know, we've talked mostly about random selection and the issue with random selection is that we just have to make sure that it complies with all possible applicable laws under which ICANN might be subjected.

And so there's a case that potentially a random selection is some type of lottery and so we - you know, our initial legal research points out that that's a very real risk and we're undertaking subsequent research to try to make a final determination because that's certainly the most attractive form of selection because it is objective and fair.

You know, I'm going to go to auction and say that auctions not really being considered as a type of batching but that some sort of secondary time stamp. So after the applications are in, some way of rank ordering applications in some random method based on a variety of circumstances but would be objective would be the second way to go about that.

And so you know look at those two things and it's going to be one of those two.

We looked at about eight different methods. Hey Tim.

Man: I know.

((Crosstalk))

Man: Tim.

Tim Ruiz: Yes. Kurt, I was just looking at the - yes - those three scenarios or possible tools; random selection, secondary time stamp and charity auction. What concerns me is that it seems like one of the overall goals of the new gTLD program is to promote competition and provide more choice for users, et cetera.

So it would seem that those considerations would also be a critical part of deciding what goes in the first batch.

In other words, you know, a single operator wouldn't have multiple TLDs while other operators that might actually have applications that would - with strings that could promote good competition, would necessarily get none or that several entities create multiple JVs but you know all operating basically on the same backend.

I mean there's those kinds of considerations to that I would have thought would be a critical part of making sure that this first round, this first batch, results in you know creating competition and user choice.

Kurt Pritz: So Tim - this is Kurt. Are you - I didn't get quite what you were advocating. So a criteria to determine which TLDs might work toward the public good or which TLDs might go best to encouraging competition and choice and promoting those in a batch above others.

Tim Ruiz: Yes. That if batching has to occur, clearly you know the second batch you know is going to be quite a bit later in, you know, when they're actually going to be delegated.

So for, you know, the success of the program, it would seem trying to make sure that that first batch has a good mix of TLDs that will actually promote competition and user choice and doesn't necessarily favor any one entity or group of entities in the process over another.

But I don't think random selection would necessarily guaranty you get there as well, you know, time stamp or auction which is just going to be about, you know, who has - who's willing to put up the most money.

Kurt Pritz: Yes.

Tim Ruiz: Yes. I would hope and think that would be considered.

Kurt Pritz: Thanks Tim. Yes, I wanted to take the charity auction one off the table. That's not one of the ones being considered. Thanks.

Man: We tend to give priority to people dialing in in talking because online it's always harder. I have (Yilhav) who I think is online as well. Welcome (Yilhav) for your first contribution to the council.

(Yilhav): Hi. Thank you. I have a couple of questions to Kurt. One is related to the batching. Did you consider the option in the cases of a dot brand to have these, if you have over 500 applications, have these in the - not in the first round because my feeling is that it's less - it's more important that the, you know, the commercial gTLDs will be out first than the brand ones. So is this something that was considered?

And my second question is that there are many important answers - questions and answers in this forum. Will they be posted to the new gTLD Web site so that, you know, people that don't follow the association will still be able to benefit from this?

Kurt Pritz: Thanks (Yilhav). Yes. So the answer to the second question is there is an online question and answer forum for new gTLDs that can be implored by everyone and this - so this is an open meeting among many open meetings that people can decide to access.

And even this meeting is recorded. So anyway I think there's opportunities for participation.

You know with regard to dot brand, you know, there's two answers really. One is letting them opt out of the first round but the other is, you know, there really is no dot brand category or classification in the guide book and a trademark owner or a corporation can operate a TLD in many different fashions.

It could be, you know, for an internal infrastructure use or it could be you know for a commercial purpose that competes with other TLDs so it's hard to determine opt (priority) - what use the TLD will be put and then - so it makes it kind of difficult to create, you know, a classification of dot brand and create batching around that. Of course a dot brand could be like I said for any use.

Man: Jeff.

Jeff Neuman: Thanks. This is Jeff Neuman. A question. I'm not really sure what secondary time stamp means but maybe I can ask you a question of what it doesn't mean.

Can you then confirm that it doesn't - there's no advantage for applying on January 12th versus April 12th as the time stamp you're considering is not giving priority to those that apply early but some other mechanism of time stamping that I'm not really sure I understand.

Kurt Pritz: Right. So there's no advantage to applying early or later in the process. As long as your application is in by the due date, it has the same chance of being in any batch.

Man: Adrian.

Adrian Kinderis: Yes. Thank you (Stefan) and Jeff just asked my question. If you'd have got me earlier I would have got it in. The - so yes. That was my concern on time stamping and you've answered that so thank you for making that clarification.

The second one moreover in response to (Yilhav)'s question. I think I would certainly not like to see - first of all, I acknowledge that there is no classification of dot brand within the guide book so to separate them out seems ridiculous to me.

And certainly we've seen brands that are absolutely adamant that they've got a good use for it and want to, you know, get out there and use it just as much as - and with an intention just as much as a (jericton) may well be. So I certainly would want - would not want anything like that introduced.

I think the notion of an opt out is a good one because there are brands that are doing this merely as a protection mechanism or anybody could be doing it and might not want to incur any fees or anything for some time and so I like the fact that you have, or at least you're contemplating, an opt out option because that may well suit a lot of people that don't want to have to pay their yearly ICANN fees nor registry operator fees and can just sort of run in a holding pattern until such time as they're ready.

So long as there is some sort of understanding as to the process about how they can activate later and when that may be because you don't want to have that open-ended and ICANN to say well, you've opted out. We'll do it when we're good and ready and that could be in five years time.

So I sort of applaud the thinking that you're doing in this regard. Thank you.

Man:

Chuck:

Chuck Gomes: Thanks Stefan. And thanks Kurt for all of the answers. I have four things; they're all brief though.

First of all a suggestion. My suggestion if I understand it correctly is that I'd avoid the terminology secondary time stamp. It's an order of priority, right, because I think people are going to misunderstand that. I picked up on what you really meant the first time you described it but for people that aren't familiar with what's going on, they might not.

Now somewhat related to that, I think it's good in this meeting to document what I believe has already been answered and that is is that the time of

submission of an application during the application period will not have any impact on the - on anything; whether scoring or batching or anything else. Am I correct on that?

Kurt Pritz: Yes.

Chuck Gomes: Yes. And I had heard that answer before but I think it would be good to get that documented here. A harder question and one that you can't answer but maybe you can at least share some of staff's - of the team's thinking in this regard.

Obviously if batching is required, certain applications that aren't in the first batch are going to be moved out and several people have asked questions related to that like with competition and so forth already today.

Any - what has been the thinking going on with regard to when subsequent batches would be evaluated? Is it going to - do you anticipate it being linear, you know, a batch of 500 and then when those are done, another batch of 500, et cetera, or just some feel for that.

I know because you don't know the total number you can't answer it definitely but some guidance there would be nice at least in terms of your thinking.

Kurt Pritz: I thought there were four things.

Chuck Gomes: Oh there - yes. I'll cover that one now. That's fine. The other one really is just to reinforce what's already in the guidebook and that is whatever system for batching is used, contingent sets will be in the same batch. Right. I'm just kind of I think another thing to remind people of. That's all I had.

Kurt Pritz: Yes. So that's - so from the first. Yes. That's our intention. You know, unless some batching method precludes that but it's certainly our intention that the thing make sense so that the contending TLDs would be batched together.

There's been quite a bit of thinking on scheduling of subsequent batches. That's probably changed a little recently but the original thinking that still holds is that you know you're processing 500 applications. Now you finished the initial evaluation.

Say 100 of those go to extended evaluation. So that leaves room for another 400 to start right away. So the next 400 would start evaluation right away as soon as the initial evaluation is over. So we have a timeline that goes beyond the one you saw here when it says initial evaluation is over. That's the day where the next batch starts for the same amount of time.

And the thinking then was it would just be a batch of 400. Two pretty intensive multi-day sessions with the evaluators and their staffing and the fact that there's multiple evaluators indicate that the capacity for evaluation is a little greater than we thought it was.

So while with not committing to it, it seems that we would be able to commit to doing another 500 starting right away.

So we have extended timelines where we've sorted through this where the initial evaluation of the batch starts the day the initial evaluation closes on the previous batch with like sized batches, with like sized evaluation timeframes.

You know, theoretically we'll move down the learning curve so the timeframes might get shorter. We've anticipated similarity now across evaluations and evaluators are actually building that into their cost models. So anyway that's the amount of thinking that's gone into that batching and I think we've - you know, and I get the order of priority comment - you won't get a comment.

Man: Yes. Just to Chuck's comment. I'm getting a few comments about people and I'm one of them I have to admit, not understanding the secondary time stamp thing. It's all - if you care to explain that.

Kurt Pritz: So it's a method of assigning priority like Chuck said in a non-random manner. So one not good way of doing it is, you know, everybody mail a letter to ICANN and the order the letters are received, you know, would be the order in which - so then to make that better, so maybe we need receivers of letters in many different regions of the world so there's not an advantage for geography.

So letters don't work but there's some method of assigning a priority after the fact that's objective that has nothing to do with the order in which the applications are received.

Man: Thanks. I have Jaime next.

Jaime Hedlund: Well my first question was already answered and it's about the secondary time stamp and the doubt is the same of many. But and I would recommend to avoid the validation of them.

But the second question is did I understand clearly that auction is not an option?

Kurt Pritz: Pretty much.

Jaime Hedlund: Why is it here?

Kurt Pritz: Operator error.

Jaime Hedlund: Okay.

Man: Okay. I have (John) next.

(John): Please go on.

Man: Ching.

Ching Chiao: Okay.

Man: Ching.

Ching Chiao: Thank you Stefan and actually a quick question actually on random selection. Are you talking about a completely random methods or actually there is some benchmark found. For example, either (community) and (unintelligible) diversity or like geo names, non-geo names or (unintelligible). What are your thoughts on this?

Kurt Pritz: Okay. So that's a really good question there. There's all kinds of random. There's an (RFC) that is there way of getting at a random number but you know whether random selection be done on a geographic basic so we get a distribution from regions all over. You know, in a sense you'd rely on the statistics to deliver that to you but in a sense you don't want to rely on that so there may be traunches in the randomness so we make sure we get a representative sample from around the world and across types.

((Crosstalk))

Kurt Pritz: So two more questions.

Man: Three more questions. I know Rafik. I'm giving priority to counselors. I know Rafik's on the line. Marika, is Rafik online or has he asked his question through the chat.

Marika Konings: He has asked his question through the chat which makes me think that he is not on the phone but I'll give him a second to respond.

Man: He's not online. Well then as Rafik for this meeting, do you have his question.

Woman: No, I don't have his question. I believe he typed it into the Adobe chat. He's not online. I haven't.

((Crosstalk))

Man: Okay.

Woman: So his question is why I can ICANN staff provided latest implementation plan which is still unknown when the motion for the second milestone report asked ICANN to start investigating those recommendations. I believe that relates to the JAS report.

So he's asking why ICANN staff provided latest implementation plan which is still unknown when the motion for the second milestone report asked ICANN staff to start investigating those recommendations.

Kurt Pritz: So I think we did start investing those recommendation and quite a bit of work has been done. I'll tell you that as part of the work that's been done, ICANN's met with the World Bank at quite a high level to see if we could work with them as far as establishing some sort of grant program and that's been received very well but - and to my surprise, the World Bank seems pretty nimble but those programs take time.

If you watch the path of staff support for the JAS and then consideration of different options by the staff, it's been ongoing for some time and that's why we're able to drive to a timeline where we think we can implement a program in time for the first round.

Man: Thanks. So I have one last question then and that will come from (Louis). I have to give GNSO's counsel priority. Sorry for the others who are waiting in line this session having been cut short. We might be able to go home (unintelligible).

(Louis): ((Foreign Language Spoken)).

Man: Can you ask the question again.

(Louis): (Unintelligible) why auction is not an option.

Kurt Pritz: I think that yes - a couple of reasons. One is that ICANN committed to you now operating TLDs at a price so it was thought that holding it at an auction at this stage might disadvantage applicants that didn't have the funding as certain other applicants.

There's also operational difficulties with establishing an auction and handling the money. So you know as a rule, we think it kind of goes against the policy advice.

Man: Okay. Thanks very much Kurt, Karen and the team for taking the time to be with us and answer some questions.

Let me make the point that for those people that did have questions and that were waiting in line, first of all apologies. Second of all, please use the address that Kurt pointed out to send your questions to ICANN staff and there will be attempts to answer those questions and there's a public forum session during the week which may give you an opportunity to ask those questions outside of the time here for the GNSO counsel.

We have finished this session early so what we'll do now is break for lunch and give counselors time to and an opportunity to eat lunch without starting the working lunch immediately. There is a working lunch planned at 1 o'clock and we will try and start that fifteen minutes if possible because there's still a lot we have to discuss preparing for our sessions with the board, the GAC and the CCNSO. So could I ask counselors to try and be back here about a quarter to one.

Can I ask you...

END