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ICANN

Moderator: Gisella Gruber-White
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Registries Stakeholder Group
Afternoon Session

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Formatted: English (U.S.)

Coordinator: Today's conference is now being recorded.

Cary Karp~~Man~~:   Okay, IDN's are the next on the agenda and they're on several agenda's actually. There is nothing to report new since I reported at the last telephone conference.

However, Thursday positioned at 12 PM - at Noon in Congress 3, will deal with the IDN Variant TLD's program and update. And that's where all of the -- well, it's not where all of them are -- that's a major focus of ICANN's current attention and current action.

So anybody who's curious about hot IDN topics should probably attend that session. There's also another call for volunteer participation out, people who have manifold expertise in the intricacies of the DNS and linguistics and the IDN protocol.

And there was a fourth thing that are being encouraged to help in the ever broader what is now program project and this maps directly with the concerns

that are on the constituents of this stakeholder - our stakeholder's group agenda, that the notions of equivalence among top level labels although not the variant issue in the sense of the term that's being used here, I'm not likely to move forward until the sense that is used here has clarified a bit.

And as long as I've got the microphone I may as well let you all know that between now and the next ICANN meeting it's quite likely that I will not be representing that museum any longer at least not in the form that I currently am. So if we meet again it will in fact be over a couple of hot IDN tea. As to how they have arrived to...

Man: It has and we will miss you.

Man: Yes, it's not going to be the same.

David Maher~~Man~~: Well, again the IDN thing hasn't gone away yet, so we'll see. Any other comments on IDN's? Ching~~(Chaney)~~ is still not here, I don't know if he had anything of importance to say as a single character universal acceptance.

On our agenda would be planned currently. Kathy ~~Kleinman~~Kleiman will be here at 2:50. I told her if she had 10 minutes, then to tell us about who is developing the RU team.

At 3 o'clock Xavier is supposed here. I understand he is on a very tight schedule and so we won't have a long time to talk to him. And our current plan is at 4 o'clock we move to Congress 3, it's not on the agenda but it's the adjacent to where we met with the Board.

And we're going to suggest that Matt Serlin of the registrar group that we have that meeting cut to 45 minutes to enable people to attend the GAC Board meeting which starts at 4:45.

It may not be possible to cut short the meeting with the registrars but we'll try for those of you who absolutely must attend the GAC Board meeting. Any thoughts on that? Jeff, you're looking... Okay, okay we might as well move to the - some of the rest of the stakeholder group business.

Roy Dykes took the on-boarding off the agenda. The IPC stakeholder executive committee is meeting tomorrow at 8:00 in the morning, that meeting I don't think has any fixed agenda at this point.

Obviously, one of the things we'll want to talk about is are the developments in the trademark clearing house and emphasize to the IPC that we have a common interest in making that a workable program which may not be at this point. Any comments on the IPC meeting?

Jonathan Robinson~~Man~~:   David,~~(Dave)~~ just one thing I suppose from my perspective -- Jonathan -- when we - when we talked earlier when Kurt was here we mentioned, you know, we really focused on the critical issue for us which is if you like the technical readiness of the trademark clearinghouse and that of course will be critical as it - as it impacts our operational ability to deliver new TLD's - making use of the clearinghouse.

But the other issue for the IPC is they sort of and therefore put them together with is that the overall readiness of the system and it's ability to be fit for purpose in terms of cost effectiveness, breadth of user ability and all - all the other issues that and I suppose we did try to request the - the specification document.

And that's something that you'll need to talk the IPC about because to date we really only got the outside from the IAG which to my understanding or according to my understanding is really a kind of guideline for the trademark clearinghouse operator rather than a mandatory specification.

So there may be a gap between what the IAG which is quite heavy in intellectual property influence on it or at least practitioner's influence on it, but there may be a gap there as well. So that's something to - to frame and discussion with the IPC.

David Maher(Dave): Ching, did you want to say anything about IDN's that we passed over on the agenda?

Ching Chiao: Whatever is on the agenda.

David Maher(Dave): Our agenda which we -- Cary spoke to IDN Variant TLD issues, single character IDN/TLD's universal acceptance.

Ching Chiao: Actually Cary covers the DIT part. I think that's pretty much on that needs to be addressed.

David Maher(Dave): Okay.

Ching Chiao: Thank you.

(Dave)David Maher: There is one thing that I would have said but since you're here I didn't and that's there are no applications that hand for single character IDN/TLD's yet and it's - it is obvious that there was a desire for it to be possible to apply for

them, but they were not applied for. And I don't know if there any expectation of being able to negotiate that.

Okay, so it's a mute issue and I think we had already decided that the concept of universal acceptance is not - is not correctly placed under the IDN rule set. IDN is an aspect of it, so they're coming along with a 9-character TLD is going to be looking at a set of interesting issues even if it's not a 9-character ASCE.

Ching Chiao: Thanks and actually one quick point is that I think several of just for throwing this to the table at this moment is that I'm seeing several application who - which are the -- I am applied for streams are actually the transliteration of -- and then speaking in the Chinese - from the Chinese community point of view is there - they are the single character transliteration.

So I mean the - I mean the IDN streams sorry just let me take a step back -- they - those apply for streams are in English in ASCE but they are the corresponding, they could be corresponding transliteration of the single character IDN.

So I've seen some I mean application. I'm not going to point out which one but down some application or some potential and some comments would - might address those ASCE streams could be a kind of IDN single character - kind of squatting, you know, scenario on doors to that.

So I mean just put this on up to the table and maybe others will have some thoughts on that.

(Dave)David Maher: Anyone else? I think -- no one -- is all in fair. Okay, well thank you Ching. Going back to the rest of our stakeholder group business, planning for growth

through the registry stakeholder group we had a working group meeting it was on Sunday I believe.

Cherie Stubbs~~Woman~~:   Yesterday morning.

~~(Dave)~~David Maher: Oh, I'm sorry, yesterday morning and we have a report which I think was sent out to the entire stakeholder group action.

Cherie Stubbs~~Sheri Falco~~:   This is Cherie~~Sheri~~ -- no it was not posted out to the full list.

~~(Dave)~~David Maher: Oh.

Cherie Stubbs~~Sheri Falco~~:   It was posted out to the working group just to make sure the facts seem to be appropriate. I'll be glad to post it out if you would like.

~~(Dave)~~David Maher: Yes, unless anyone has any objection I think that should be sent out to the entire group. We - we talked about all of the various issues that might come up about additional technical facilities, mailing list, websites, rooms for meetings and so on which we anticipate meeting with the expansion of the group. Any other - no other comments on that?

Well, the next item is wrap up and ensure at the joint meeting which we will have to wait, Kathy should be here in five minutes. Kathy is here early, great, welcome. You're ready, you're on, step up to the mic or sit down to the mic, that's fine.

We're so efficient we never run late.

Kathy ~~Kleinman~~Kleiman: Well, here is a chair, of course, thank you. I'm Kathy ~~Kleinman~~Kleiman, actually I'm going to introduce (Patrick Grimond) from

Google and let him start our joint presentation which will be under 10 minutes which we promised (David)David because we know you're very busy. But thank you for your time.

(Patrick Grimond):   Thank you very much. My name is (Patrick Grimond) I'm in the public policy team with Google. I'm based in Mountain View. I've been with Google for about 18 months.

Before I joined Google I split my time as a lawyer in the telecom world and teaching at the University of Colorado Bolder. We are working on a project that we're hoping to get your interest and participation in.

And it's inspired by the - the activities that are taking place, you know, I don't know if you all were in the discussion yesterday on internet governance, but, you know, there's a treaty conference taking place this year that's going to culminate by December.

Where the International Telecommunication and the 193 member states are opposing lots of different things that could potentially change various aspects of the way the internet is - is governed and run.

Moving it from a multi-stakeholder system of which, you know, ICANN is a key part of it to, you know, much more centralized control. Now that may or may not happen in December and, you know, there's other, you know, proposals that would happen, you know, over the next couple of years, it's an ongoing discussion.

But one of the key things that I've seen and we've experienced in our discussions with international governments particularly outside of the United

States that there's a - there's just a misunderstanding about how the multi-stakeholder system works, how ICANN works.

And this, you know, impression that ICANN itself U.S. controls, you know, organization with a lot of, you know, U.S. controlled influence and interest. And so I'll let Kathy explain it but we want to, you know, help tell the story of ICANN and to, you know, really bring the story to, you know, the countries outside of the United States, you know, about the, you know, the value that this, you know, this institution brings to the world.

Kathy ~~Kleinman~~Kleiman: So again the few people who don't know me in the room I'm Kathy ~~Kleinman~~Kleiman and my new coordinates are on internet council at (Switzer Holdenberger) which is the oldest telecommunications law firm in the country in the United States there may be ones over some place else.

And it was where I was an associate and where they -- and now I'm back there as counsel and co-lead of the internet law and policy group. So I've been following basically following around kind of unintentionally. I've been attending a number of the hearings from the IT multi-stakeholder groups in Washington.

The hearings, conferences, luncheons and we've been talking about it a lot in D.C. And as I listened the discussions I thought, you know, I don't recognize us - ICANN in that process.

I hear people talking about the ITU and of course, you know, the idea that the IT was governing the internet. It has a space on the telecommunication, it has its space in radio spectrum and but not in the unit governments.

And -- but as I heard people talk about multi-stakeholder models I'm like, "Wait a second, you know, let's this doesn't make sense, its a thousand views of multi-stakeholder models."

And I and I said the Prague meetings coming up for ICANN, why don't we capture some of the stories that people hear at ICANN from different stakeholder groups to an advisory committee to different countries of why they participate in ICANN? How it benefits the communities, their countries and the internet generally?

And they said, "Okay." And he introduced to (Patrick) and we started working on - on the project. As you may know in another life I wore a hat as a documentary producers, so this is -- where we're doing a 12-hour shoot tomorrow and it's really amazing. We've got a wonderful video out.

So we're going out to the stakeholder groups. I was at ALAC also today and, you know, letting everyone know about the project and asking for your participation if you're interested or recommendations of who could participate.

We've got a few slots left for tomorrow because they're filling up quickly, but also we're hoping this is an ongoing project. The videos would go up on the YouTube channel and then compilations will be used at future meetings.

We hope to come back to ICANN and share some of this but this is kind of a rolling project now. So been wanting to present it to you and share it with you.

And so we're open to questions about the video part itself which we're calling, you know, the multi-stakeholder story telling project. Or (Patrick) has been cross-examined about some of the IT issues in other forms. So I volunteer him to answer the tough questions.

(Dave)David Maher: Do - do you have something to send to the group or you can send it to me and I'll pass it on to the group about opportunities to participate? And my only case here I'm not in charge of localizing but we have staff who might be interested and the more detail I have to present to them as when opportunities here, you'll more than likely get meaningful response. Does that make sense?

Kathy KleinmanKleiman: Yes, we will -- we'll be happy to circulate something and on a personal note, I'll also send you a couple of calls, so you'll let know about it.

Jonathan Robinson(Jonathan):   Okay, this is (Jonathan), just to sort of play that back and make sure I understood it, so you can correct me if I misunderstood. This is a Google sponsored initiative to create a broader and better understanding of the multi-stakeholder approach with a specific focus on ICANN, is that - does that sound right?

(Patrick Grimond):   Yes, that's part, that's part of the story. We are, you know, obviously funding this - this initial project and we're hoping that it, you know, it's going to get some traction. We'll be able to grill it. The idea will be to, you know, put - put these videos up on a YouTube channel.

So we want to use the internet to tell the story about the internet. And absolutely, you know, but we're very interested in, you know, stories of all kinds.

You know, that would pertain to innovation, you know, interested in having like competitors to Google, you know, tell - tell stories about the internet. Yes, it's a Google sponsored project but I want to emphasize that - that we really are looking for, you know, a sort of a combined initiative here on protecting

the multi-stakeholder interests. It has really nothing to do with promoting interest here.

Woman: Hi, this is (unintelligible) with ICANN staff. I wanted to know if this formed or structured like any way by present this other points or other topics that you would like each stakeholder group to address. And also have you talked to ICANN staff about participating in this initiative?

Kathy KleinmanKleiman: Okay, so two parts. One is, that other than the time limit it's about three to ten minutes per person, is no - is no requirement. We're not stipulating what people say and what they want to talk about.

The more personal, the passionate the better, that's the story that leaps off the screen. You hear people talking about working their IRT Jeff I going to talk about that.

You know, people are thinking through their story as to what kind of got them excited within ICANN. In terms of ICANN staff I've been, you know, I've been working with some of ICANN staff in terms of setting up the facility and the room and logistics in terms of reaching certain stakeholder groups and advisors.

But the, you know, if you have any recommendations, let me know please.

Woman: I'll be happy to, you know, talk off maybe later.

Jeff Neuman: Are you all kind of filming us in action as opposed to just people with vignettes and then you kind -- and I don't know if it's action or... (Caroline) just had, (Caroline) just had a couple of espressos so she's all wound up.

(Unintelligible). You know, I'm curious to know it's one thing to have people on screen talking, it's another to show what happens in public forum, to film some of the sessions and people being active there, that might tell more of the story.

(Dave)David Maher: I'm trying to get people to come to ICANN not run away.

Jeff Neuman: Well, no you can actually have them so scared that they would never want to take it on.

(Dave)David Maher: Maybe's there two one to scare away and one to get to come.

Kathy KleinmanKleiman: Thanks Jeff. You know, the (unintelligible) being a professional documentary producer in another life I like to control my environment. I'm sure you can imagine that. We've got a room, we're going to have lighting we're going to have sound and, you know, we're not going to have background noise.

We're going to have people who kind of have space to talk. It's this time, we are - we talked about photographs in the hallways to kind of intersperse those action shots the clients on film and those will be interspersed during the compilation and that's kind of a view of the people in the hallways or some of the big - the big brooders.

But I'll think about that the action shots for Toronto. Thanks you heard it from me. Stage two.

(Dave)David Maher: Okay, any other questions from anybody or comments? (Jonathan)?

Jonathan Robinson(Jonathan):   Very brief one, have you spoken to the registrars? The reason I ask you in part because I had a half an eye on their meeting and they're discussing it so I wondered if they haven't raised you. So I wondered if you had spoken or you hadn't at all?

Kathy KleinmanKleiman: We made the same request of all stakeholder groups for ten minutes, no more than ten minutes and they slotted us yesterday. And I have to say that - that was an exciting session and they were - we cut our teeth talking to the registrars, they had some very interesting questions for (Patrick).

(Patrick Grimond):   Right, I mean, you know, it's wearing and you're wearing a lot of even hats and, you know, you come into ICANN recently in a big way and there's a lot of questions. So the registrars had a number of questions about that - about the, you know, what the gTLD's doing.

Fortunately, that's not my area, I was not able to punch out those questions but that was sort of where the sparks came from.

Kathy KleinmanKleiman: And one of the things -- David(David) one of the things we'll send you a paragraph about the project is it's also linked to some of (Patrick)'s work. He - he's written a - a paper with (Jacob Glitch) if you remember him, he used to be the Assistant General Counsel her and is now in Canada.

And they had written a great paper about the openness and the need for more openness in ITU. And he just gave and (Patrick)'s doing a lot work around the world and there's more around the world on this issue. So there's a lot of work going on it's just a kind of work he's doing.

So, you know, if you're working on other issues and want to coordinate, I invite you to it.

(David)David Maher: Thanks Kathy. Keith DrasekDrazek.

Keith DrasekDrazek: It's also important for you to send us something because we have a lot of members who are not in the room including the observer members. So in addition to, you know, needed the coordinator forwarded to the right people within our organizations, you know, to make sure that everybody has the opportunity to participate. And so please send us something.

Kathy KleinmanKleiman: And again, this will go on half when the cameras go off tomorrow at 7 o'clock.

(David)David Maher: Okay, anyone else? I think that does it, thanks very much.

Kathy KleinmanKleiman: Thank you very much.

(Patrick Grimond): Thank you for the invitation to come.

(David)David Maher: Xavier we're ready when you are, don't want to interrupt your lunch.

Xavier Calvez: Sorry I just don't like sitting, so I can't see everyone when I sit. So hello thank you for inviting me and I apologize with the timing because I only have 15 minutes.

But - but I will want to take advantage of that time to be able to answer any questions that you may have and maybe focus that time on your questions rather than on communications on my end that have already happened on the budget.

For example, though I'm very happy of course to address specially if it concerns the more questions you may have. If it's of any interest to - to anyone can already give that information, and it it's not been yet known that the budget was approved last Saturday.

Jon Nevett: Jon Nevett, so I understand the budget has been approved and I would strongly urge you guys not to manage to this budget because this budget incredibly in favor on the new gTLD side.

Yes, just throwing out some examples, you have $9 million to do a geographic name panel on 66 streams but if you divide that out it's 136,000 per stream. But just doing the geographic panel which probably not that intense.

So, you know, the point is I can go through a lot of these quality control, $6 million, there's a lot of economies and inefficiencies that are -- and might not be taken into account for the budget and that's fine because it will be what it will be. It doesn't necessarily matter what's on paper.

But I'm just struggling encouraging you not to manage to these numbers but be as efficient as you can in getting but also getting it out as efficiently as possible. So I think that would be my - my advice to is, personally the matter is not realistic if you're not managing to that number and I'm hoping that you're not.

Xavier Calvez: I don't want to - I don't want to comment on that sarcastically but we'll make sure we spend as little as possible and as much as possible, so yes. Agree, to comment on what you just said, correct it is a budget but a certain amount of it was built upon assumptions and that had to be assumptions rather than facts at the time it was built.

So a lot of what you're pointing out is more clear now than it was six weeks ago or so you're correct. So and it is a budget and we have built in the - in the agreements to deliver lower costs as we go with the vendors.

So we'll -- obviously, we'll take advantage of that as much as possible. For example, we have a bid process - a permanent bid process for a certain vendors in certain panels.

We only give them at a time and handle of 150 applications then we ask them to bid on the next one hundred, 150 applications and there's - and there's two or three vendors in the same panel.

So there's a permanent competition that lead us to - that allows the benefit of the economies of scale in the efficiencies. What we have not is just an example of you're commenting on - what we have not done is try to figure out how low they're going to bid, right.

Because that's what the actual cost will be, so we could have built up a - an average price with a lot of assumptions and we haven't honestly tried to go down that far in the details. So we are expecting that there would be elements and facts in actions that will hopefully drive this budget to lower costs.

I'm only emphasizing what you're saying and we definitely intend to do that. Yes Chuck?

Chuck Gomes: Thanks Xavier. It seems to me -- I mean all of us in our businesses have initial budgets that are approved and then we often do a revised budget for when significant changes occur.

But to make it more accurate, it seems to me that it would be very helpful in this case now that a specific date is available to do a revised budget whether you revert - refer back to the original budget or this one, it would still be very helpful in terms of moving forward. You have a revised budget based on accurate up-to-date data.

Xavier Calvez: I would tend to agree. I don't know if it's a matter of vocabulary or not. But what - what we're intending to do is produce forecast on the regular basis once we have a bit more information. But on a regular basis and I would think that - I think your point I would want to address it as part of the forecasting process.

The, what's determined has been how, how often do we do it and how do we publish the information relative to those forecasts.

But, and that's the subject that I have discussed with the (BFC) and we have meant, not finalized the discussion so I'm being very transparent about what we're talking about here as it relates to this question so that we can try to have an adequate process to build and communicate the information.

Chuck GomesMan: I would be, personally I'm okay with handling that through the forecasting process but I think it would be a good idea to do your first revised forecast relatively soon now that we know how many applicants and lots of other data because there's some significant changes, like for example the fixed cost with regard to historical costs, you should be able to put a firm figure on what that is, previously they were $25,000 allocated per applicant, okay.

Obviously it's not going to take that much per applicant and so that's just one example. Also, and this is more of a board decision with regard to risk but when you take 1,900 times $60,000 per application the risk fund becomes

very, very huge. I know we don't know the total risk but I suspect about 120 or more million dollars is excessiveso.

Xavier CalvezMan: Understood. And I don't want to hijack and (unintelligible) I'll let you manage the queue of comments.

Chuck GomesMan: Thanks Xavier(Javier), yeah.

Man: (Unintelligible).

Xavier CalvezMan: (Unintelligible) first of all, I mean in our previous forum I appreciated the answer that Cherine(Sharine) gave, I thought that was very interesting and insightful of the sort of level of board oversight, and then you followed up with a more detailed answer, both of which were very helpful and gave comfort, so I think that, so to that extent it was very helpful.

And also further, I mean we've heard more from you a message about cost control because I think from our perspective you know we see an organization into which it's, you know a very substantial amount of money has suddenly flowed in, and naturally no matter what the nature of the organization would be one would be thinking about cost control.

So your reassurances in that respect are helpful as well, and so that, that's the second, second point, it's not to suggest that we didn't trust that you had that as in the forefront of your mind already, and you have indeed spoken to us about that previously.

The one question though is how confident are you or can you discuss at all your capabilities in respect to reporting because that's something that seems to be percolating through, we had a little bit of concern about your ability to get,

and you did, I think you've touched on this as well, but it would be very helpful to hear it directly from you on how you feel about your ability to report in order to effectively manage the costs.

Xavier Calvez~~Man~~: And just to make sure I provided an adequate answer to your question, when you're talking about a reporting you are talking about general reporting capabilities or you're talking about that reporting that would be communicated and published potentially.

Man: Oh I'm thinking first and foremost your internal controls, your ability to control costs through accurate and effective reporting. Now (Mike Palage) earlier talked about timesheets, I'm not, I think (Steve) was at right in many ways to say well that's a specific example and that's a management choice how you actually manage and control specific costs and but it's more at a general sense are you confident that you, you've got that under control of detailed level and are able to do that or if not have a plan to get there. Thanks.

Xavier Calvez~~Man~~: I'm confident. So I couldn't leave at that there or elaborate a little bit more, as I indicated we have created a, an additional general ledger, not to be technical, basically like a section accounting system, right, that lets us have a, the ability to book transactions very separately, so that's one thing that's very helpful to ensure that we have the adequate (unintelligible) of information.

We don't have to sort things out when we want to analyze, because we have done this we've also of course designed that general ledger in such a fashion that it will enable us to, or it hasn't enabled us to (unintelligible) the cost buckets for example in a manner that's helpful to us, of course for the purpose of analysis and reporting.

Also (unintelligible) analysis and reporting, but that's, that's one aspect, it's good to have the two different buckets but you need to make sure that you feed into those two different buckets adequately, right. So when an invoice comes in do we know in which bucket it goes?

So we have also a process specific for that because what we have not done on purpose is to double up the teams, right. We have one procure to pay process so basically one accounts payable process, purchasing process and one accounts payable team that accounts for both flows of information.

So we have, that allows us to identify those costs. Luckily enough though the (unintelligible) of the program is what it is, there's not that many vendor that to identify, so it's helpful from that perspective.

Now the complexities in the validation of the information and we have worked very closely with a new GTLD team to set up processes and tools, track (unintelligible) that allow us to ensure that we, we adequately identify, validate and account for the cost.

So that's (a source), that's not reporting it's at the source right? Now the reporting, because we have those tools in my views will be that much facilitated to be done in, I'm comfortable that we're going to have everything that we need, then if you think about it, it's only from an accounting standpoint, 2000 applications, so it's (unintelligible) on the Excel spreadsheets.

Worse case scenario we can go back to the detail (unintelligible) right. So I'm confident that we can do that and we will have a lot of KPIs like average costs per application, which we are expecting to see a decreasing trend, so you

know there's going to be dashboards that help us track that and analyze it from management's standpoint, because we should.

So that's, I'm very confident that will be the possible and what we're working on with the BOCs is what and how to share that information on an outgoing basis to provide feedback to the community.

Xavier Calvez: Hi (~~Raymundo~~Raimundo). Two questions which are driven (unintelligible) well the first question is of the, in the comments, in the comments, in the (your) response to the comments from the, in from the (unintelligible) you are, you mentioned for example that the, that the, a report by (KPDM) will be, will be soon published and we're still waiting for that?

(~~Raymundo~~Raimundo): Sorry. I didn't mean (unintelligible).

Xavier Calvez: By (unintelligible) (KP~~D~~GM).

Woman: (Unintelligible).

(~~Raymundo~~Raimundo): Sorry I don't understand which report you are referring to?

Xavier Calvez: The report is related to the, the way the, the way in which the fees will be or will be their (unintelligible).

(~~Raymundo~~Raimundo): Okay. Their revenue and the expense recognition policy?

Xavier Calvez: Exactly.

(~~Raymundo~~Raimundo): That's what, okay. It's not by (KPMG), but yes, understood.

Xavier Calvez: (Unintelligible).

(~~Raymundo~~Raimundo): Okay.

Xavier Calvez: Yeah. But, but the, the (unintelligible) the answer that we be, this report will be published very soon and (unintelligible) still waiting for it.

(~~Raymundo~~Raimundo): Yes. Because what I wrote was last Monday I think and that's why I said very soon is because we expected originally when we had the last call on the budget was I think the 11th of May we expected that it would be published by then because it would be finished by then, and it was not because we have gone in further detail of the, of the (unintelligible) and it's taken longer to finalize.

So I actually I was (coming) last Monday it was not finalized and it will be finalized once I go back to California and it will be published then.

Xavier Calvez: But I, I am really surprised that the board has not been the (unintelligible) if the substantial report is not ended.

(~~Raymundo~~Raimundo): Sorry?

Xavier Calvez: I am surprised that the board adopted the budget with the, with the one, one (unintelligible) a piece of the, of the documentation of the (unintelligible) it's use reports saying how, how to account the fees (over the term).

(~~Raymundo~~Raimundo): Right. So the board has, the (BFC) has been briefed on, in a really general manner meaning not at the level of detail of what this paper states, on the methodology and I think it's comparable with the concept that has been applied, and because have built that all in parallel there is also the notion that

should the document, final document lead to necessary changes those would be happening on a timely basis, I don't expect that that will be the case because the finalization of the document has not identified at this stage any, any such issue, but the board, the (BSC) has received the information.

Xavier Calvez: Well but (unintelligible) in many cases the, the point I am trying to make is that the, you have to be very (unintelligible) and the, the fact that the board adopted the budget and (unintelligible) enough to the effect of, which is (unintelligible) this budget, this doesn't seem to me very transparent (unintelligible).

(RaymundoRaimundo): This is a question for the board.

Xavier Calvez: Okay. Well a final question, a final question, in my comment I was saying that the, that the estimation of ($29.5 billion) of the, of the (unintelligible) cost does it consider the costs from September some, 2010 to June 2012 in, and in your answer you said that well you were going to, to consider that (unintelligible) also.

(RaymundoRaimundo): Sorry, from June 2010 to June 2012?

Xavier Calvez: No, I'm talking about September 2010 to June 2012.

Man: Yeah (Xavier) this is what I brought up at the last meeting and I brought it up a couple of times, when an ICANN set the price of $185,000 per application it used the historical costs up until that point in time, which was September of 2010.

Xavier Calvez: Yes.

Man: And I had asked the question at that point in time, so that's our historical costs, that's it. And the answer from (Kurt) was yes.

Xavier Calvez: Yeah.

Man: Very clearly, it's on the record. But now we have some revision of history going on saying no, no historical costs means everything up until the time you lost, and in fact (for) all we know historical could mean all of the glitch, everything in the glitch, everything until we don't even know when history ends, right? History will never end until the point you finally say this is, this is it.

Man: No it finishes in June 2012.

Xavier Calvez: Yeah that...

Man: But (unintelligible).

Man: So that, yeah that was not, but then that would include the glitch and that would include some other things that basically the report (Raymundo Raimundo) is making is very legitimate, which is when the price was initially set in September 2010 we were told historical costs were that which was incurred up until that point, everything else was not supposed to be considered historical.

(Raymundo Raimundo): So I think taking the work from (Kurt) out of context is probably a relatively venturous exercise for precision, but the, (unintelligible) execute on mine, the, so I think there's a paper that's been published in October 2008 and updated in October 2009 that states what the beginning is, which is October 2007 if I understand correctly. So that's the beginning part.

So I don't know what (Kurt) said or how he said it or in which circumstance is he said it, but I know that if he, if it was October 2010 that the statement was made it was certainly at least under the assumption that program would be launched at the date that's different than when it has effectively been launched, the only documentation that I have seen that's published of the, that specifies anything on the subject I have made sure to put that link in the budget presentation so that everyone can retrieve it and it says up to the launch of the program.

So I struggled to find more and more precise information on the subject to ensure that we'd have a correct view of that point and I have not found anywhere else, sorry, reference to a different position, which is therefore the one that's been retained.

I'm sorry but I, I'm already late, but I would really want to ensure that I can address further questions (unintelligible).

Okay. So I don't (unintelligible) that I, or give the impression that I don't want to answer the questions, but I'm already late and I have another session of 15 minutes that's now going to be seven minutes with another group for the same purpose, but I want to make sure that maybe (Caroline) there's a way that you can gather questions that have not yet been formulated and I will try to answer them further, that would be helpful.

Thank you very much for your time and sorry that I can't...

David Maher~~Man~~: Thank you for coming, we appreciate it.

Man: Okay we have...

Man: Shall we collect those questions right now?

Man: If you'd like.

David Maher~~Man~~: I would. Go ahead you had your hand up first.

Jonathan Robinson~~(Jonathan)~~: Thank you very much. It's (Jonathan), just a very brief point, I thought, which I was about to say to (Xavier) was I feel that some way we've had it told to us that the GTL, that the past costs are fixed in time, there's a fixed and firm number that's actually because it's been divided and we've talked about it being divided by a certain number of applications and that seems to be, whether or not that's actually been committed to it seems to certainly be a pretty widely circulated perception and/or myth.

Chuck Gomes~~(Chuck)~~: And this is Chuck~~(Chuck)~~ and I think, I think probably what you said is true because there, when they calculated those it wasn't we weren't ready to launch so I suspect what is true, but we can check the records on it.

My question Karla~~(Carla)~~ is will there be a summary and analysis of the public comments on the operating plan and budget public comments.

Karla Valente~~Woman~~: (Unintelligible).

Chuck Gomes~~(Chuck)~~: Correct. So it's kind of a unique situation in the budget was approved this, with the board now and I guess a corollary question or maybe one before it is did, did the board, was the board given the summary and analysis of the public comments before they approved the budget?

Man: (Unintelligible).

Chuck Gomes(Chuck):   They did? Okay. I had, actually I frankly haven't looked at that site in a week.

Xavier Calvez: Which in fact is not a summary it's an answer of which (comment), to which comment. But there is not a general confusion about that.

Man: Yeah.

Xavier Calvez: In fact the point that I was making the answer they gave me is that, that the ICANN makes a regular accounting off the historical costs and so (unintelligible) what the, that the difference will be added to that, but I don't know if the (unintelligible) or not.

Chuck gomes(Chuck):   Yeah. I don't either, thanks, Jon (John), I appreciate that, I just been too busy to look at that site for about a week. Yes, Karla (Carla).

Karla Valente(Carla): How do you want me to reply to your question, do you want me still to ask because (unintelligible).

Chuck Gomes(Chuck):   No. I don't think the question is necessary now, and what was the date on that (John)?

Jonathan Robinson(John):   (Unintelligible).

Chuck Gomes(Chuck):   So it was before, that was done before the board made this...

Man: (Unintelligible) it was before (unintelligible).

Chuck gomes(Chuck):   Okay thanks. So thanks, so I think my questions are null and void now so, so that's okay, we need to go back and look at that in terms of the responses to our questions.

Man: Anyone else? Okay. We have made it, pardon?

Woman: There's no questions.

Man: No questions.

Man: No.

Woman: Okay.

Man: Not at this time. But we reserve the right to submit.

Woman: Absolutely.

David MaherMan: We've managed to get through the agenda unless there is other business that...

Chuck Gomes(Chuck):   Jeff(Jeff) and I have another item of business, to make sure that the counselors are up to speed in terms of where we are with the IOC and Red Cross names issue and the, let's see does that also include the PDP on the IGOs?

Jeff Neuman(Jeff):   Yeah I guess we need to discuss that, it's separate but we do need to discuss that, yeah.

Chuck Gomes(Chuck):   Oh, just to help bring everybody up to speed, and (Jeff)Jeff to jump in, or anybody else jump in and ask questions if you have them, we previously

as a stakeholder group supported the, of course the motion that the board, that the council made that the, with regard to top level names.

The group that (Jeff)Jeff is chairing is now looking at the second level, and there are a variety of options, and (Jeff)Jeff has gone out to those of us that are representing our stakeholder groups and constituencies in the group to get constituency feedback with regard to what to do at the second level.

Now there are a variety of options that I distributed to the list quite awhile ago that (Jeff)Jeff nicely summarized, (Jeff)Jeff I don't know if you want, did you, is it, do you have those handy, the different options at the second level? I kind of, I do not have it in front of me but they, because I didn't know I was going to do this but, and should have probably.

The, we just need to get kind of, give our counselors some guidance in terms of, or excuse me, not our counselors I'm misstating that, you need to give me, (Jeff)Jeff's a chair so he has to be neutral, not at this meeting but in this chair, you need to give me direction in terms of which of the options are okay, or do we have a preferred one or whatever.

I can, I can share you what (unintelligible) shared on that group previously and kind of my lean but I don't want to influence the thought on this. Do you have those handy (Jeff)Jeff?

(Jeff)Jeff Neuman: Yeah I do. So the GAC proposal at the second level was to essentially, let me read it here, the GAC requests that the ICANN amend the new GTLD registry agreements to add a new schedule of second level reserve names, the new schedule should reserve those terms set forth in Schedule A, which is essentially the ones, it's a few more than the ones that are in the guide book but (unintelligible) Schedule A they recommend that the identical terms be

protected in the six UN languages with the "encouragement" to registries to provide additional language. Please note that the GAC and their Q&A document did not ask to protect similar strains in Schedule A but only identical matches and that's important because the Red Cross is amending their - they're asking for more than what the GAC had put into proposal.

The Red Cross is basically saying, "No we want string similarity as well, not just the identical strings." The Olympic Committee's only asking for the identical recognizing that they shouldn't go beyond what the GAC had put in their proposal. So the options are, Option 1 is pretty simple, no we shouldn't change anything and schedule of reserve names to be exactly what it is in our new registry agreement. That's Option 1.

Option 2 is broken down into a lot of different parts, but essentially you can say yes all of the - you could - so what I did in Option 2 is basically separate the Olympic from the Red Cross. So Option 2A1 is that all the Red Cross terms in Schedule A in the six UN languages you should reserve. Option 2A2, just a subset of those terms should be reserved. This is the Red Cross one.

Option 2B1 is the same too except with the Olympic Committee and then Option 2C was you protect them both so both the Olympic Committee marks they've asked for and the Red Cross marks that they've asked for in the six UN languages. And then essentially the other options really are a subset of those and if it's subset you'd have to say what that subset would be.

So I mean that's essentially it. So do you treat both the Red Cross and the Olympic Committee the same? That's Question 1. Question 2 is do you decide to treat them - or either way if you decide to treat them the same or differently, do you protect all of the ones that they asked for in the schedule which essentially is the guidebook one, those couple? Not really too

meaningful, not such a meaningful difference. Or the third one do you take some subset of that? And I don't know how you determine that, but essentially that's it.

So you need to determine whether it should be second level protection. And then if your answer is yes to any of those in Option 2, then you basically have to talk about, you know, what are the benchmarks to justify those protections which we've talked about within the group. There are justifications and then of course once you decide all of that, if you are going to reserve them, there's a whole bunch of other questions of well if you provide some sort of release mechanism of those names, is it just for the Olympic Committee and Red Cross for example?

Or is it for other entities that may have the same identical mark and how you go about it? But the fundamental question we need is, you know, do we think there should be additional protections for the Red Cross and Olympic names at the second level?

Chuck Gomes: You sound like well I'd rather be before I share my own thoughts share what your reactions are or questions you have.

Jeff Neuman: And perhaps it's also work, you know, there are justifications. We heard, Chuck and I, in the group - have heard multiple explanations from both the Olympic Committee and the Red Cross as to their unique nature, very different than everything else including other IG - or I shouldn't say other because these are not IGO's - including IGO's or NGO's that these really are protected by multiple jurisdictions by statute as well as by treaty.

You know, we haven't done our own independent legal research on this nor do I think should, but you know, I think they were fairly honest with us and presented papers to us on this. So there is a justification for it.

Man: I'll volunteer. I've had experience over the years with both the Red Cross and the Olympic Committee. I'm much more sympathetic to the Red Cross claim. I am not very sympathetic to the Olympic claim, but I recognize that personal feelings shouldn't prevail here.

But I'd suggest that - I'd be willing to protect Red Cross in every language and Red Crescent. I think that's deserving. So Olympic, my suggestion would be that we give the least whatever the lesser level of protection is, but separate the two.

Jeff Neuman: Yes so we could separate the two and so that's not an issue. I guess my - what I'm struggling for as chair is a lot of people are expressing their personal opinion because they have, you know, gut feeling that - you know, they understand the Red Cross is a humanitarian effort. The problem is I don't know the justification - we're giving our opinions and do our opinions really matter?

Like are the registries really qualified to have an opinion? We need really more of an objective basis, so if we're giving the Red Cross protections because they're protected by statute and treaty, technically the Olympic Committee meets those same objective standards. And so while I totally understand that, in my mind - again not as chair, but as just someone else, you know, if you're going to set the objective criteria whether you like or not you're stuck with both.

Jonathan Robinson: I mean Jeff really you came to where I was going to come to. I've heard Chuck talk about this on various occasions. I think it's absolutely critical that we set an objective criteria that these can be tested against and you're right, however we might feel about either as long as we set our threshold and we should presumably test against that threshold the most likely candidate that we see coming down the road next because surely as I'm sure you have and I've thought about it and anticipate what those test will be subjected to.

I think - that's first of all in terms of the criteria. The challenge of course is then as you say the next thing is what number of names to include because I have a feeling that this is much harder to subject - to protect those names or actually those specific names rather than the organizations are protected it in the statutes and treaties. And to the extent that they are I'd stick to the minimum.

Chuck Gomes: This is Chuck again. Again our original objective to this request and it was probably almost a year ago, wasn't it when this first surfaced? I don't know, maybe not quite a year, but was the unnecessary precedence it might set. What happened after that because we saw everybody like the IGO's coming in, "We want this too?"

The GAC tried to deal with that issue in their latest request and gave the reasons that Jeff was just citing in short that these two organizations are recognized under international treaties and under many jurisdictions national laws. Not necessarily all, but many. And so the GAC dealt with the precedent thing and in fact if you consider the IGO's as an example they would not meet that criteria.

So it was after that that we as a stakeholder group decided okay they've dealt with the precedent issue. It looks like fairly effectively you're right; we're not

the best experts. But and that's why we're willing to support it at the top level because of that. But I agree with the statement that to split them is difficult because of the criteria. If you have different criteria, you know, you might not be able - you may be able to do it differently, but I think that's hard to do.

Now but David I think there is a way to deal with the concern you have by adding an exception procedure like is done with two character names at the second level, right, where - and we have to discuss what that means, how that works. But if you did there would probably be a workaround like for example - and in fact the International Olympic Committee representatives have said that they don't have any problem with the string that's been applied for what is it Olympus or?

Man: Yes.

Chuck Gomes: They're fine with that because it isn't really going to infringe on their name. So that's why I kind of lean towards some sort of an except - not just a pure reservation, but there's some method by which an exception could be made. Now would the exception apply to the Red Cross? Probably not, but you'd make the process apply to whatever names.

And by the way this should not only apply to the Red Cross and the IOC and those associated names, but in the other organizations that meet the same criteria.

Jeff Neuman: Yes and on those specific names - I mean part of the problem Jonathan is that in certain - basically the statutes give independent - a little bit of independence to each of the member countries to establish what would be the most similar thing to the Red Cross.

So the words Red Cross doesn't translate well in other languages, so what you end up with is Red Cross at least in English. Red Cross, Red Cross since those are protected around the world and Red Crystal. But then there's a few others which interestingly enough are really in other languages, but when you translate it back into English it's a different word. So you have I think it's an Arabic word that if you try to translate it in English is Red Lion and Sun, although, you know, not each of those words separately, but Red Lion and Sun.

And in Hebrew there's two things it could mean, one is the Red Star of David or just not the, but Red Star of David. And ((Foreign Language Spoken)) or I can't pronounce it. I should, I'm Jewish. I should be able to do this, right? ((Foreign Language Spoken)) or, you know, so it's a really long, long word if you were to translate it into ASCII characters. And that's it for the Red Cross.

And in English for the Olympic you just have Olympic - now here's little bit more because you have - here the Olympic Committee would think it's wrong is they not only translate into the language, but then they phonetically spelled it out in the ASCII . So here's where you kind of have to apply a little bit more because there's a bunch of marks which they've tried to do that with.

But essentially it's Olympic, Olympisk with O-L-Y-M-P-I-S-K. If you do the French word it's Olympic. Germans, I'm not going to pronounce the end of this stuff. But you get the point. So it is really a limited list of the marks.

Jonathan Robinson: So Jeff, it's Jonathan. Just to clarify, that list - is that the list they are requesting for protection in the domain name system or is that the list that is actually recorded in the statute or the international treaty?

Chuck Gomes: Can I respond to that? And Jeff can correct me if I'm wrong, it's Chuck again. The - I believe it's the list - isn't that the list that the GAC submitted with their recommendations? So it's out of the GAC recommendation?

Jeff Neuman: But it's based off so the statues aren't so - the treaty's not so clear. The treaty says that these Red Cross and Olympic are protected in their respective languages and so when you try to then translate them into ASCII you get these different forms.

                 So that's - or well the international treaties have the very overall principle and each nation then protects - so I can tell that you have in the U.S. you have the treaty that says Olympic and the five rings and actually I don't even know if they ask for it, Olympiad. So those are the two in the U.S. Amateur Sports Act. In other nations you have different variations of that.

Chuck Gomes: Chuck again, I hope all of you have empathy for Jeff when I work on this thing.

Man: Simply what is the question then, 2A, 2B, 2C? But we're supposed to pick one?

Chuck Gomes: Well we can pick more than one that we're comfortable with if we are or if we're not comfortable with all of them. The point is I'm going to try - I need to provide feedback to this working group in terms of what we support as a stakeholder group, not what I support as an individual.

Man: Anybody want to make a proposal then?

Jonathan Robinson: I think this - it's Jonathan. I'd like to hear from Chuck because you asked for some discussion. I think we've had some discussion. It'd be great to hear

from you what your opinion is now because you've had a lot of exposure to it if no other contribution.

Chuck Gomes: Well because of their special status, an international treaty and in lots of national law, they seem to be a special category that not very many organizations would fit into. So that to me alleviates the concern of lots of organizations, too many reserve names and so forth.

But the MCSG reps on the group have made a good case that there are some legitimate exceptions to this that should be allowed like Olympus, okay, and the IOC doesn't - they said they don't have any problems with those kind of exceptions. Not that we're trying to appease them, but the key then is to decide how we do that exception process.

Go ahead.

Jeff Neuman: No I was just going to say, I'm not sure it's - and this is a problem I've had with the NCSG. Because I'm not sure it's even relevant because you're only talking about the exact matches of these marks. So if Olympus isn't on there because it's only Olympic and Olympiad, it's the only exception process you need. You don't need it for Olympus, what you need it for is Olympic Airlines or - not even Olympic Airlines.

It would be if Olympic Airlines wants Olympic or if Olympic Paint wants Olympic, that would be the exception process. It's not - so if I'm going to try to do a better job tomorrow in steering people back to that because again if they come and say, "Well" - because then they're basically making the string similarity - a defense to string similarity, but string similarity's not on the table if the group doesn't want it to be on the table.

And right now the GAC has even put that on the table; it's only the Red Cross. So I'm going to try to steer us tomorrow in the conversation and say, "Look we're only looking at the GAC proposal. Let's decide everything on the GAC proposal, then we'll consider the Red Cross proposal if we want to ask." But I want to kind of separate it out so that we don't get down the whole razzle we've been getting down the last few discussions.

Chuck Gomes: Excuse me, Chuck again. I'm not inclined to expand this any further than what the GAC support is, so if you disagree with that let me know. The - I think we're reaching far enough already. So if you disagree with that let me know. So David what we - what I need is some direction. I mean is there support or opposition? If you oppose any changes that's okay too.

Keith?

Keith DrasekDrazek: Thanks Chuck, Keith DrasekDrazek. And I may ask for some help in making sure I'm picking the right option, but I think that because there is - the concerns about this I think are dealt with because it is a unique case and because the GAC was asked for something specific.

And I think that we should treat both equally. I think that we should basically - I propose or suggest that we vote in that way. Now if Jeff you can help me figure out which one of these options it is, I don't know let's treat them the same.

Jeff Neuman: Right, so that can be Option 1 where we say don't protect anything.

Keith DrasekDrazek: No I think we should honor the GAC request.

Jeff Neuman: Okay so then if you go - then it's Option 2C or 2D which is you take all of the words or you figure out some sort of subset.

Chuck Gomes: But we haven't seen it. Jeff sent the GAC proposal and another document around the list.

Keith DrasekDrazek: 2C or 2D.

Man: And personally I wouldn't know - I mean, you know, putting aside chat and as a registry rep I wouldn't know how to differentiate between the terms. So for me I think Option - it's really Option 2C because 2D we would - I don't know how we'd pick a subset.

Keith DrasekDrazek: Yes and I said treat them the same. I think, you know, what they've submitted, right, what they've proposed and what the GAC has forwarded, right?

Man: Correct.

Chuck Gomes: Chuck, I like that basic premise, but I don't think the GAC proposed any exception process. And I personally think that some sort of exception process if it can be designed carefully would be okay. You know, we have to be careful. Do we give some organization their veto power? I don't like that, but there may be a way that we can design it that would allow that.

Keith DrasekDrazek: So maybe there's actually an additional Option 2F, right, which is...

Chuck Gomes: I mean his document does get into that a little bit later. That was one of the last things he referred to.

Jeff Neuman: Yes actually at the bottom of that whole document is okay if we accept protection then there's a bunch of option of how to do exceptions. And frankly I don't think we'll get there tomorrow either. If we can get through this and get a good reading from the constituency or the stakeholders whether they favor the recommendations or not, I suspect the registrars will say no protections at all.

I fully suspect that non-commercials will say no protections at all. And I fully expect the - I think the commercial one may be a little divided believe it or not. So we'll see how it turns out, but by no means do I expect the registrars to support any of this.

Chuck Gomes: Yes Chuck, you know, I don't think that should necessarily factor our decision. It's just, you know, what we see ahead.

Man: Do you have enough input now?

Chuck Gomes: Okay does anybody propose to supporting Keith's suggestion there? And since we're here and it may be hard to get this later, is anybody up to - assuming it's well-designed and some sort of an exception procedure? Okay and if you are you can put it on the list too or if somebody is not here they can do that.

But so I think right now I have what I need - Jeff, did I miss anything there? I think this is helpful, so I know I'm speaking for the group and not for myself.

David MaherMan: We want you happy.

Chuck Gomes: Thank you, I like to be happy. If we're done with one I just want to communicate that I did forward and some of you probably saw it, the information with regard to the outreach task force. So please look at that. I

said if we can get feedback in eight to ten days that'll give us time to work with the NCSG if we need to and so forth and allow time for the - you know, there's an advance notice for motions and stuff like that.

David Maher~~Man~~: Thanks.

Jeff: I think we have to go down to the registrars, but just a small issue. I don't know if we care about it or not, but the GNSO Council had in their discussion with the board basically brought up the notion that we feel like the GNSO Council is constantly being circumvented on a number of issues.

For example the whole decision by the board on the IOC/Red Cross to protect them should've been a policy decision, but it went - the board did it itself. And there are a number of examples where this has happened. You know, everything from the important like that one to the less important, tomorrow instead of being in the main room, the GNSO Council has kicked off into a side room to make way for something else.

So I mean there's a lot of things both substantively and symbolically that the GNSO Council is concerned about and we as a stakeholder in the GNSO community need to be concerned about it as well, of the number of top-down decisions that are being made and ways in which our processes are being circumvented.

David Maher~~Man~~: Okay thank you. I think we've had about enough time to get down to Congress III for the registrar meeting. Thank you all, very productive meeting.

END