
TORONTO – GAC Plenary Session
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ICANN - Toronto, Canada

CHAIR DRYDEN: Good afternoon, everyone. If you could begin to take your seats. We'll begin this afternoon's sessions. Thank you.

Let's begin our afternoon session. I'm joined by ICANN staff. To my right I have Kurt Pritz, and to his right is Karen Lentz. And they're here to talk to us about the recently posted proposal or concept related to prioritization of applications. So there's going to be a presentation. We have a few slides to go through. There's also a document that you would have received in hard copy along with your other briefing materials that outlines the concept. And this is what was posted by ICANN a few days ago. So we'll receive a briefing. Our ICANN staff colleagues have until about 25 past. So it's going to be a fairly short presentation, but I do not anticipate that this is something that where we would be trying to give GAC advice necessarily as we haven't had time to consider it. But this is really an information session. And it gives us an opportunity to think about things, and GAC members should certainly contemplate commenting on this as it's out for public comment now based on their level of interest in doing so.

So I think, at this point, I can turn over to Kurt to provide the presentation. Thank you, Kurt.

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KURT PRITZ:

Thank you very much, Heather. And it's very good to be with you all again. Thanks for having me to your meeting.

This is the presentation that I'll be giving -- that we will be giving to the general ICANN attendees at a session on Thursday. So -- Wednesday, Wednesday. So a good opportunity for me to rehearse. And I apologize in advance for the rough edges. Jeannie, do we want to start?

Don't be daunted by the complexity.

So, as you know, we've been casting about for an equitable process for prioritizing gTLD applications. There's 1923 of them right now. They're going through this process we call initial evaluation where they're being checked to see if they have the initial and technical wherewithal to operate a registry. And there are other checks, too. The geographic names check, for one, is a test that we work with the GAC on to develop. And other guidebook evaluations are taking place.

When those are complete, we need some way to prioritize them through the rest of the process and delegate them into the root zone. Remember that we've all committed to delegating no more than a thousand gTLDs per year. And we want to do that in some smooth style, not all on January 1st and then wait a year. And so we need a way to order these.

And those of you who have been watching know that we've gone through some trials. We've probably exhausted public discussion on this and developed this model for accomplishing it.



The flow chart you see in front of you really is the entire process for evaluating and then finally delegating new gTLDs. And so I'm going to take you through this.

And the cornerstone of -- the new development or the cornerstone here is the prioritization draw. So, Jeannie, if you could go to the next slide.

So the draw is just a manual prioritization method. It's paper tickets. Some of these mechanisms are designed in a way that's in accordance with U.S. law. Because that's -- because ICANN is -- has its headquarters in U.S., that's where the draw must take place. So each application will be assigned a draw number that will determine its priority during the rest of the process. The draw will occur in December. Legally, it requires a paper ticket. And it has to be sold for some value. So we expect that value to be \$100. And the ticket must be purchased in person. If an applicant can't make it to the U.S., they can appoint a representative, or ICANN will appoint one and pay for that service.

In this proposal draw numbers can't be exchanged. So we're not setting up a market in priority numbers. Every application will get its priority and stay. And, if applicants don't want to participate, they can just be placed at the end of the priority. So now that they all have priority numbers -- Jeannie -- what happens next?

We're in an objection period now where formal objections can be filed. The period for filing formal objections will expire March 13th. That's two months later than the date that ICANN's currently published -- we've currently published January 12th or 13th. But we've received public comment that, due to the number of applications, the comment period should be longer than January 12th. And this is -- you know, the



reasons for choosing this date is a longer discussion that we can have at another time. But I just wanted you to understand that date. And then -- next.

The initial evaluation results will be released. So, instead of releasing them all at one time, we'll release them in priority number order. And we'll start releasing them in -- after the objection period ends. And so, if you take the time between when the objection period ends in March and -- so, say, at the end of March and our current schedule that has all the evaluations being released by June, you'll see that about 150 a week will be released.

So they'll all be released in priority order. It won't be 150 a week at first, because we've kind of got to rejigger the order of the evaluations. So it will be a little lower rate at first, but then it will ramp up. This proposal calls for IDNs going first. So realizing the public interest and the benefit and the geographical diversity encouraged by IDNs, the first ones that will be released will be IDNs.

And then, if an application passes initial evaluation, it can immediately go on to the next step. If it fails evaluation, it will be held until it's passed and then it will be released. So I'll talk a little bit more about this later. But think about weekly lots of initial evaluation results being released in priority order.

Next.

And the next check after the evaluation results are released are there any objections or is a string in contention? Are there identical applications, or has it failed initial evaluation? Can I have the next slide.



So applications that pass initial evaluation and are free from objections and contention will progress immediately on to the next step. But, if you fail initial evaluation or there's an objection, then you're stopped. And you have to resolve that contention or objection.

And then, for however many weeks that takes, the application will be held in that state. And then, when it clears objection, if it wins in the objection process, then it would join that week's batch.

Next?

So, once you've -- once an application has passed initial evaluation, they'll be asked whether they accept the standard form agreement. So this is meant to incent new registries to accept the form agreement and not negotiate. Applicants that don't accept the base agreement will enter a negotiation queue, and they'll be processed in draw order number. But applications that accept the base agreement will immediately go on to the next step.

It's really important to note that, at this stage of the game, we're not executing any agreements, that we're just getting a signal from the applicant that they've agreed to the form agreement.

Next? So then the applicants can go on to predelegation tests. So what they'll do is think about each weekly lot coming to predelegation tests. They can make an appointment for a predelegation test. And we'll have four appointments or day or 20 a week. Is that right? Yeah. Because we'll take weekends off. And so that is a form of metering. If you think about 20 per week times 50 weeks, that's where a thousand a year comes from. So that's the first metering is that applications that pass

initial evaluation and accept the standard agreement, then come in priority number, priority number order to predelegation testing. And they can select an appointment for predelegation testing. If they pass predelegation testing, they go on to the next step. If they don't, they pick another date. Can I have the next slide?

So, if you think about how this works, here's applications, you know, the first 19 applications in priority number. So string number one or X can select the very first date available for a test and so on. So you see the first four strings fill up the first day. String number 5 might decide I'm not going to be ready for predelegation testing for a few weeks, so I'm going to pick a later day for when I'm ready. So this way the applicants can pick what their real priority is, whether they want to be delegated right away or whether they want to wait. And so each application, as it comes up in draw order number, can select whatever date's open. It's kind of like a restaurant reservation.

And I just want to say a word about how this weekly -- you know, I want to say weekly batching, but I'm trying not to say the word "batching" -- but weekly allotment of applications. So the first week that initial evaluation results are done, set 1 or release 1 of the evaluations are released in priority number order. And they go on to contract selection where they can decide whether or not to accept the base agreement. In week 2, the second set of initial evaluation applications are released. Meanwhile, the first set can go on to the predelegation test appointments and select their appointments from the earliest one. In the third week, there's another set of initial evaluations released. Another set that choose the base contract or decide to negotiate. And now the first set can do their predelegation tests. And you can see that



releases might occur every Friday at 5:00 in some predesignated time zone or something like that, so it will be a regular weekly release of applications into the process. And, as we saw, through predelegation test, after that they'll only be going through at a rate of 20 or maybe more per week. So that's how that all works. Next.

So where are we? So we're back at predelegation test. So the applications select an appointment. And then they can, if they pass delegation, they go on to the next step.

Jeannie, next.

So then this next part will happen after the Beijing meeting.

So after -- sometime after Beijing, or the ICANN Beijing meeting, ICANN will execute agreements that were accepted by the applicants. And, again, we'll only sign 20 contracts per week. So, if applications pile up for a while because the Beijing meeting hasn't happened yet, then we'll -- then we'll only sign 20 contracts a week.

Next?

And then the applications will go on to IANA processing which will occur as it always does on a first come first served basis. So based on the metering steps above, remember, 20 applications a week in predelegation testing and 20 a week in contract signing, it's expected that, you know, the new TLDs will be delegated at a smooth rate. You know, it might be a little lumpier, but, say, 80, 85 a month and meet the 1,000 TLD per year target with a smooth delegation rate.

The next slide?



So you remember on the first slide in tiny font there was some guiding principles in the lower left hand corner. Next.

And I just want to go over them again. So we want to enable the program to move forward as quickly as possible but at a controlled pace.

The objection period will close 9 months after the delegation -- I'm going to read that sentence again, because I messed it up so badly.

The objection period will close 9 months after the publication date, which is March 13th.

We'll release IDNs first to underline our commitment to the global public interest and then international outreach. There will be no contract signed or any delegations until after the Beijing meeting. And we want to limit delegations to 1,000 a year to ensure a smooth and stable delegation.

So first I'd like to hear if that was comprehensible at all, because I'm going to give this presentation again. And from sitting here it sounded like it could use some improvement. But, Jeannie, if you could put the second slide back. And, Heather, if we could take questions.

CHAIR DRYDEN:

Thank you very much for that presentation. I see Egypt asking for the floor.



EGYPT: Thank you, Heather. And thank you, Kurt, for the presentation. First, apologies if I missed this in the presentation, but you mentioned that IDNs are going to have some priority somehow. And I'm not really sure how is this going to be done in practice? I mean, if it is a draw and each one has a certain number, then how are IDNs going to have some priority? And I have two other remarks. But, if you want to take them one by one or --

KURT PRITZ: So I want to point out as a preface that this is posted for public comments. So we're having a 30-day public comment period on it. 30 days -- we have a procedure for amending the applicant guidebook that calls for a 30-day comment period. So we're following that.

And how it would work is simply that IDNs would be given a priority number in the same way. So the IDNs would go first. So there's 116 IDNs. So they would pick out of one jar, and the rest of the applications would pick out of another jar. And the IDN applications would go first in the order selected. So the 116.

So that's the proposal. You can imagine there are many ways of prioritizing IDNs. It could be every other one we're not sure is an IDN or make sure all the IDNs go in the first few months. But we've decided just to put them first as the proposal.

EGYPT: The second point, very quickly -- and excuse my ignorance -- where is this from applicant competing for the same string? This will be resolved



before the draw and what if -- if not, are they going to take different numbers or --

KURT PRITZ:

Yeah. So the draw will -- that sort of contention -- that's not an ignorant question. The draw can occur at any time. I mean, I'm going to start again. The contention -- that can be resolved at any time. They could -- parties could decide to resolve it tomorrow, or it could be months from now. The way it fits here is that the parties will draw their priority numbers regardless of whether they're in contention. Their initial evaluation results will be released according to the priority number. But then it will be held. They won't, you know, go on to accept the standard agreement until they resolved the contention. So the applications are held at that point until the contention is resolved. And the same thing with an objection. If there's an objection, they have to go through the dispute resolution process before they can go on.

EGYPT:

So the last thing -- and I'm sorry to keep the floor so long.

In the document it says, "Travel costs can be offset by the appointment of representatives at no additional cost to applicants." And if I just seek more clarification.

KURT PRITZ:

Yeah, so the rules around these types of draws is that the ticket must be received in person either in -- if it's in Washington, D.C., or California. And it has to be in the United States, which isn't where we would have



picked first. And so it must be done in person. But the applicant doesn't need to be there. The applicant can appoint a representative that's already local. If the applicant can't do that, ICANN will do that. It will appoint an independent third party, and ICANN will -- ICANN can absorb the expense for that. So it's at no cost to the applicant, so they're not disadvantaged by being far from the drawing.

CHAIR DRYDEN:

Thank you very much. So I have Sweden, Italy, Greece, Argentina, U.K., Norway, and the African Union Commission. So Sweden, you are next, please.

SWEDEN:

Thank you very much. I will try to be very short, because I know many colleagues will have a lot of questions. I have a question about the pace, actually. Because you are talking about that number thousands of applicants. You're trying to keep it around there.

But, according to what I understand, it's not really the number itself. So the thousand is going to work and 1,001 is not going to work. You see, it's more the pace, actually. So the evaluation is more connected to the pace, which means that a thousand might be too much or it could even be more or less. But it's -- so that -- I kind of like that dimension in the presentation. And I think that I hope that is going to be the evaluation and show the predelegation test system that the evaluation is going to be based on pace more than the amount itself. Thank you.



KURT PRITZ: Yeah, I accept that. And that's a very good point. And that's why we're doing predelegation test, we're doing it at 20 a week, which is the pace, which is the smoothest rate. So we -- and we've checked with, you know, we've written to certain people at SSAC and checked with the technical community to see if that meets their expectations. But, really, it's the most conservative approach. Thank you very much.

CHAIR DRYDEN: Okay. So Italy, you are next please.

ITALY: Thank you, Chair. So, if this scheme is approved, then this will be very credible, let's say, implementation plan of the new gTLDs.

I -- so I can judge this as a very best effort in the sense that signing four contracts per day is something that is the limit of credibility. Let me say that.

So my question is: If this is passing like this or modified, which is the intervention of the board? Is it something that is going without any further approval of the board or not? Because signing contracts is something that is quite irrelevant also from responsibility point of view.

And so -- and then this idea of -- so this is -- batches are cancelled at this point. This is clear. And then, when the new registries are accepted into the IANA database, there is also normally an average delay of activation of the new registries. And you have an estimate of what is foreseen, let's say, delay of this type.

So these are the basic questions just to understand a little bit better what is the plan behind. Thank you.

KURT PRITZ:

Thank you. We can talk later in more detail. But very brief, so others have time to ask questions. So I have a stamp, so I can sign contracts really fast. No.

So the idea is that applicants that agree to the form agreement -- so we have an agreement already posted. So, if they agree to that form, then there's really no negotiation that has to occur. So then we can sign contracts quickly. If they don't agree to that form, then they go into a queue to negotiate. That is going to take a longer time. So those types of contracts won't be -- you know, won't be signed at the rate of four per week.

The role of the board is oversight. So, certainly, you know, when the board gets GAC advice, they're going to look at that application very specifically. They're going to be furnished with reports on the processing of all applications so they know each application went through the process that it was supposed to go through. So we'll know that's going on. And so we'll maintain oversight over the process.

And then, finally, the board will listen to public comment, too, and read other things. So the board can decide to take any individual application based on any input they get and decide to look at it individually.

With regard to IANA, IANA and its partners at NTIA and VeriSign and the delegation chain have been working together to create a process that --



and they're ready to certify that they can meet the delegation rates that are required. So they're working on a statement for the community that they've been working together and can accomplish that.

So, you know, you raise very good questions. And a lot of it has been thought through, but that doesn't mean there's not complex work to be done. And the issues we're facing are exactly the types you bring up.

CHAIR DRYDEN:

Thank you. Next I have Greece. Please.

GREECE:

Thank you. I have three or four very brief remarks.

The first is that in your timeline you have not taken account of the GAC input. You have said March is the end of the formal objection. But there is also probably a deadline for the GAC to give the advice. This will probably initiate bilateral discussions. And this will have to be put into the timing and will affect your work in terms of contract and final evaluation.

Second remark: Egypt asked -- and I was not fully convinced by the answer. What happens with the applicants who have asked for the same string? In my understanding, they would be comparatively evaluated. And either -- and probably the best will get the string. And, if you have some which are equally good as per ICANN's criterion, they will -- the -- those will get the stakeholder who asked for it first, first come first served, amongst those who are equally good.



In the drawing process this doesn't work because those who have been -- who have a higher number will get the contract first. And the others will stay out. So I'm not sure this is resolved.

Third remark concerns IDN priority. My understanding is that there is now a PDP or something equivalent going on about IDNs following the first period of the fast track. And I'm sure that no prioritization can take place before this has finished and you know how will this work.

In the light of the experience we have had with our request for an IDN, we would be very doubtful. We would even oppose giving priorities to IDNs unless we have resolved the basic things about IDNs. So that's only Greek position.

These are my three main remarks.

KURT PRITZ:

Thank you very much for that. This process intends to make full accommodation for GAC input, but you raise an excellent point. For example, we expect GAC early warnings some months before the first release of initial evaluations. But, thinking about what you said, the GAC -- a GAC early warning might result in an application having to take up some remediation or some action. And maybe that action or remediation is not completed by the time of early evaluation results being released. So we should think about if there's an application and there's GAC early warning how we fit that into this process and make sure that there's time for the applicant to amend his application in accordance with the GAC early warning. So I understand that, and I think we should change it. We should add something to that.



GREECE: And that advice will come after Beijing. So this, again, is after March.

KURT PRITZ: Yeah. That's GAC early warning, and then GAC advice will come after Beijing.

So I think in perfecting this model, we want to -- you know, and that's why the word "Beijing" is in there but not GAC advice. Because we want to work with you to understand the timing and make sure we fit it into the process we have. So I think that's going to be an ongoing discussion for us. And I know you've been working really hard on it.

And, with regard to contention, if one string and another string are the same string, those will be held until this -- that contention is cleared. So there will be no contract signed until that contention is cleared. In fact, it will be stopped early in the process. And then, you know, I certainly understand your issue about IDNs and our responsibility -- ICANN's responsibility to Greece to resolve that. And we're watching the ccNSO, and we stand by to implement, as soon as we can, a solution.

CHAIR DRYDEN: Thank you for that. Next I have Argentina, please.

ARGENTINA: Thank you, Chair. Thank you, Kurt, for the presentation. One of the questions was made by our colleague from Greece about where does the early warning fit in there, so that's answered by you. Thank you



very much for that. You also mentioned that IDNs and geo names would go first in your evaluation. What about those geo names that has been presented as brand, and are geo names. Are they going to be reviewed in that first stage of evaluation or they will go as brands into other part of the evaluation. This is the first question. And then you said that objections can be filed up to 13 of March. One question is if a country has -- has a conflict with one -- a string which is a name of a region that has been presented as a brand, should -- and rises the early warning and hopefully if it -- hopefully it's solved and if it's not it goes to the GAC advice, the country should also file an appeal -- objection or no? That's the second question. Thank you.

KURT PRITZ:

So this -- this proposal has IDNs given the first priority. So IDNs that are geographic names or are not geographic names, if it's an IDN it will go first. And if it's a -- if it's a Latin or ASCII geographic name it will go with the rest of the applications. So -- to comment on this, when you want to comment on this proposal, the proposal is IDNs go first and the rest of the applications are all in one pool. And, you know, how to approach an objection to a specific TLD is the choice of every party, you know, it's hard not to say you should use all of the -- all of the tools at -- a government or an individual should use all the tools at its disposal, but multiple tools, you know, GAC early warning, GAC advice, the objection process, multiple paths were developed because some governments would find some easier to use than others. Some individuals would find them easier to use than others.



CHAIR DRYDEN: Thank you, Argentina. So Kurt has just a few minutes, so we'll continue with the speaking order and hopefully we can get through the remaining speaking order and then we'll thank Kurt for the briefing today. So I have U.K., Norway, Brazil, Germany, and Spain. So U.K., you're next, please.

UNITED KINGDOM: Yes. Thank you, Chair, and thank you, Kurt, for very clear exposition of the processes and timelines and key milestones and so on. It's very helpful. I just want to come back to what you just stated in terms of the government authority approved geographical names, that they're not prioritized in this proposal. The U.K. view is that they should be prioritized along with the IDNs. They've been through a stage of evaluation at the government level in accordance with the procedures agreed with ICANN and we think then that they are eligible for consideration as priorities in the fast track process. So I would be grateful if you could explain a little bit more as to why you've -- as to whether you considered that fully and secondly, why you came to a decision that they would not be eligible to be fast-tracked. So that's the first point.

The second point I have is about non-identical contentions where -- are you bracketing them in with the -- with the contention, the identical contentions or, you know, I would expect possibly there will be appeals against decisions taken with regard to non-identical contentions and I have to take the opportunity to relay concern expressed by U.K. stakeholders that there's lack of clarity about the processes involved with resolving non-identical contentions. So I hope you'll be able to



take that away as a point of concern, that they don't understand the brands in particular I've been talking to who have been applying and are worried about non-identical contentions are saying to me that they have no understanding of what the processes are and so how they fit in with this schema is going to be useful for me to be able to understand and if the Board and staff can take away this concern, which I think is fairly widespread, the lack of clarity, I'd appreciate that. I think that I'll leave it there as very short of time. So thank you.

CHAIR DRYDEN:

Thank you, U.K. So I'll continue through the speaking order, and Kurt may have comments to offer at the end and I see is taking careful notes about the exchange we're having. So Norway, you are next, please.

NORWAY:

Thank you, Chair, and thank you, Kurt, for the briefing. Just to follow up one of the questions from Greece, because I didn't understand, maybe you didn't give an answer to my part of the question. If you have more than one applicant for a gTLD, we have quite a few of those, so that the contention will not be -- you will not have a signed contract before contention is resolved. What is the -- what is your part of that? You're going to resolve this contention? And what if it's not resolved? What happens? And also, one question is, have you gotten any reaction to this method already? I know that we have just received it, but have you already got reactions to it? Thank you.

KURT PRITZ:

Yes, the U.K. has wondered why. So if you look at the chart, initial evaluation results are released and then we ask, is there a contention. And if there is, the application stops there until it's resolved. And if it's resolved, it goes on. So by resolution I mean, the guidebook indicates three ways to resolve contention. One is that the parties could agree, you know, they can negotiate and come to an agreement, you know, either form a joint venture or choose one that goes. Second, if one of the parties is a community-based TLD, it can choose the community priority evaluation that's defined in the guidebook that's in Module 4. And so that's the second way to resolve contention. And then the last resort method of resolving contention is an auction. So we think at the end of the day there will be very, very few auctions, that already the applicants are talking to one another to resolve it. So contention is resolved. We give them a chance to settle it. Or we get the community ones, we allow them to have a priority or we have an auction. So that's how contention is resolved.

And so we've got, you know, it's really -- I wouldn't say I've gotten -- we've gotten real feedback on -- this is the most concrete feedback we've gotten so far.

CHAIR DRYDEN:

Thank you. Next I have Brazil, please.

BRAZIL:

Thank you, Heather. And thank you for the very clear explanation. I would like to first say that this prioritization process, I think it's positive because this whole gTLD program is so complex that if we can find ways



to proceed with some group of applications that are not contentious you can help the process as a whole. In this sense I would also like to thank for the notes that have been given in written form. And when there is summation that one of the emergent solutions from the comments was advancing certain categories of TLDs and in this sense I would like to follow on the question from the colleague from the U.K. and I would like to refer to a very specific categories of applications which are the applications from cities which comes with the support of the governments of those cities or they have themselves been presented by the governments of those cities. In this sense I understand that this group of applications, since they tend to be less contentious, they would be eligible for some kind of prioritization. Including, because it also, in my view, it falls in the same criteria that are said to have been used by prioritizing the IDNs, namely that they would be of global public interest and also would attend to the interest of having more international outreach. So my -- my question is, following the question of the U.K., why they were not --

KURT PRITZ:

I think -- so to answer your question and Mark's, the policy as was crafted was to give no category of TLD an advantage except for those community ones that went out in cases of contention, and the staff and the Board that were looking at this were seeking to find some category of TLDs that clearly provided public benefit, if going first, and to those decision makers, IDNs most clearly seemed to fit that bill. Arguments can be made for many categories of TLDs going first and certainly geographic names, ones that have the approval of governments or, you know, category -- cities that have the approval of governments are in



that class. You know, there is some balancing to be done. There are -- many of those TLDs are commercial and they'll be in competition with other TLDs that aren't geographic names but be just as commercial as those. So there's some balancing that goes on and the Board will be very interested to hear the GAC opinion on it. But what -- was trying to create a public benefit by letting IDNs go first and try to draw the easiest bright line rule that was less contestable. But I agree, it's -- you know, it's a balancing, especially when you open the door to allow some to go first.

CHAIR DRYDEN:

Thank you. Next I have Germany, please.

GERMANY:

Yes, thank you for this presentation. It's quite, quite helpful. And for us, very interesting. I just want to jump in the discussion we had. And as other colleagues, like U.K. and Brazil, raised this question on geo TLDs which I frankly have to say I have some kind of sympathy with, I wonder what would be the impact if they were prioritized or would be also considered in the same category as IDNs. What would it be the impact for the other applications? I think the delay for the other applications, things we speak about, 60, 80 geo TLDs that are applied for, would be about something like three, four weeks that would delay. If the GAC would come to some kind of advice or whatever, prioritizing these -- the delay for the other category we would speak about three weeks or four weeks that they would have to wait.

Another question, frankly, I'm not sure whether I -- I really understood your answer in respect of this confusingly similar string which our colleague from U.K. was raising. Just for understanding, they would be - - the contention set would be the same as for identical names, was I misunderstanding in this -- this problem.

And the last one is more an observation than a question. First of all, what made ICANN change its position because not so long ago we were sitting together and we heard that random decisions are impossible and now we have man -- a random position. I think it's interesting and I think it's also fair to everybody, but I wonder what made ICANN change its position on that.

And the second question, some of the regulations with -- combined with this decision from our point -- perspective at the first sight seemed to be a bit too bureaucratic, for example this question that the applicants have to pay for a draw. It seems to be \$100. It seems to be a bit strange. Frankly, as I already paid almost 2,000 -- \$200,000 for participating in this -- in applying and then they have to pay, let's say -- let's say prioritize, that seems a bit strange. Or there is a need, since they have to be in person in the United States to receive such that's also something that seems a bit bureaucratic but probably I suppose there will be legal restrictions that ICANN has to follow. Thank you.

KURT PRITZ:

Thank you, Hubert. You got that last part exactly right, that we're trying to follow a regulation. And so it does seem a little bit awkward, and that's why the idea of a drawing wasn't adopted right away, because of some of these regulations. And to answer yours and Mark's question,



contention sets, whether they're exact matches or non-exact matches, are handled the same way. And when -- when a contention set is identified and labeled as a contention set, there's an automatic review. So all of those -- rather than wait for an appeal, all of those sets identified as in contention get automatically referred to a second panel with different -- a different firm to repeat that evaluation. So the identification of -- as a contention set is reaffirmed that way. So that's the process for how that's done. And I think it's pretty clear in the guidebook, but I always surprise myself.

And there are 66 geographic names we counted so, to inform, for when you make your argument about geographic names, there are 66. So --

CHAIR DRYDEN:

Thank you. Okay. So we have our last speaker before I closed the speaking order earlier, so we have Spain and then we have to thank our guests. So please, Spain.

SPAIN:

Hello, thank you. Speaking in Spanish. Do you have your headphones? Okay. Thank you.

Well, my colleagues have said what I actually wanted to say, so I would like especially to thank my colleagues from Germany because my comments were on that line. In the Prague meeting we rejected the digital archery system because it was random and because it could have negative consequences and now we see it has been replaced by a random system as well in which you even have to pay 100 Euros or

\$100, I'm sorry. And if somebody wants to be in the priority list, they need to pay. And if they don't pay those \$100, they will be at the end. And you even have to come to the United States to pick it up in person or just appoint a representative, which is more bureaucratic.

Regarding geographic names that have been mentioned, I do agree and I would also like to add to the suggestion that names representing communities and which have no conflict or no contention with any other application could also be considered in an order of priority and these applications embody the public interest and one of the aims of the new gTLD programs which is increasing diversity, geographical diversity, and the presence of different communities in the Internet. Some of those applications also have the support from the respective governments and it has been very difficult for them to put together all the documentation, prepare the applications and they have their funders, their investors, who are contributing with monies in order to expect this gTLD process to end up soon. I think this doesn't damage everybody and the fact of being in the first place also meets one of the new gTLD's objectives if you give certain priority. Thank you very much.

KURT PRITZ:

Thank you very much for those comments. Certainly we understand the bureaucratic elements of the proposal, including the fee and including the necessity to either travel or have a representative appointed. That's why there's been such a balancing as to the different possible solutions that, you know, it's not just a weighing of the positive aspects but we try to minimize the negative aspects and we thought this solution brought the most benefit and the least negative aspects and then we tried to



ameliorate those negative aspects by appointing a representative at no cost, if that's necessary. But we certainly understand your point.

And also, about the community TLDs and the geographic names TLDs, and again, the Board and ICANN members that made this proposal for IDNs going first were trying to draw the clearest line and identifying those that we thought would bring the most benefit and diversity to the Internet. But thank you very much.

CHAIR DRYDEN:

Thank you very much for that useful presentation, and thank you, Karen, as well for being here. Apologies to those that requested the floor after the speaking order was closed but unfortunately our guests have another meeting to run to. So thank you again.

KURT PRITZ:

Thank you very much.

CHAIR DRYDEN:

Appreciate it. For the GAC, let's have a quick break and reconvene at 3:00 and we'll continue through the -- the agenda for the afternoon. Thank you.

We'll reconvene at 4:00.

[Break]

