Wednesday, March 09, 2016 – 17:15 to 18:30 WET
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JONATHAN ZUCK:	For people on the Adobe Connect, we'll probably get started in two to three minutes.
	All right. I think we'll get started here. Thanks, everyone, and welcome to the Competition, Consumer Trust, and Consumer Choice Review Community Engagement Session. I will note for those not in the room or on the phone that MP3s will be made available to you afterwards for you to submit your input.
	Where do I point this? It's the arrow, right?
UNIDENTIFIED MALE:	Yeah. You need to set up here. You should have plenty of range.
JONATHAN ZUCK:	Okay. We're having a slight technical difficulty with the slides. The IT department said that I should have plenty of range, even though I'm a baritone, in order to handle this session.

So by way of background – oh. There's some beginnings of some slides. Okay, this feels like slide six or something though. It is slide two? Oh okay. All right. Oh I see.

All right. Thanks, everyone. Welcome back. The review on Consumer Trust, Consumer Choice, and Competition was one of the reviews mandated by the Affirmation of Commitments and is a part of the accountability proposal we built into the bylaws going forward. We were asked to review the degree to which the New gTLD Program has promoted competition, consumer trust, and consumer choice and as well as the effectiveness of the application processes and as well as the safeguards. So that's sort of the overall concept behind the review. Next slide.

So as you can see here, there's a review team made up of 17 people, and there's some geographic distribution here on the screen from where folks are from. There are four experts – independent experts. There's representatives of the ICANN CEO and the Chair of the GAC as part of the team, and the rest are members of the community, which we'll see on the next slide. So, next slide.

You can see here the distribution. Over on the left is the SO/AC representatives. You can see there's representatives from the GNSO, ALAC, GAC, and ccNSO. There's independent experts and

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then the representatives of the CEO and the Chair of the GAC. Okay, next slide.

So we divided the work into three sub-teams; one that will deal with competition and choice, one that deals with consumer trust and safeguards, and the other with the application and evaluation process. Next slide.

We have a basic work plan laid out here, which is that we are this month determining the issue areas. That's part of why we've asked you here is to help with defining the issue areas that we'll be covering. We're going to be requesting some additional data sets. For those that don't have the background in this, there's been some data collection that has occurred over the past couple of years that will help this review, and there's also been phase one studies, economic study, and phase one registrant survey, and an end-user survey. So you'll see that here in May the Phase Two Consumer Survey results will be published. In June the Phase Two Economic Study results will be published, and then we're hoping then to issue some interim recommendations so that some of the PDP Working Groups that are working on the policy development surrounding potential subsequent new gTLDs will be able to incorporate some of our findings.

Then we would issue final findings, and then we will put a draft of for a public comment, along with some recommendations. I guess that's what where public is meant to be: as recommendations for public comment. And then finally deliver the final report probably mid-year next year.

So without further ado, we divided up into sub-teams and so we have three sub-team Chairs. Jordyn Buchanan is heading up the Competition and Consumer Choice sub-team, Laureen Kapin is heading up the Trust and Safeguard sub-team, and I'm heading up the Application and Evaluation Process sub-team.

So without further ado, I'd like to introduce Jordyn Buchanan to go through some of the high-level topics associated with Competition and Consumer Choice and the open that up for discussion. Jordyn, go ahead.

JORDYN BUCHANAN:	Thanks, Jonathan. In order to help plan our work, we've, as Jonathan pointed out in the overall work plan, the Competition and Consumer Choice sub-team has tried to identify an issue set that we'll be focusing on. We've done this by basically posing questions that we think that we'd like to answer during the course of the review. We've spent some time developing that list of questions. This is not intended to be every question that could ever be answered about Competition and Consumer Choice, but

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rather the ones that we think are both most germane and most important to answer, as well as those that we feel like we're going to be able to get adequate information on in order to answer and that will have time over this course of the review in order to answer, as well.

As part of this exercise, we've also gone through and tried to prioritize topics into either high priority or lower priority. Let me start of by running through the questions that we've identified as being high priority. This is an area where we'd really like feedback from the community. Do we have the right set of issues that we're looking at? If we don't, it's great to hear now so that we can focus our work over the next – as Jonathan mentioned – over the next few weeks and months, we'll be using these set of questions that we're trying to answer in order to determine what's the data that we need. An important part of this exercise is that we want this review to be very data-driven, to be based on objective measures, as opposed to just putting our fingers in the air and hoping that we come up with good answers based on our opinions. In order to do that we have to have the right set of data, and it can often be somewhat time-consuming in order to do so.

There's already two studies that have been done in order to support this work; the first one by Analysis Group and looking at the competitive aspects, and secondly by Nielsen looking at. It's

a survey on consumer behavior. Those are about to go into a second phase where they're going to ask some of the same questions and follow up on some additional data, as well. We're trying to hone those follow-up analysis right now because we really need to get these questions right if we're going to do that.

I'll run briefly through the key questions that we've identified, and then I'll think we'll pause and have an opportunity for the community to give us feedback on whether we're heading in the right direction or not. In the area of competition we've identified five key questions that we're trying to answer. The first two I think are hopefully fairly obvious. It's: has the introduction of new gTLDs through the 2012 round been effective at promoting price competition in particular? Consumers, registrants in particular, they've seen lower prices as the result of the introduction of these new gTLDs.

Similarly, we want to know: has the introduction of gTLDs have been effective in promoting non-price competition? And there you could think about are there registries offering new features? Are users excited by these names that they can use instead of the existing TLDs that were available to them in the past and choosing them because of just the nature of the name is different or exciting? In this area, we would look and see whether or not we'd seen competition for factors other than price. In fact, one early result that we've noticed is that in many

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of these new gTLDs, prices are higher than in a lot of the legacy gTLDs. So that would imply that there's some other reason why the consumers are choosing these. We want to look into to whether that's been an effective mechanism of competition, as well.

The third question we're looking at is probably the trickiest one and that's essentially – when you talk about competition you're generally talking about competition in a particular market, competition between who and to sell what. It's going to be very challenging I think to figure out exactly what the market that we're talking about for the purposes of competition are. Is each TLD its own market? Does a registrant come wanting to buy a domain in a particular Top Level Domain name and then really it's just like a matter of which registrar you're choosing because you're stuck with one registry? Or is a registrant in a particular geography, maybe they're choosing between the local ccTLD and a set of gTLDs. Or maybe someone wants to start a photography website or something like that and there's certain topical TLDs that might constitute the market of domain they're interested in.

This is actually an area which – we have some wise economist on our team, and they basically suggested that they will probably not actually going to get a definitive answer to this question. Instead, what we'll do is we'll say, "If you think about the market

is being this way, here's what the results of the marketplace look like. Here's how the competitive effects would shake out." And so we'll have a few different approaches that I think we'd take in terms of thinking about this question of what the market looks like.

The fourth question we're trying to answer in the area of competition is instead of looking at competition between TLDs, it's this question of: how has it affected the retail channel? Because as folks probably know here at ICANN, the registries aren't selling directly to the public. There's the channel through the registrars. So has the introduction of these new gTLDs affected competition between registrars in the way that they approach the general public?

Then the last question we identified is a broader one which is simply – the consumers actually know about these things – are they aware enough that it can actually allow for competition? Because obviously, if you don't know that the service or product exists, you can't go out and try to buy it.

So those are the key questions that we've identified as the high priority topics. I see Jeff raising his hand, but can I ask you to hold off just a minute, Jeff? We'll go through the other topics and then come to the questions. Pardon? Yeah, I got two more slides and then we'll get you there.

So the other area that our sub-team's looking at is the topic of Consumer Choice. We've identified three high-level questions we want to answer there. The first one is basically is, is further segmenting and regulating the name space that we have, is it valuable to consumer's navigating the name space? And this is really a question of, okay, so now there's a domain – there is a .pharmacy and it's limited just to pharmacist, and there's the .photography and it's not really limited to anyone, but maybe you could guess based on looking at something that there's going to be photographs on it and so on. We have all these new TLDs that are sort of slicing up the name space and giving it some segmentation and differentiation that we didn't have before. It's actually useful to people who are navigating around the Internet to actually help them find the content they want to. Obviously, this also applies to people registering domains to a certain extent but we think that it's captured a little bit more in the competition topic by having those names available.

The second question is: has the fact that we have all these new choices available, has the benefits of those choices outweighed the costs of introducing these new gTLDs? And in particular, does it outweigh the costs of potential confusion? Because in the past people are used to sort of a relatively small and stable set of gTLDs, and does the fact that we have so many more – does it add value in terms of the ability to find new stuff or does it just

make it harder to find things, is another question that we'll be taking a look at.

Then the last question that we'll look at is essentially: have consumers either in different regions or who speak different languages or use different scripts all benefited either equally or have they benefited in different ways? Right? Are people in North America getting the same benefits out of the program that people in Africa would be or are people who speak English getting the same benefits as people that speak Thai from the program? And in particular, are they getting the same level of choice and options available to them?

The other sort of follow-up question to that is, even if the TLDs and the domain themselves sort of given them more options, do they actually have places they can go buy the names? Are there registration options available to them? We'll be taking a look at both of those questions.

So these are the set of questions we just find as high priority that we're really going to be focusing our initial inquiry on, and then we have another set of questions that we've identified as being lower priority for various reasons.

One example of that would be, have different types of TLDs – as people may know some applicants came in representing communities and applied as a community. Other applicants or

other new gTLDs are geographic in nature. So .berlin or .nyc would be examples of those geographic names, and now there's many dot brands, as well. Are these different types of TLDs, are they adding choice and competition in different ways? That's an interesting question we think, but not quite as important as just overall whether we see more competition. So if we have time, we'll get to this one, but we've identified it is as a little bit lower priority than the other things that we're looking at.

Another separate question is, a lot of the new registries are doing different things than just first come first serve in terms of how they distribute names to people. Some of them have auctions up front or reverse auctions, some of them have premium price lists, and some of them have special programs where they give names out in advanced of the general launch. Are these programs getting domains in the hands of people who are going to use them better or differently than we've seen in the past? Once again, that's an interesting question. It may be too early though to really understand the answer, and this is also a little bit of harder one to even define what it means to better allocate names.

Another related question is: what's the effect of new technologies like apps or social media on people's use of domain names? Is that making it so that people wouldn't want to use these gTLDs because of using other technologies instead?

We want to take a little bit of a look at the effect of these other technologies and the effect of competition. This one actually feels like there's been a lot of interest in the group, but we've had a very hard time pinning down how to take a look at it, and so this is just one where practicality may get in the way of our ability to really understand the effects here.

Related to this, there's just this general question of, is it too soon to really figure this out? And I think in a lot of cases we'll find that it is too soon to have authoritative answers about the effects of competition and consumer choice. But nonetheless, we'll be able to get some initial insights, at least that will be helpful especially as we note that the GNSO is another PDP underway to figure out whether there should be additional TLDs created in the future. So some of this information will hopefully be helpful in informing that process at least.

A couple other sort of related questions are, is there certain size that a TLD needs to be in order to survive? Do we need to think about the long-term future of these operations? And then, also, if we find that there isn't competition, one thing that we'd like to look at is – or there hasn't been as effective competition as we would've expected – are universal acceptance issues causing any of that lack of uptake? Once again, if we find that these are robustly deployed and people are using them, we don't really need to necessarily get to that question.

So that's roughly what we've planned to look at. I think here's our chance to sort of pause. If people have questions or clarification or, even better, suggestion of things of we ought to be looking at that haven't made the list, that would be great to hear now. I guess we'll start with Jeff because he wanted to be in the queue quite a while ago.

JEFF NEUMAN: Thanks. One of the issues – and just to get it on the record; I said it before in the CCT meeting, but just to get it on here – is I think one of the issues that you probably should look at is how registry/registrar separation rules have either helped or hindered competition. And do you know if there are there parties going around the rules? I don't know how exactly you phrase it. You could phrase it better, but I think it was always intended that there'd be a set of separation rules in this current – I could say it – this current round, but I think it was always intended that it would be analyzed and reviewed so that we could see: are these restrictions or lack of restrictions appropriate going forward?

JORDYN BUCHANAN: Thanks, Jeff. You're right that is an oversight. In our set of topics on competition, we didn't include the notion of what the effects

of registry/registrar separation were. I think that is an important topic, and we'll definitely make sure that gets added to the list.

I think we've got someone else in the audience. Come up. Join us at the table.

UNIDENTIFED FEMALE: Hi! My name is [inaudible]. I work for CENTR, for ccTLDs in Europe. We have noticed that several of our members use the HHI, the index, to assess the competition in their own market. So just to say that that data would be available. It might be interesting to integrate.

JORDYN BUCHANAN: Yes, yes. Thank you. That would be very helpful. We got some initial information from CENTR just earlier today I think – oh we've been getting ongoing information. We got some additional information very recently. Yes. I don't know. I'm not an economist, so I don't know particularly what the right measures are, but I have heard the economist on the team express interest in measuring HHIs in various different ways. That's certainly something that we want to take a look at.

The other thing I'll note is that one of the questions we're trying to get out when we define, like, what is a market is this notion of: is there competition between gTLDs and ccTLDs? Are these

standalone – is the market really like a country or is it all of Europe? What is it? How are people thinking about their alternatives are when they go to register? So that sort of data. We certainly appreciate the offer of helping supplement the review with it.

I think Carlos wants to make a brief comment, as well.

CARLOS: Yes. To Jeff's commented, it's interesting that the analysis report has analyzed the whole value chain or the cost of the domain name as compared with the whole product of having a website and e-mail and all those things. So I think it should not be restricted just to registries and registrars, but there are some hints of the relevance of the full cash cost to the registrant.

JORDYN BUCHANAN: Alice?

ALICE: Thank you, Jordyn. There is a question in Adobe Connect from a remote participant, Aaron Pace. "The biggest thing that consumers are consistently dealing with over any TLDs is abusive advertising practices. There's a way to resolve this issue from a top-down approach using .less website extensions. The

question is, would there be any interest from this group to become advertising standards for members to oversee and make advertising better for consumers?" End of question.

JORDYN BUCHANAN: So I actually think that may serve as a good segue, if we don't have any other questions, to the next topic area, which is Safeguards and Consumer Trust, which I think touches very much on that sort of topic. So why don't I defer that question to Laureen in just a moment and make sure that we don't have any other questions related to competition and consumer choice before we kick that discussion off?

It seems like no, so we'll call that the perfect segue and turn things over to Laureen.

LAUREEN KAPIN: Thanks, Jordyn. I'm going to be focusing on our safeguards and the consumer trust issues, and it's going to be basically to give a very high level summary for folks about some preliminary areas that we've identified so far. This is an opportunity, since I've used the word "preliminary," for folks in the audience and in the audience wherever you are, even if you're not here physically, to give us some feedback if you think we've missed some big picture areas. And I want to emphasize that we do consider this

to be an evolving process. We are just at the start of our process, so we'll know a lot more later than we do now, and we're not so arrogant to realize that there are things that we don't know. So those may change. But for now, we would welcome your feedback. And with that I'll ask Jonathan to advance the slides.

These topics that you see before you – and I'll read them out loud as well – are sort of our big buckets of issues. First, can the public safely navigate to and use new gTLDs? There's an extra word there.

Second: impact of PICs, and that means Public Interest Commitments and safeguards. Just as an aside, many of the advice on safeguards, advice by the GAC, are actually put into the contracts regarding new gTLDs through the Public Interest Commitments in the contracts. So that's why these are grouped together.

On three, the risk of confusion and DNS abuse. Four, issues regarding developing countries. And five, trademark issues.

Those are five big buckets that touch in different ways on either the issues of consumer trust or safeguards. But what I want to do next is put a little more meat on the bones for those big topic areas. So regarding safe navigation and use, at a basic level, one of the big questions we're going to be asking is, can the public

reach the destination they intend to reach when they're navigating to a new gTLD? Is the destination safe?

Another topic we've identified is consumer literacy. How much do consumers know about new gTLDs? We see that as an important threshold issue.

As an example of an issue under consumer literacy is: what expectations do consumers have for gTLDs whose names carry more information than they have in the past? A .com and .org name is very different from a .email, .photo, .bank, .pharmacy name. So we ask the question of what expectations are created for the public.

Another literacy question is, do consumers know where to go to report problems? That's just an example of that issue.

Moving on to – you don't need to advance the slide because I'm just going to go to the right – the impact of the Public Interest Commitments and safeguards, we're considering the issue of the role the safeguards and the new gTLDs. The new gTLDs have a lot more safeguards knitted into the contracts than the legacy gTLDs do, and what kind of impact has does had? Again, these safeguards are being implemented to the Public Interest Commitments. We're interested on how those are being enforced.

Then, as I indicated, there's a whole spectrum of new gTLDs, ranging from gTLDs that are very general in their name and cover general topics, like e-mail or photo, to gTLDs that actually are on highly regulated sectors, like banks or pharmacies or accountants, for example. So we're interested in asking whether those Public Interest Commitments have had an impact on consumer trust. Next slide please.

Then moving on, our third big picture topic is the risk of confusion and DNS abuse. Our first question there you'll see is consumer confusion over similarly named strings. There's now lots of opportunities for similarly named strings, everything from singular and plural, to a string that has a dot com ending, say, like bikes.com, to something that might be named bikes.bike or capeandbikes.com or capeandbikes.bike. There's a lot more opportunities for confusion, and does have an impact on the public's trust?

Then there's more what I'll term as conventional – what we conventionally think of as DNS abuse: botnets, farming, phishing, and malware. And some of the data that we have and that we're going to continue to gather more data on really speaks to those issues, comparing the legacy gTLDs to the new gTLDs space.

Finally – not yet, not yet. Wait, there's more. We also want to look at developing countries. That's going to be a big topic especially in the application process, but if we look at it through the lens of the public's trust in new gTLDs, we ask the question: has the low participation of developing countries in the new gTLD process had an impact on the public's willingness to trust and use the new gTLDs? So that's another issue where we're looking at.

Finally, there's some trademark issues that also may have an impact on consumer trust: pricing models and the absence of restrictions. For example, does the absence of restrictions which can lead to low prices in certain instances of new gTLDs – does a low price mean that there may be a higher incidence of abuse in that gTLD? Or maybe it means the opposite. But do these pricing models have any impact on the level of abuse that takes place? And then rights protection mechanisms are also an issue that we'll be taking a look at.

Those are a little more meat on the bones of our big bucket of topics, but what I'd like to ask you right now is if you have additional topics for us or feedback on the topics we've already described, now is the time to jump in. Yes.

JEFF NEUMAN: Thanks. Jeff Neuman. If you go back to the PICs one or – I think it was one more – the impact to PICs. I guess one thing that's not on here or what this seems to assume – and you could correct me if I'm wrong – it seems to assume that PICs and/or safeguards are actually necessary and appropriate. Is there some kind of study that will show whether those PICs and/or safeguards actually added trust to those TLDs? Or whether it's just still the same as no difference between the legacy TLDs?

LAUREEN KAPIN: There's already data on comparing some of the new gTLDs to the legacy gTLDs. I think it's an inference, then, to say what will be causing any differences between the level of abuse found in both, whether that is a result of the Public Interest Commitments or not. Right now, there is not defined study on the question that you're asking. I'd be interested in hearing more about how you think that could actually be measured.

JEFF NEUMAN: I look to the economist to figure out how it should be measured. I guess my point is that it was such, and still is – there's a lot of – what's the word I'm looking for? There's a lot of discussions – let's put it that way – on safeguards and how important they are and how they're needed to create more trust in the community with TLDs. If the economist or you all could figure out the way to

measure whether those safeguards are actually leading to the intended results of what the GAC is trying to achieve. If there's some way to measure that, can I leave that to you on how to measure? But that's one question.

Again, one way to do that is to, say, have the PICs made a material difference in trust between the new TLDs that have the PICs and the legacy gTLDs that do not have the PICs.

On the confusion and abuse, one question is, with respect to the new Registrar Accreditation Agreement requirements for 2013 RAA – again, because these are all things that were added to the new TLD requirements because of trust, to improve trust and safety in the new TLDs – did the new RAA requirements actually result in lower abuse or did the RAA requirements actually result in – did it have unintended consequences? The registrars put out a study or a paper – I don't know if it's a formal study – but they put out a paper a couple of meetings ago saying that there were over a million registrations that were deleted as a result of the verification requirements. If there could some sort of study as to whether that was a good thing or bad thing or whether unintended deletions, things like that – I think the trust – I think this is a good opportunity to prove the thesis that it makes for a safer space.

And then one thing I didn't see on here – maybe this is a different study because I know there's a DNS abuse study separate and probably don't want to duplicate, but I'm assuming that one of the studies will look to name collision and whether the rules, whether the delay and the rules that came about as a result of the debate actually resulted in greater trust in the space.

LAUREEN KAPIN: Thanks for those questions. I'm not sure I understood the last one.

JEFF NEUMAN: Name collision – there was an argument raised and measures put in that said that if we put – and Jordyn can help me on this one – but if we put a name into the root immediately, there would be an increased chance of collisions with systems that have been implemented in a – Jordyn, help me out.

JORDYN BUCHANAN: Yeah. I think the issue is that there was some perception or some risk identified that there were existing legacy systems that made use of some of the same domain name space that was being allocated through the new gTLD program, and there was some concern that those legacy systems, instead of this being a private domain name space that was just used by these legacy

system, suddenly there is the public DNS was capable of resolving them around, that various bad things or unexpected things would happen. It wasn't really clear exactly – there were hypotheses what these would here, how bad it would be, but no one really knew. And so I can propose as a mitigation mechanism is this name collision – this method by where registry operators were asked to temporarily cause the domains to give it errors, that would cause the systems to fail in more predictable ways in order to identify the problems before we started making general use of them. I think, Jeff, you're asking: did that actually succeed in improving trust in the system and alleviating the concerns about these potential collisions with legacy systems. Is that right?

JEFF NEUMAN: Yeah, that's right. Because I think, if go back into the record, one of the reasons it put those measures in place was the increased trust in the DNS – also security and stability – but trust was one of the rationales for implementing that. In the same token, I guess this could be a trust issue or a DNS abuse issue, but trust was often used as one of the primary reasons for the implementation of DNSSEC. And so has the implementation of DNSSEC led to a greater trust in the name space? Again, I have no idea how you measure that, but it was hypothesized as being one of the reasons for the implementation of that protocol.

JONATHAN ZUCK: Hi. The issue there might be one of the scope. I'm not sure that the implementation of DNSSEC is necessarily about the New gTLD Program even though that might have been a priority to implement it, but that's happening in parallel; the DNSSEC implementation.

Are there other questions? Just because we want to wrap up on this section and move on. Yeah?

DAVID TAYLOR: Yeah. Jeff, I was just going to come at your point that you made about the PICs and the safeguards and whether it's is an important one that we could measure, whether there's an increase in trust over the legacy TLDs. I think it's something which we certainly want to be looking into, but I think it's one of the issues we face generally, as it's very early in the process to be getting good, relevant data on that to be able to make decisions and conclusions. So I think that's something – especially the economists.

JONATHAN ZUCK: Steve Metalitz.

STEVE METALITZ: Thank you. Steve Metalitz. I had a couple of questions or points about the PICs and safeguards and I guess a couple of reactions to what Jeff was just saying. I guess my first question is – one thing you might distinguish here – well, it's not on that slide – but you might distinguish between the mandatory and the voluntary PICs because it would be interesting to look at what additional obligations or additional safeguards some new gTLD registry operators took on and whether those made a difference. I take the point that we just made that it is early days and it may be hard to measure a lot of these things, but to the extent they are measured, that might be something to look at.

My second question was, I see that the Board in a letter to the GAC last month said that it can recommend that community reviews of the current round of the New gTLD Program, which I assume means this review, consider whether on how to commend the PICs and identify best practices. So maybe that's inherent in what you're talking about, that if you find something seems effective you might say this is a best practice or it should be continued.

But the other point that the Board made in response to the GAC was that it will recommend each of these groups consider whether on how various elements of the community should device appropriate PICs for the next round of the New gTLD Program. Again, I'm sure that falls in your bailiwick, but I

wondered if you had any discussion about these request from the Board or whether you've received these request from the Board. They've sent them to the GAC but I don't know that they've actually told you.

So that was really my questions about PICs. I did want to respond to one thing that Jeff said, but maybe I should just stop and let you respond to that.

LAUREEN KAPIN: In terms of us being communicated with directly, I think unless Jonathan is aware of something, I think the answer is no. I'm personally generally aware of some of those issues, and I think the broad issue generally about the Public Interest Commitments, which includes not just the mandated ones, but the ones that have been voluntarily taken on, are certainly on our radar screen, and that's something that we want to look at and consider. And as you mentioned, these ideas of best practices and commended examples, I think that's something that might flow from whatever conclusions the review team reaches, but I'll leave it at that. I certainly think that it's relevant.

JONATHAN ZUCK: If may, just to the last point. On Jeff's point about verification requirements and how that's affected, I believe, if I understood

what you were asking about, I'm not sure I see that as a new gTLD issue since most of the registrations that had to be verified were in the legacy gTLD [inaudible] by the RAA verification requirements. But maybe I misunderstood your point.

MEGAN RICHARDS: It's Megan Richards for the record. I'm a member of the GAC. I just wanted to go back to the first committee that you proposed. So that was something that the ICANN Board has suggested would be a committee that was established between ALAC, the GNSO, and perhaps others to look at best practices in existing PICs and where and how those could be used even better in the current group of new gTLDs. And then as Laureen said, we're also looking in and her sub-groups is looking at this in even more detail.

I just wanted to clarify that there two aspects to this that we'll have to look at the data and see to what extent we can really identify how these PICs have been useful and how they've been applied. And also, they've been applied and requested, particularly for the highly regulated strings. So it's not everything that should have a PIC or PICs should be just thrown out. It was really a targeted audience. Thanks.

[JORDYN BUCHANAN]:   Yeah. Thanks. I think what ICANN used to term PICs much broader than the safeguard advice from the GAC. There's a specification 11, where it's basically nicknamed the PICs back. It includes for the highly regulated strings or [inaudible] – I might not be using the right term – it does include the ones recommended from the GAC but there are a couple others that were recommended by the GAC for all TLDs, including things like technical analysis should be performed on each TLD to check for botnets, malware. That applies to all and, yeah, they're technically called PICs, but they're not necessarily what the GAC refers to as PICs.

The other thing on it, just to respond to Steve, the reason I grouped it in the 2013 with the new TLDs is because if you go back, basically ICANN said the only way you could sell new TLDs is if you sign the 2013 RAA, so I grouped it in together. Maybe it's a separate issue, maybe not, but that again is something that, when ICANN goes around saying, "These are all the things we've done in the new TLDs and why the new TLDs are more trustworthy," I think they use the 2013 RAA as one of the things that lead people to believe that there's more trust in the new gTLDs. So that's why I suggested, not because I felt one way or the other.

JONATHAN ZUCK: Thank you. I guess I'll also add, for the benefit of Aaron Pace, we'll take on the recommendation of looking at the question of advertising in the trust team and as far as sitting on the Board or anything that would be somebody's individual decision. But we'll certainly take on your recommendation to look at the advertising issue.

The third sub-team on the review team has to do the application and evaluation process. The way this was structured to the outset – these have not been normalized between each of them – but the way this was structured the first place was to ask the question: was the application and evaluation process effective at__? And then there were several high level depending clauses. The first was addressed in the needs of the underserved areas and markets. So did it serve different communities? Did it encourage participation as providers within the area, providing effective dispute resolution for developing regions? Were there barriers to entry for perspective participants from emerging economies, IDNs, application support? So those are the issues that fall into that. And was that effective? The fact that they're only ended up being one application support – application that was granted and they withdrew would suggest that that wasn't an effective tool so we try to look at why.

Was the application and evaluation process effective at preventing the delegation of TLDs that would be confusing or

harmful? So the standing and objection process, the string confusion, resolutions, singular/plurals, [inaudible] related inconsistent decisions and appeals, and so we're trying to figure out whether that last bits and scope of our review, but again looking at that evaluation process to see if it prevented confusing strings from being added.

Was the application and evaluation process effective at allowing specific communities to be served by a relevant TLD? So how we define the community applicants and design and evaluation process fit to purpose, IDNs, etc. In other words, something that comes up a lot is .cat, for example, was that effective in serving that particular community? So community applicants is something that is widely discussed in the group and we'll be trying to figure out how to evaluate the success of the application and evaluation process for community applicants.

Was the application and evaluation process effective at providing equal opportunity for participation in the program? Did it get driven too much by money? Were there companies that were better funded and have the ability to kind of disadvantage those that couldn't afford to participate equally? Were there linguistic barriers to participation in the New gTLD Program? Was there sufficient outreach and awareness so that people knew that the program was even going on or what was involved in trying to participate in the program? And then,

finally, was there sufficient infrastructure access for people around the world to have access to the New gTLD Program?

Then the other question is whether the application and evaluation process was effective at collecting and implementing GAC public policy advice. In other words, did that synergy, did that connection, work as efficiently as it could have? Public Interest Commitments, voluntary versus mandated. Was there enough early participation by the GAC and was GAC advice effectively formulated for delivery to the new program? So this again is examining that relationship of GAC to the policy development process and is there some improvements that could be made there that would've allowed that advice to be taken on in a more efficient manner?

So those are the high level topics that we're talking about in the application process and, same as the other two, if you have questions and discussion topics, suggestions for things that we haven't thought of etc., then now is the time to bring them up.

[ALICE]: Jonathan, we do have a comment from remote from Lori Schulman. She says, "Jeff's point about the PICs is well taken. INTA have bumped up against the enforcement of the PICs, particularly in pricing screams. ICANN has taken the position that enforcing a PIC is a private remedy for grieved parties to

exercise rather than a responsibility of ICANN. So an analysis of enforcement of PICs could be very helpful for setting recommendations and guidance in the future." And Lori, she corrected herself. She said "schemes" not "screams."

JONATHAN ZUCK: Right. Thanks, Lori, for your input, and that is sort of some of the things that are at the center of this discussion. Enforcement of PICs is a part of a lot of discussions here at ICANN that will certainly come up in this context, as well. Other questions or comments?

[ALICE]: One more from Lori. She says although we have screamed about schemes, she just wanted to add that.

JONATHAN ZUCK: Thank you for the emphasis, Lori.

[NICK WOOD]: Two probably very simple questions. When we look at rights protection measures, will we be looking at the registry introduced measures as well as the ICANN ones? So DPML. That's a yes, I think.

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JONATHAN ZUCK: Good question. I think that we will look at – that's why we tried to ask these questions this way, and maybe that was worthy of some introduction. There were sort of a process-up a way of conducting the review or goals-down way of looking at the review. And to some extent we look at sort of the goals-down approach that will effectively create the narrative for the review. So if things naturally evolve and happen organically as part of the process, whether or not that they were part of the New gTLD Program implementation itself, we'll still be able to conclude that something worked or didn't worked in the New gTLD Program.

[NICK WOOD]:   Thank you. This might be completely stupid, but I've been very interested in the sets of applications, and I was jotting down just now the ones that I could remember relating to shopping. These are the ones that I can remember: shop, shopping, store, boutique, online shopping in Japanese. When we're looking at consumer choice and competition, is there some way of evaluating or look at the value of some of these as opposed to others? Why do people choose one and not others? Is it useful in the future to have these kinds of sets being replicated? That might be out of scope, and I'm not an economist or –

JORDYN BUCHANAN: Yeah. Thanks. I actually think that's the heart of one of the questions that we've identified in the Consumer Choice section, which is essentially: does the value of having these additional options outweigh the potential confusion that comes from having these potential options? So we will be taking a look it. You're right that it's maybe hard to get it at the right data. One of the sets of data that we'll have is – Nielsen's going to be fielding surveys of both Internet end-users as well as registrants to help understand their experiences interacting with these domain names. That may be some of the best data that we have; just to ask people what they think about the changes that they've seen.

JONATHAN ZUCK: Related to that is the market definition question too, because one of the things we're grappling with is how to define the market or the markets that we might want to explore. If you look at the first version of the Analysis Group report that they're now about to do the second phase of, they made an attempt to look at one potential market segmentation, just as you did. So there's a bunch that are for shopping and there's a bunch that are for photography. Did they create their own markets and therefore competition within them? What the outcome of that competition is we don't yet know but because those are more effective substitutes for each other than music is for shopping,

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for example. As one economist said, making sure that apples and apples are competing rather than apples and oranges.

[NICK WOOD]: Yeah. One thing I'm interested on that is the value of going first or being first out the block because that was a big concern and that impacted on the process we designed before. I'm not sure if there's any value in being first.

JONATHAN ZUCK: Jeff, go ahead.

JEFF NEUMAN: One thing you may look to for the market – you probably have already – when the .com agreement was up in 2006, 2007, 2008, somewhere around there, there was an analysis done by the Department of Justice that was required. I guess the Department of Commerce was asked for its thoughts and it asked the Department of Justice when it was talking about whether it should allow .com to increase its price and all those questions. And the Department of Justice did come out with a formal opinion as to how it defined the markets. That might be useful to refer to. I can find that if you guys don't have a copy of it, but that's certainly interesting because that was what was used to justify the allowance in the first agreement of .com being able to

raise its price but then not being allowed in the second agreement. So there were some studies that were done there.

I got the opportunity to discuss this with the CCT Review team. We recognized that there is overlaps between several PDPs that are going on. The one we talked about were overlap in subjects of the subsequent procedures, PDP, and we're going to work closely with the CCT Review team in order to not duplicate efforts and figure out the best way forward. The other one is the one that was just – I assume – was approved by the GNSO. I don't have a definitive answer. It's the rights protection mechanisms PDP. So is there a particular angle that you all have on looking at the rights protection mechanisms that would be different than the policy development process we'll be looking at? In other words, would you be looking are just the overall question as to whether the rights protection mechanisms helped in creating greater trust – I don't know; I'm trying to come up with something – whereas the PDP may be looking at the specific procedures itself and whether that was effective? Maybe, maybe not. I don't know if you've thought about that yet.

JONATHAN ZUCK: Thanks for the question, Jeff. I think it falls in the same category as it does with the subsequent procedures PDP: that we'll have to figure what that overlap is and how best to segment that

work. I think you started to get to that notion of whether or not the things that were put in place were effective protections for trademark owners, for example. And then probably we'll looking that in a [macro] level and looking at cost, defensive registrations, things like that. The PDP team may be looking at that at more of a micro level in terms of whether or not the source of that was the non-workability of the trademark clearing house or something like that. But what we'll looking overall at whether or not those things were effective represented an effective protection for brand owners.

Other questions? Denise come on down.

DENISE MICHEL: Hi. Denise Michel with Facebook. I also send an e-mail to the review team. I got a bounced message. I'm not sure it went through so I thought I would highlight it here.

There's several initiatives, studies, reviews, and other things that seem to have some connection potentially with your work, and so I wanted to highlight those. I think those are in the e-mail. Specifically, though, on the new gTLD implementation report issued by staff, the Business Constituency had a number of substantive suggestions for the draft implementation report. I think for whatever reason many of those weren't incorporated, but I still think they're relevant and useful and potentially for

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consideration by the review team. So I would call your attention to those and perhaps other comments that were provided on the draft implementation report.

And then I also have a question. In late January staff had a couple of conference calls and issued a questionnaire on DNS abuse. I don't think very many people were aware of it, and I'm just wondering if you're coordinating with staff that's working on that and if there will might be an extension or further exploration of that space by the CCT Review team. Thanks.

JONATHAN ZUCK: Thanks, Denise. Did get your e-mail and I think we will look at other things beyond just the staff report on implementation, including reconsideration request and other outside things. We'll look at the BC comments, so thank you for that. As far as whether or not the review will expand to look at DNS abuse, it's definitely the case. We haven't figured out other ways we're going to do that but we're definitely going to look at that from a number of different angles. Karen?

KAREN LENTZ: Thanks, Jonathan. Just to amplify a couple of points that Denise was raising, on the Program Implementation Review report that was done by staff – that was obviously one of the inputs

provided to this review team – it's somewhat rare for staff to create a report like that that's substantive, and so we went around on several ways of the best way to present it or representing it without being misleading or confusing about whose perspective it was. So most of the comments we've received or all of the comments we receive are described and analyzed in the report of public comments, which is also provided to you with the report. I just want to make it clear that the comments that the BC made and others made are part of what's been delivered to you.

On the second question about the DNS abuse review activities, we had envisioned this on a similar track to what we've done earlier in the process with gathering information on the rights protection mechanisms, for example. That would be again an input to this report. It's starting in a later point, but it's a similar type of exploration, where we would collect what data we have and get public comment, which we'll also do, and deliver that to the review team, which would then determine the next steps on that. Thanks.

JONATHAN ZUCK: Thanks, Karen. Any other questions? Those of you that are online, you can see from the slide that there is an e-mail address to send additional recommendations for topics, data sources,

etc., that we should be looking at, or just to send us your best wishes. So please feel free to e-mail that.

I will also say that all of the sessions of the CCT Review are open for observation by the public, so there will be these sort of a shadow Adobe Connect rooms in which you can come and listen in on the conversation. There's not a way to interact with it because they're working sessions, but you would then take your reactions and send them to this e-mail or to your designated representative on the team.

Is that it? That might be it. Oh, and here's our picture. So, thanks everyone. We're just really at the early stages of our work here, but I appreciate people coming forward and having this discussion. There's a lot going on at ICANN at the same time, and we just need to figure out the way that we can be most useful to the process going forward. Thanks a lot, everyone, and have a good evening.

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