

**ICANN**

**Moderator: Gisella Gruber-White  
October 20, 2014  
2:00 pm CT**

((Crosstalk))

Woman: All right, we're going to get started. Akram, Cyrus, welcome. Akram and Cyrus have some updates for us so we welcome them and I turn the floor over to them. Thanks.

Cyrus Namazi: Good afternoon everybody. Cyrus Namazi here. Happy to be with the Registrar Stakeholder Group with Akram of course and the Mike Zupke and the Registrar Services Team.

Mike and his team have some updates for you and then hopeful we'll have some time afterwards for Q&A. I just explained to Jennifer that NGPC just called a meeting that will begin at 12:30 today that Akram and I will need to go to so apologies for that. But hopefully we'll have enough time to get some interaction going. And if it needs to be then I'll be happy to come back and have additional dialogue with you.

Thanks, Mike.

Mike Zupke: Thanks, boss. So this is Mike Zupke. I'm the Director of Registrar Services. And I wanted to give you guys a little bit of an update on what's going on on our team but because Cyrus and Akram are going to be leaving shortly I thought I'd give you sort of an abbreviated update and talk about some of the things that I think are probably most on people's minds right now.

And then we've got a few of our staff members have some updates for you that I think are things that you've been asking for so we'll make sure to get that for you too. So the first thing I just wanted to mention is that our team is filing out really nicely. Where are the Registrar Services people? Could you stand up just so people can see where you are and who you are?

There's Kaitlin, Danielle, Amy, Howard and Namazi. So Danielle is based in Istanbul; Howard is based in Singapore and they represent their respective regions and then Kaitlin and Amy are in the United States both in Los Angeles and DC.

And so one of the things that I thought we could just talk about a little bit is how we're going to manage our relationship with registrars and how we try to improve that as we go forward.

As you may know, we went from being an organization and a team that did a lot of application processing, a lot of really what is sort of operational work. And so as you probably heard we're paring off a lot of the sort of more tedious operational stuff to ICANN's GDD operations team and focusing more on service development, policy implementation and general outreach and relationship management.

So those who are in Europe, the Middle East or Africa have already heard from Danielle. She was really eager I think - it was either her first day or

maybe it was the day before her first day she said, let me find out who my people are, I want to reach out to them and let them know that I'm their official new point of contact.

So if you've heard from Danielle Andela you know who your account manager is. Howard has done the same thing, he did that very early on and wrote to everybody in the APAC region and said, hey I'm your official account manager, I'm your point of contact at ICANN. Let me, you know, solve your problems for you.

And so we're still sort of figuring out how we want to divide up the registrar relationships in the Americas and that's partly because we still have an open position in the Los Angeles office.

So that's really underway. I know there have been some questions raised about transition of RADAR to Sales Force and what does that mean for registrars. And I'm - very frankly for the registrars here, you know, don't - be careful what you ask for because the registries were sort of the guinea pigs in this process and there's been lots of learning that's happened along the way and so be grateful that you get to benefit from their learning the hard way so you're not learning the hard way.

But we are very much focused on that and I think that the current plan from our IT and our online community services department has us sort of finalizing the transition toward the end of the first calendar quarter of next year. I think they're looking at maybe March or April as the potential kind of cutoff time where RADAR becomes Sales Force for registrars.

And they're also going to be reaching out to this group and saying we want to have registrar users represented in our development of Sales Force for registrars so it's not just what we think you need but what you actually need.

So I think that that's all generally - I mean, we're hearing these are things that you want so to the extent that we're doing it wrong of course please let us know. But we have other updates that Amy is going to talk about, the underserved regions initiative and Howard Li is going to talk about the cross field Whois validation requirement that's in the RAA that needs to be invoked before it's a requirement.

And we have Francisco Arias who's either here or will be here to talk about universal acceptance. But before we get into all that since we are sort of short on time with Akram and Cyrus I thought I would just turn over the microphone and let you guys field the questions and abuse.

So if there are any issues that you'd like to talk to Akram and Cyrus about now is the time. If not we will just presume there's nothing but praise to be heaped on the Registrar Services Team.

Sorry I didn't realize I was moderating the queue. Go ahead James.

James Bladel: Thanks. I'm having queue problems today. Have you guys noticed this? I got jumped twice in the Registry...

Michele Neylon: James, this is Michele for the record. You know, you're the biggest the registrar; you are more than capable of defending yourself.

James Bladel: So hey. Hi Akram and Cyrus. So going to one of the topics, and maybe I need to put a pin in this for the topic of cross field validation. I think that, you

know, we're going to have to have a more fulsome discussion not only on how to implement that but whether it still belongs in our contract. And I'll just leave it at that because I think that what we've encountered with just the basic data validation models and the compliance enforcement of that makes me question if the cross field is even possible.

And this is a conversation - I know Mike is probably tired of hearing me say this, but this is a conversation that's been going on now for a while is that, you know, this seems like a really good and well-intentioned idea at the time that is looking more and more like building, you know, something that's a magical missing piece of code that we just - we've got some very, very bright people at Go Daddy who are scratching their heads because they don't know how to do it.

Not on the scale and not, you know, with any degree of reliability or accuracy. And I'm concerned that it's going to turn into a - it's going to go from a development nightmare to a consumer nightmare, to a compliance nightmare so.

Mike Zupke: Thanks, James. And, you know, so Howard is going to give a little bit more information on this but for people who aren't really all that aware the requirement that's in the RAA also requires there be a vote of registrars in a working group to say yes we think this is, you know, there are appropriate tools to do this.

And so there is I think at least that kind of, you know, sort of - so there's a balance there; there is a check on that. But what our request from the registrars is going to be is, you know, let us explore this with you. Let's get to the vote before we say this is impossible and we'll, you know, we'll try and keep an open mind.

James Bladel: Right and I don't want to sound defeatist. Let me say the different ways; I believe it is possible sometimes in some locations, for some amount of money, okay, but it's not always going to work everywhere for free. And I think that was where we were kind of approaching this.

Cyrus Namazi: Hi James. This is a Cyrus. Thank you. I think your point is well taken. And as Mike said, at least from our perspective let's do a little more homework, get us to the vote point which is where the point of consensus is on this. And if obviously there isn't a sufficiently capable solution at hand then we can discuss it at that point. But I think it's a bit premature to decide at this point.

James Bladel: Okay. I'm just reporting back what we've looked at internally...

Cyrus Namazi: I understand, sure.

James Bladel: And, you know, I used to be in the column that at a minimum we should do postal codes because that's easy and there's lists, you know, but then we ran into this Hong Kong issue and now I'm kind of like, no, even that won't work.

Mike Zupke: Anyone else?

Michele Neylon: Mike, it's Michele for the record. I put myself in the queue. Just for the registrars in the room who may not be aware, we did have the registrar and registry's ExCom did meet with Akram and Cyrus on Sunday evening to discuss various issues of common interest, which was a fairly productive meeting.

We mentioned that in the previous session with the registries. I'm not sure it was anything specific beyond that that anybody wants to raise. Oh my God

this is historic. Cyrus and Akram you might actually get away without being attacked. This is...

((Crosstalk))

Akram Atallah: It must be the tent I think.

Mike Zupke: So if there aren't, you know, question specifically for Akram and Cyrus right now, I can ask Amy and Howard to begin sort of talking in a little bit more detail about the other issues. And to the extent that it's helpful we've got Cyrus and Akram in the room to hear concerns that are raised as the result of those presentations.

Oh, Akram is going to say something. Okay go ahead, boss.

Akram Atallah: So it just to make sure that I don't leave without saying anything I just want to thank the registrars for having us here. As Mike mentioned we are trying to up our game and support you better. And we have a lot of different things that we're doing. Please make sure you participate in that. We don't want to do things you don't need or you don't want us to do.

We're here to make your engagement with ICANN easier. And any services that you provide easier for you to approach. Mike mentioned about the Sales Force transition from RADAR to Sales Force. The idea here is that we want you to go to one place and get all of your issues in one place so you don't have to go through the system for that and the system for something else.

And so our goal is to quickly get to any one place where you can do your business with ICANN and make it as easy as possible. So please participate with the online services team on defining how to serve you better so that we

do the things the way you want them and not the way we think you want them. Thanks.

Jennifer Standiford: This is Jennifer Standiford for the record. So I have a session set up with Chris Gift tomorrow. And I'll send out the details of any registrars would like to participate in that discussion relating to online services. Mike, I'll make sure and include you on that.

My other question was, obviously you've identified the liaisons for Europe - for Asia registrars but is there a timeline for getting somebody for our North American registrars?

Mike Zupke: So I don't have a date certain though we've already got a draft plan of that already kind of being generated. So I'm thinking this is a matter of, you know, a week or two, not months.

Jennifer Standiford: Great, thanks.

Mike Zupke: Anything else before we bring Amy Bivins up? Okay, Amy, where are you?

Amy Bivins: Hi.

Mike Zupke: Oh there she is. So Amy is going to talk a little bit about what's been dubbed the underserved regions and initiative. And, you know, we've had lots of good feedback on this program both from people in the community and registrars.

And starting with, you know, one of the comments we've heard from several registrars is why do you keep saying underserved regions, it sort of offends, some notions of fairness to us in that we think that you are potentially singling out regions around the world are you think there is special treatment needed.

And so Amy is going to talk in a little bit more detail about what's been asked for by the community, what we've done so far, what our plans are for the near-term and the longer-term but, you know, I just sort of wanted to reassure you this isn't an effort to create, you know, some ICANN welfare state, it's really not about creating disadvantages for the people who are incumbents, it's about leveling the playing field.

And so as Amy is going to describe some of the things that we've done already you're probably benefiting from or you could benefit from and not even realize it. So we're very much, you know, cognizant of some of those concerns that have been raised already and of course we are here to hear, you know, to hear what else we maybe aren't aware of yet.

But, you know, I think - I was a little bit concerned that, you know, there seems to be a little bit of skepticism about this and we think there is actually a lot of good that will come out of this for all registrars and that it's not really about, you know, taking the money that we're bringing in any fees from current registrars and sharing it with people who are not yet accredited; you know, this isn't a redistribution of wealth, it really is about trying to level the playing field.

So without me continuing to blabber on, Amy, if you'd like to go ahead please.

Amy Bivins: Sure. Thanks Mike. This is Amy. And I'm just going to provide a quick update. We had a meeting with you guys at the London meeting about this and so this is really focusing on what's happened since then.

We put a report out for public comment before the London meeting seeking public input about the issues better facing businesses and regions that we are referring to as underserved where we don't have a lot of registries and registrars.

And the public comment period closed shortly after the London meeting so we posted a report public comments and followed up with a project roadmap which is on the wiki now, you can go to the wiki and see that and provide your input.

And the input that we got from the community suggested that we look at several different categories of issues that are making it potentially more challenging for businesses in certain regions to participate at ICANN. And we're trying to package our approach that way, by categories.

And we divided it up into different tracks but we are examining all of these tracks at the same time, it's not like we're going to start with one and not move onto others until we're finished.

So - sorry, I just realized the slides aren't going. So the first category is it related to ICANN materials and the Registrar Accreditation Agreement. And the second category is related to outreach and things that we can be doing better in terms of outreach and what's working both with the resources that we have within ICANN and out into the community and improving on our outreach by collaborating better.

And the third category is more long-term planning and study and bigger issues that we know as a team are going - as an organization and a community are going to require a lot more study and discussion to figure out how we can address these issues.

Okay so since the London meeting we talked a little bit about this week the meeting that we had with registrars. One of the issues that we heard from the community the (essential) challenge is the RAA's insurance requirement.

As you know there's a requirement that to become a registrar you have to have a CGL policy, it's \$500,000 US. And we've heard that it's challenging to obtain this type of policy in certain regions and we've also heard that in terms of the type of insurance that is it's just difficult to obtain and not necessarily what all registrars are looking for.

So since the London meeting we're in discussions with an insurance consultant about this and we're working on coming up with some ideas for ways that we might adjust. James.

James Bladel: Just a quick question. As part of your discussions with this consultant can we figure out what this insurance is for, could be beneficiary, you know, who the beneficiary is and what we are insuring against.

Amy Bivins: Yes. We're working on that. And that's one of the things that we're talking to him about is we're really going back to what the goal of the requirements is and then moving forward from there to see, you know, what is it that we're trying to insure against. And then think about ways that we might be able to modify or think about potential other options without creating unnecessary risk or, you know, hurting the ultimate goals of the requirement in the first place.

James Bladel: But if we don't know what those are, the goals.

Amy Bivins: Right. Right and...

Mike Zupke: So James this is Mike from staff. So the statement of accreditation policy says registrar should have this type of insurance to protect their customers. But this type of insurance doesn't typically offer that sort of protection. Who we are kind of starting already at that position, we're aware of that.

And so, you know, the guys who we've spoken to who is - he seems to be really knowledgeable, really well qualified even, you know, teaches courses at Berkeley, you know, he's not, you know, just some salesmen off the street or anything. You know, he how sort of expressed the same thing to us. He says, you know, this is - there's some validity to this requirement but it's not serving necessarily that purpose that was intended.

And so he's, I mean, he's said, you know, you've got some options; one is you could just tell, you know, registrar fine, you don't need to have this insurance anymore, you know, there's some real and there's some, you know, political risks in that.

Another option would be you could amend the agreement to say here is a more relevant type of insurance you want to require, you know, what we would call in the United States errors and omissions insurance which would protect customers potentially from things like registrar error or maybe even domain name hijacking claims, that sort of thing.

And then he says, oh, and there's also this whole other array of insurance types that might be relevant for registrar business such as, you know, data breach and these are the things. And so, you know, I think that we're aware of, you know, what you're saying; this is not new to us, you know, that the insurance requirement isn't as relevant as some of the other potential insurance options that are already on the market.

You know, the question is, you know, is this the time to say fine, we want to impose a new requirement or is it time to say let's get rid of the one that doesn't make sense and we will kind of explore, you know, is it a matter of best practice or how do we do this.

And so we're still kind of in the early stages of trying to map out what might the different paths look like going forward from that understanding so that kind of what I think Amy is sort of explaining is that we're, you know, she's trying to be, you know, I think not too committal because we really are in the early process. But I think we're sort of starting off of saying we understand this insurance isn't especially relevant.

James Bladel: So just as a thought, and maybe something else you could put on the table when you have these discussions with the consultant is what we've seen for registrar business failures is that the registrar that is delegated to take over those names, either by ICANN or through private party, incurs a significant cost not only in development costs of moving that stuff over and cleaning up the data and the Whois and the contact information.

So perhaps one option would be to insure against registrar business failure with the beneficiary being ICANN and the successor registrar to offset some of those costs that are required to make sure that those registrants still have access to their name.

Mike Zupke: Thanks James.

James Bladel: And at least that would follow, you know, that the premium and the beneficiary would follow the party that's, you know, burdened by those failures.

Mike Zupke: So one of the things that this consultant has raised, and in full disclosure he also is a broker so he's happy to, you know, sell his policies...

James Bladel: Well I thought that.

Mike Zupke: Of course. But, you know, one of the things he suggested was if the challenge under the policy and, you know, in the real world is that registrars outside of North America either can't get this insurance or it's incredibly expensive, you know, perhaps we could look into establishing a group policy with some insurer who would say, you know, here this meets the minimum requirements plus maybe even these other types of coverage would be either optionally or mandatorily available; if a registrar wanted to sign-on to the group policy we can make this available.

You know, how we might implement that, you know, has kind of got my head spinning a little bit. I mean, there's so many different ways to do it. One would be we just say, hey, you know, this guy went to the trouble of putting this together we'll, you know, we'll not endorse it but, you know, it's there for you if you want to do this.

Another option could be, you know, ICANN could just buy a policy for every registrar and it comes out of fees. You know, I mean, that's - you know, so it's - and just to be clear that's not probably a staff decision so, you know, I don't want you to sound the alarm just yet.

But we really are trying to look at this from a what's the real problem? What are the ways that we can best solve it and what are the ways that we think we should solve it if that's not necessarily, you know, the platinum standard. So, you know, it's well taken.

Michele Neylon: Thanks. Michele for the record. Just a couple of things on this. Amy and I have been having some backwards and forwards and I think we're meeting, into tomorrow morning? Thursday, yes sorry. Amy and I are meeting on Thursday morning to discuss further with one of the African ccTLD registry managers around this.

One of the issues though that still remains to be addressed by ICANN is a clear tangible definition of what the hell underserved actually means. And I'm yet to see that. And the thing is we've had quite a bit of discussion on this entire topic within the Registrar Stakeholder Group going back over the last few months.

And while, I mean, anybody who disagrees with me please jump in. While we may feel sympathy towards various other parties, we do feel that at times that it's been bandied about as a kind of buzzword without an actual clear definition.

The registrars in this room, picking on, you know, some of the larger ones, would quite happily tell you that they have plenty of clients and domain names registered across a lot of countries and across a lot of territories.

And there is a real concern that ICANN has put a very strong focus on consumer protection, has put a strong focus on registrar compliance, has put a strong focus on raising the bar for registrars and registries while at the same time there seems to be this almost perverse interest in doing exactly the opposite.

So, I mean, how can you balance the high bar, the high standards while at the same time being in a situation where you're looking to help potentially some

people that may or may not really be deserving of help and end up creating more problems than your actually solving.

And I'm not trying to put either yourself or Amy other spot on this because I realize that a lot of the pressure and a lot of the push on this particular subject isn't coming from your group. I know it's coming from elsewhere within ICANN. But it is something that I think needs to be addressed.

Mike Zupke: Thanks Michele. So this is Mike again. So first of all, you know, nobody on my team is getting commission for every registrar that we sign up or that we accredit. You know, we're not feeling any particular incentive or motivation or pressure to grow the number of registrars whether it's, you know, in North America or outside.

And I know that's not what you're saying but we're not - there is nobody asking me, you know, what are our numbers now for today? It's not, you know, it's not, I mean, if there's a perception of that, you know, I'd like to dispel that. I'm not - I think that, you know, a few public statements were made a couple of years ago that have probably colored this whole discussion.

But really I feel very confident in going back to management and saying, you know, our goals are not necessarily to increase the number of registrars. And it's not necessarily to increase the number of registrants. Our goals are to make sure that we don't impose, you know, let's say North American bias into this program in a way that really does create unfairness.

And so we look at the insurance requirement and say this is clearly North American bias because this insurance type, you know, first of all it doesn't exist in a lot of places, and to the extent it does it's because people with North American bias sort of imposed the requirement in other parts of the world and

force them to sort of adopt this new type of insurance that wasn't present before and I might not even be needed.

So that's, you know, that's really the goal. And, you know, and as I said kind of as we started, I understand the terminology may be causing, you know, some people to be rubbed the wrong way and that's - so I'm sorry, I'll take the blame for that. I think I may have personally coined the phrase thinking well this doesn't sound too offensive.

But our goal is not to, you know, try and find people who should be winners and make them winners, it's really about eliminating the bias in the agreement. And, you know, as Amy was kind of suggesting in this third track the longer-term stuff that we need to do, this is where we do some of the market and economic research and say is there an unmet need and, you know, are we the burden or are people in our community, you know, part of the burden.

So as example, we have this insurance requirement. Several registries have the same insurance requirement or higher. And so can we talk to them and, you know, say is this still - does this still make sense today. And to the extent that we have the ability to try and influence some of those factors where, you know, we can build that into the project.

But it's, you know, we want to be sort of empirical about the approach, it's not about saying, you know, this is my pet project or my pet country. I'm trying to reward, you know, applicants from that area. So hopefully that helps.

Michele Neylon: Thanks, Mike. James, please.

James Bladel: So I think the terminology things is important and the definition because when we hear I think in this room when you hear underserved regions you think

undeserved markets. Okay. And that's not necessarily tied to a region. You could say that, for example, the Native American population in the US might be an undeserved market.

Now why? Is that a language issue? Is that a cultural issue? Is that an economic issue? You know, and so you can have that that is completely decoupled from the idea of where you are on this planet. And so regions is probably not, I think - I think not what you're trying to do.

You're really talking about level-setting for jurisdiction in some regard. And I think that is a much bigger issue that is not necessarily just a couple of tweaks to the wording of the RAA and we're done because that opens a lot of - you know, you're nodding your head because that's a, you know, the GAC was in here a couple days ago and they could tell you that they're having wrestles with this issue as well.

And I think the general thing is that when we hear, in this room, underserved markets, we think that's exactly why resellers exist. You know, that a reseller can say, hey, you know, I have identified a group, a language, a culture, a, you know, a target area that's not being currently served properly by the big - the big registrars or even the little registrars and I can go after that.

And the way - the fastest way for me to bring those products to market - to this market is, you know, a reseller channel. So, you know, I see the good intentions here but again I think that every way we try to soften this and position it in a way that's palatable to the commercial sector it just kind of opens more questions.

And I'm not trying to make it difficult. I'm saying that it is difficult and it touches so many other controversies that it can't help but be controversial.

Mike Zupke: Got it. Can't win, don't try. No, I'm just teasing.

James Bladel: No, I'm not saying that.

Mike Zupke: No I understand.

James Bladel: Go in with your eyes open and realize which rocks and, you know, which, you know, pit bulls that are sleeping that you want to kick right now. Because I mean I think even just changing the insurance requirement, that's fine but let's do it across the Board as opposed to looking at it through the lens of the jurisdiction or this legal area or this, you know, or this policy.

I think we've got to look at - it makes sense to go back and say why is this artifact in the RAA? Why have we been dragging this along from 2001 to 2009 to 2013? If it doesn't - if it's not doing what we wanted to do get rid of it. That's I think a healthy, you know, undertaking. And frankly we probably should have done it in the 2013, you know, effort but we were still focused on all the changes.

So, you know, I applaud you for that - I just - let's, you know, let's be aware when we talk about some of these other issues. The group that was in this tent, you know, previous this week, you know, is very keen to wade into those waters as well and we should be cautious.

Mike Zupke: Thanks. And that's understood. And Michele can probably tell you, you know, I was just in Mexico last week giving the, How to Be a Registrar Presentation. And I probably spent more of my time saying why you shouldn't be a registrar, then why you should. But, you know, that's not lost on us. Thank you.

Michele Neylon: It's Michele for the record. No, just to actually go Mike. He did a pretty good job of giving a balanced presentation about the burdens of becoming a registrar so if he was working on commission he basically talked himself out of a few sales.

Being realistic about it from the experiences that I've had recently over the last few months, some of the new TLD registries particularly, once based in Africa and in Latin America, they are quite concerned because the number of registrars in their regions are quite low.

And while they do understand and appreciate the entire reseller argument they're still looking at it in terms of they really, really want to have registrars in their regions. But, you know, it's not one that we're going to be able to solve quickly and easily.

But, you know, the kind of conversations that some of them are having with people like myself and Mike, when we end up in somewhere like Mexico City is, it's funny and it's great and it's everything else but at the same time there is a kind of a gap I think between, you know, the commercial realities around some of this and what they're expecting.

Mike Zupke: So I think we're kind of running out of our time for our team. And I suspect we probably got to the issues that were of most importance to registrars. So unless there's any sort of final thoughts or questions maybe we could ask Howard to step up and talk about the Whois validation initiative. Okay not seeing - oh sorry, go ahead, Kaitlin.

Kaitlin Tubergen: Hello?

Mike Zupke: It looks like a remote question or comments.

Kaitlin Tubergen: A question from a remote participant. "Why do you do track two before a study and a community consultation? If you don't have goals and targets you are unable to measure if your work leads you to your goals."

Mike Zupke: Thanks. That's a good question. A major step away from the microphone so I guess I'll try to answer that. But I think we've had lots of community consultation that's gotten us to this point. And what we've really tried to do in that paper that Amy was describing was identified what are the - what are the small incremental changes that, you know, we don't see a lot of risk of adverse consequence or that we can mitigate against.

So for example, you know, if ICANN is the issue because our documents are not clear or they're not translated enough, you know, we can fix that without doing a whole lot of harm, right. And so the things in track two are sort of similarly situated in their nature. So to the extent that we see complaints maybe people say it's really hard for me to sign all of the registry, registrar agreements that I would like to.

One of the things that we've been working on is a centralized approach to being able to do that. Or if, you know, there are registry practices that are sort of inhibitive, we can talk to them and saying here's what we're hearing and it's not - this isn't about, you know, staff trying to create policy, it's more about trying to alleviate some of the friction that might be there that's unnecessary.

So with that I'm going to turn this over to Howard. And as I mentioned, you know, we're working on this requirement that's in the 2013 RAA that involves validation of address fields against each other is known as cross field validation.

And so we started working group on this a while back and there was lots of discussion mostly in opposition to either doing this or just in concern about the approach is and that, you know, that there was concern that we may be were assuming this would be easier than it is.

And so Howard is going to kind of give you a little bit of an update on how we plan to restart this process and hopefully assure you that we're not entirely unreasonable. So...

Michele Neylon: Sorry just interrupting there. Michele for the record. Before we go to Howard. Just in terms of our schedule, we are running a few minutes behind schedule so as soon as this particular section finishes we then will be going into our working lunch where will be discussing preparation for our meeting with the ICANN Board oh and the EU directive. Thank you, Jennifer. Please go ahead.

Howard Li: All right. This is Howard Li, also known as Guang Hao Li. I guess I'm the one who's standing between you and the lunch. So okay I try to be quick.

But before I go to the slides - go into the slides, I would like you to know before I joined the ICANN side, right, the other side, I built and ran two registrars myself. So when I say I feel your pain, or I share your feelings, I really mean that. All right? So let's keep it in mind.

For the Whois cross field validation for the background, I don't need to read it, it's in the RAA. So it's required to do a cross field like verify the city and the state, state in the country, that kind of thing.

And one thing it's important is we wanted to be technically and commercial feasible. Right, so it's actually up to us to identify what is technically and

commercially feasible. To me if we said the last slide was the dark side, then let's look at the bright side of this thing.

We identify a few values that for the validation, we can see more reliable Whois data, and reduce the - a very important thing is reduce the compliance burdens in the long-term actually because we've seen more than 80% of the compliance tickets are on the Whois accuracy.

And we also see the potential reduction of the - in fraudulent or abusive registration. When we say that we, more or less means people register domain name for, you know, welcome the use of those names like the building of (unintelligible), you know, unauthorized (jobs) or anything, that kind of thing. All right.

And we see it as a better business intelligence in the long run. So what would be the key issues; there's a long list of that. Actually will be more in the long run but one - two things that are very important, I would say, one is let's try to identify for those (unintelligible) in territories, what country or territories (unintelligible), you know, can they be verified.

And how - to what level they can be verified or say validate, I will say validated, you know, to what level. Right, that - we are not expecting it to be 100%. I don't think we can do 100% to all (unintelligible) or the countries, territories out there. But we need to agree upon to what level the validation is acceptable to us.

And also we would like to see, and as I talked to some of the - some of you - that it's allocation of the costs. Right, we need to decide on the cost sharing or cost bearing mechanism of this. Should it be borne by the registrars or the ICANN or by other community - shared by other community members, you

know, like ccTLD operators, you know, if they are also using it, interest in doing it. Yes, so we need to sort out all those technical questions or, you know, we need to make decisions on that.

So going forward, we actually would like to re-initiate the working group and by doing - re-initiating the working group because just like the last slide said, there are lots of work to do. There's a actual work involved in the process. So if you join the working group we expect you to allocate your time probably to assist in the process.

So with that we can also involve other community members like ccTLD operators, you know, and we need to agree upon the scope of the work, what shall we be working on, all those. And we need to establish or agree upon a project timeline.

So for things that we actually just like, yes, James remind us a minute ago, we will involve our compliance team along the way. So at the end how shall we be complying with that? How shall we identify it, validate it, you know, successful, or fail validation.

We have a - keep all the compliance intact, right, on the (unintelligible). So that's about it. I guess I'm done with it so I welcome - if you don't have any questions you can go for lunch.

Mike Zupke: So not quite yet but thank you, Howard. This is Mike again. And I just sort of wanted to reemphasize, you know, although there's a pretty long list of work on those slides we see there being really, you know, so the requirement is that there be a registrar working group who votes on this when we get to the end. We've sort of explored all of the road to getting there with registrars. And at

the end there's a vote by the registrar working group and they have to approve by 2/3 in order for this to become a binding obligation.

You know, so there is a working group already in place but we're going to reopen the call for volunteers because there have been so many new registrars accredited and maybe people's interests in this have changed.

But as I see it the two big questions are, and I think this is what Howard is saying too is, is, you know, how accurate is accurate or how valid is validated? We know that 100% is not a reasonable goal for 100% of registrations. And the other question is, you know, what do you do if a domain name data doesn't pass that test for validation?

You know, my thinking is at least kind of preliminarily, you know, you look at what other industries are doing. A lot of them to the customer, here's the data you gave us, here's how we think it should be, you know, you can override if you need to.

You know, that's potentially an option but that's, you know, that's an open issue. So those two things I think are really critical for this working group. And, you know, I think everybody, you know, in this room is going to be very, you know, significantly affected by this so I hope that we have, you know, lots of good participation in this effort.

Michele Neylon: (Bob), James and then Rob.

(Bob): I brought this up many, many times but you - it's silly to talk about street addresses since the vast majority of the people around the world do not have the street name - a street name in their postal address. And it gets in the RAA

that - I was surprised to see it there but all of Asia you're pretty well a totally different system. Thank you.

Howard Li: This is Howard for the record. Actually say whether it can be done we can - we actually seen the map providers like lots of - well, I don't want to point names but actually a lot of map providers they can verify to a certain level. I mean, not to everyplace in the world but far before 80%, 90% of a place they can do it.

And actually for some ecommerce Web sites like Amazon and some others, say Ali Baba, for example, they can actually verify those addresses to, you know, to a very - for far extent to verify extent. So we wouldn't say it's completely unworkable at that.

Michele Neylon: So I've got a queue here just so people are aware. James, Rob and then (Ben).

James Bladel: So that's kind of where I was going is that, you know, if you look at people who are doing this online in high volume - you immediately go to places like Amazon, like FedEx and UPS and talk to them. And I think they'll tell you that even in North America where these things are pretty tightly tied up, that if they are in the 92% to 95% success rate they are happy, okay.

Which to us translates into what, 5.8 million domain names that now just went into invalid Whois. So we have to be very - and that's just in North America so we just have to be very careful of the scales we're talking about. What's an acceptable degree of accuracy? And to Mike's point what happens when they don't cross that?

And again because this is all - we can talk about well registrars should pay for this war ICANN should - look, it's the registrants that are going to end up

paying for this at the end of the day. And if this comes out to be \$8, \$9, \$10 per registration for something that has a basis wholesale cost of somewhere between \$9 and \$20 that's going to be a big problem and it's going to disrupt the economics of this industry.

So let's be very, very careful about this. Mike, you know, I know that it's in the agreement that you know the Whois specification I believe has some dates where it can be amended separately from the RAA. We're past those dates, let's look at that as an option to fix this.

I think we went into this a little too quickly when we were into RAA and we thought we could do this. We thought that there were ways to make this better, okay. Maybe the answer is if something is reported to be invalid you run it through a system instead of trying to do the whole thing in advance. I mean, there's ways to slice this to make it a little more commercially and technically reasonable I think is the language of the agreement.

But the way we're positioning it right now, you know, when you run the numbers just the scales to work. We're talking about hundreds of millions of contacts. Thanks.

Mike Zupke: Thanks James.

Howard Li: This is Howard. Thank you, James. Actually when I first taking on this project I can see more issues then you just mentioned. All those new gTLD registries, we expect internationalized Whois information, right. The address in, you know, non-ASCII addresses. So whether we can do it, yes, we'll try.

And just as you mentioned, 95% probably we agree on 95% is good then we do 95%, right. So we are not asking for 100%. And as you said that should be eliminated from the RAA, right.

James Bladel: No I'm just pointing out that 95% would sound great. If we went out to the GAC and the IPC and said guess what, we put this into place and it's 95% accurate, everybody would pat us on the back and say bravo. And we're the ones that have to clean up 6 million bad domain names.

Michele Neylon: Just before we moved down the line we have one question specifically for James from (Dicky Armour), (Armor), (Armour), I don't know from remote. (Dicky) is asking, "What was the figure James just quoted, number of domains affected by this?"

James Bladel: Oh so I was just kind of pulling some back of the envelope numbers of about 122 million gTLD registrations and then if we were something like 5% of that that's - 6%. Don't know, just swinging for the fences for conversation. I mean, I don't know if (Dicky) has better numbers or something that's more up-to-date that would be great.

Michele Neylon: He's happy with that thank you.

James Bladel: Okay.

Michele Neylon: Just going down the line next up is Rob and then Ben.

Rob Hall: Rob Hall with Momentus. So here's my concern with what you're saying, and it all sounds great. But you've got a compliance department, and we've got a contract that doesn't say, hey, 90% is okay or best effort way to go, you got the 95%.

It's as if we approve this 100% of the time we must do it. And frankly until the RAA is changed to take in to mind exactly what you're saying is it the best efforts or, you know, you use a tool as James suggested in a complaint, I'm going to be very concerned about putting anything into place that's not 100%. And we know that doesn't exist.

Because our contract right now doesn't allow for hey guys, you know, well done, you hit the 95% because you know what, your complaints team would be after that last 5% every single time. And I'm not comfortable with that.

So I think this may have to start with the discussion of what are we trying to get to and what is the rule and do we need to change that before we start banging down the path of trying to get to a certain percentage and saying that's fine, it's close enough.

Michele Neylon: Okay thanks, Rob. Ben.

Ben Anderson: Yes, thanks Michele. Ben Anderson, NetNames. I think a lot of us went through this six months ago with Nominet where they decided to validate addresses. We all know there is not a centralized database that allows for the validation of addresses. In fact there isn't one that covers, to James's point, 100% of addresses in a single territory or country.

I think it would be really good to get them to come and talk about what they've done, how many names they suspended because they suspended a lot. For addresses that in actual fact were valid it's just because the data provided that they were using didn't have that format within their system.

So it's absolutely ridiculous to think that there is any way that this can be worked. And to Rob's point, I think we need to go back and find exactly what is it that we're asking to do here because there is no one that can provide a service to any registrar or ICANN that validates addresses unless you are prepared to pay for all of us to have access to QAS in the UK, to wherever in all other different regions.

I mean, one other point that is missed by a lot of people is for retail registrars, we already pre-auth credit card payments based on the addresses that have been provided to us as well. So, you know, are we saying that credit card agencies, when they pre-auth cards based on addresses are incorrect because they won't allow us to accept the payment unless that's right anyway. So could that be seen as an alternative method of saying well actually we validated the address to a point that Visa or American Express are happy.

Michele Neylon: Okay. Thanks, Ben. We're way behind here so I've got a couple of people in the queue, don't worry, Christian, you're one of them. And then I closed the queue now. There's food here which members should avail themselves of. We also have a brief presentation on the trademark matter. Plus we have to do the preparation for the meeting with the Board. And also at this juncture want to thank ICANN for lunch because ICANN has actually paid for our lunch. This is...

James Bladel: Is that because they moved us to the tent? It's for the tent.

Jennifer Standiford: Possibly.

Michele Neylon: Possibly.

((Crosstalk))

Man: Guys, can I cut in about the tent thing? The GAC complained about the tent and it's been the butt of jokes. Can we rise about that and say it was great for us? Because seriously because, you know, we complain about joke about the GAC and everybody else complaining about it and I think it's worked pretty well for us so I'd rather be the one saying, you know what? The tent was great. Thanks very much.

Michele Neylon: The U-shape definitely helped.

Man: Yes.

Michele Neylon: Definitely helped. I mean, we've had some fairly crappy layouts have some meetings. I've had meetings where I was trying to chair the meeting, and I could not hear the speaker who was sitting two chairs away from me.

Man: I get it. So my point is everybody else was whining about the tent, why don't we rise above it and say you know what, it worked for us it was great. Thank you very much and move on.

((Crosstalk))

Jennifer Standiford: Can I just cut everybody off here? This is Jennifer for the record.

Michele Neylon: Sorry Jennifer, go ahead.

Jennifer Standiford: We can take five minutes to grab lunch, sit back down, welcome Scott...

Michele Neylon: I've still got a couple of people in the queue here Jennifer on this one.

Jennifer Standiford: All right.

Michele Neylon: And then we can do that. So the queue I have, (Joy), Christian and then Yoav.  
And please try to keep it brief.

(Joy): Okay. I'm not sure if ICANN ever have this address validation tool of (unintelligible) day ever comes. If you want us to validate every existing domain name or just when somebody complain about a domain name's inaccuracy. Okay, that means - that's just one question.

And then I want to follow up about the recent experiment - recent new gTLD dotNYC, they validated every address with United States Postal Office. And I tell you what, it could be a nightmare. Somebody put in 500 E. 5th Avenue and the suite or apartment or something, let's say 100, if this person did not put in Apt or did not put in FL, floor, just put 100, then they reject it.

The client just couldn't register (unintelligible) domain name. And we look at every time we saw the fail registration we had to look at the address and compare with the national post office and just because he didn't put a APG before 100 and they fail.

But for the Federal Express they can have 97% success rate because delivery person go there, 500 5th Avenue and 100, they know that this is 100 suite. But the tool doesn't have that kind of intelligence to do that. So Federal Express will have a much higher successful rate because it's a human interaction there.

This person walk into the building, he knows 100 is 100 unit or floor, whatever. But the tool cannot do that. So it's going to be a nightmare, that's how I - the way I see this validation tool is going to lead to.

Michele Neylon: Thanks, (Joy). Can you briefly and succinctly?

Howard Li: So this is Howard. Again, I feel all the pains and share your feelings, right. Exactly that's why we put in a lot of items for the working group, you know, the working group which will determine whether it's verifiable through what kind of tool like interface, how we can verify and what's the data format can be verified and also we go down to like say whether it's even possible to verify that.

And going back to the compliance issue what's the pass and fail, right, and if it's a fail what do we do with it, how do we revalidate it or what - how do we handle the failure?

So all those are the questions that we need to be answered in the working group. And also to answer your question, (unintelligible) right now from the contract for the IA, it requires the validation within the 15 days of new registration, transferring or the update of a registrar's information. Right? So it may or may not be a real time validation through that portal, right?

So it's a - I validate it and it's come back with the failure then how do I handle it? What's the timeframe? I resubmit it to the portal to revalidate it to get a pass or - that portal come back to me, it's a yes or not answer or it come back to me that address does not say - the apartment does not existing in that street or in that building.

So it's like what kind of failure message we get back. All those are technical questions, I would say, you know, and it's a lot according to the suppliers, providers. Thank you.

Michele Neylon: Thank you. Next in the line - oh my God, I'm giving Yoav the last word.

Yoav Keren: Hey, yes, so I know everyone already...

James Bladel: Sorry.

(Christian): I really - sorry about that but I have to insist.

Yoav Keren: I'll still have the last word so it's good.

(Christian): Yes, you have the last word; you still have the last word.

Michele Neylon: Sorry about that, guys.

Yoav Keren: Yes, no problem.

(Christian): Actually, I can't believe that we are discussing all this again. Why don't we learn of the mistakes others have made in the past? The (unintelligible) tried to do address verification and they failed miserably. The (SADN) of the Dutch guys tried to do that and they failed miserably. Right now the Nominet is doing that and we are not able to get through registrations from Germany because their database does not cover that right.

Why are we doing the same mistake for five, six, 10 years, again and again? There is no way that you can technically do that. And you will fail as all the others failed only that your approach will hurt us a lot more compared to only one top level domain is doing this kind of stuff. Sorry. (Christian) by the way.

Michele Neylon: Yoav, you now have the last word.

Yoav Keren: Thank you, so although everyone already eating I hope you can listen to what I have to say because I said it before. Howard, how many years have we known each other, like 10? And we've been working together at IDNs in this community like 10 and it's still not resolved, you know. This thing is - so IDNs is like nothing compared to this.

And I'm taking part in the translation and transliteration working group and, you know, (unintelligible) there's no solution for this. Okay. And I'm going - just put it very quickly, addresses in Israel, for example, are in Hebrew. There is multiple ways to transliterate or translate those addresses. Even if you have a database for everything, which you don't, and there are villages that have no street addresses, when you transliterate or translate it, you will not be able to verify ever. This thing just needs to be dropped. Forget about it.

And this is - and we're talking it's not working in the UK, not in Germany, it will not work in - it will be worse in Israel and let's think about Syria or other countries. And of course in China also I'm sure.

Michele Neylon: Thanks, Yoav. And just for the record, Nominet are incapable of validating Irish addresses so we're seeing tons of Irish registrations being suspended due to their inability to do any validation.

Yoav Keren: So go join the club if you want to.

Michele Neylon: Yes.

((Crosstalk))

Michele Neylon: Okay, you literally have one word. It's okay, I'll let you have a full sentence.

Howard Li: I know there's a lot of problems out there. And if we can get (unintelligible) we shouldn't do that then we probably won't do that, I don't know.

Michele Neylon: Thanks.

((Crosstalk))

Michele Neylon: The terms of the contract state that it has to be something that is - I think it's technically and economically viable...

Man: We have to approve it and it has to be technically and economically viable.

Michele Neylon: Yes.

Man: Two-thirds of the working group needs to approve it before it does anything.

Michele Neylon: Yes, so there are three things there. It has to be technically possible to do it. It has to be economically viable to do it. And we have to agree on both of those points. And if you haven't got the message today that we have - aren't exactly positive about receiving this then I'm not sure what we can say to you. Rob.

Rob Hall: Well I think we have to start the work though and look into it. But I'm a little, you know, I come back to what our ask of the Board maybe this afternoon which is we stopped banging on this road until we get some concrete examples from the law enforcement agencies of is it having any effect. Because they claimed it would have of huge effect and we don't believe it is.

So before we continue down a rat hole let's stop and take a temperature of do we want to continue. Michelle, just as a point of order note, this line is going

to take forever because they're individually serving past us so you may want to keep going with the agenda as opposed to stopping and lining everyone up.

Michele Neylon: Sorry, wow that microphone is loud. People - know that makes perfect sense. At some point though I am going to have to stand up and get in the line as well because I can't do this for eight hours without eating.

Okay so are we done on this item on the agenda? Yes, I think we are. Yes, and Mike - would you remind people about the details of your thing?

Mike Zupke: Yes, Amy, where are you? She knows this better. I believe it's at six o'clock tomorrow. Do you want to talk about that quickly?

Amy Bivins: We're having a networking event just for registrars tomorrow. It's in the California (unintelligible) B, it's right down by the exhibition area, it's from 6:00 to 7:30 so please come.

Jennifer Standiford: And we'll send that out to the Registrar Stakeholder Group as well because obviously some of them are in-line and some of them are on the Adobe chat so will make sure that gets communicated to the group.

Amy Bivins: Okay great.

Michele Neylon: I mean, you had ascended out previously but just send it to me again or Jennifer will we send it back to the main group.

Amy Bivins: Okay great.

Michele Neylon: You know, timing and everything else. Thanks. Mike?

Mike Zupke: So do you have time for Francisco to talk about universal acceptance?

Michele Neylon: No.

Mike Zupke: You're shaking your head no.

Michele Neylon: Well hold on. What time is it? It's 1:20. Hold on, let me just check the time table for a second please.

Mike Zupke: So this isn't a 30 minute presentation, it's a short few minute pitch.

Jennifer Standiford: Mike, just hold on one second. We're going to talk to the speakers.

Michele Neylon: Okay just site quick change in a...

((Crosstalk))

Michele Neylon: Okay. Slight change on the schedule here. Francisco, who has - okay, there he is. Francisco is giving himself a microphone and he's going to be - put himself towards the center of the room. Francisco is going to speak briefly, briefly on universal acceptance. If somebody could turn on the microphone for him?

Francisco Arias: Yes, it's working. Thank you.

Michele Neylon: Okay. Go ahead.

Francisco Arias: So hello everyone. This is Francisco Arias from ICANN staff. I work in the technical services (area) within GDD. We have a project called universal acceptance. And I would like to talk to you briefly about it and make a request to you.

Next slide please. Next slide. So the universal acceptance project deals with the three issues that were identified by the community. The first one is to have support for all TLDs and applications. This is very clearly an issue in some browsers where you type a domain name with a new gTLD you may not get the page that you're trying to get, you will get a search list - sorry, a search page.

Next slide, please. The other issue is the support for IDNs. Oh excellent thank you. The other issue that was raised by the community is having support for IDNs also in applications and services.

And the third issue, next slide please, is support for internationalized email which is a protocol that was just internationalized a couple years ago and there is still some lack of support in applications.

Next slide. So these are the three things that universal acceptance is focusing on, promoting the support of all TLDs, IDNs and internationalized email in applications. And the request is for you - next slide please - is if we are going to - what ICANN is doing right now is coordinating efforts with other peoples that are interested in making this happen for gTLDs and also possibly something that is of interest to registrars, this means if there is support for this technology you could have an expanded market in which you can sell your services.

So what we are asking is, since we are going to go to the external parties like software vendors to ask them to support this technology that perhaps we should be consistent and have the support in our own applications. This is also - this also goes for ICANN. We are working on having our standard contract or agreement to have a clause to require all the new software or services that

are delivered to ICANN to support universal acceptance, to support all TLDs, IDNs and internationalized email.

We are also working on a roadmap to update all applications to support universal acceptance. On the call for action to you will be for you to do the same with your own services, your own systems so that you support all TLDs, IDNs and internationalized email.

So that's the message that I had. And if there are any questions.

Volker Greimann: Thank you very much. Seeing that we don't have many people at the table and just asking briefly if there is any questions or anyone in the queue who wants to step out and that's questions?

Michele Neylon: Thanks, Volker. Yes, somebody is holding my position in the line. Francisco, on this here, are you emphasizing all TLDs equally or are you doing the I can think where you put a massive emphasis on IDNs and forget about all the others?

Francisco Arias: No, it's all TLDs, (unintelligible) IDN.

Michele Neylon: Okay perfect. And what are you doing on a practical level? Because I saw the roadmap but it was kind of fluffy. I mean, is ICANN going to be talking to, I don't know, browser vendors, W3C, I mean, I don't know, do you even know who you should be talking to?

Francisco Arias: Yes, we have been talking already with vendors. We talked with Google, with Mozilla and other browser makers. And you may have noted that in the case of Chrome they have reduced their cycle to approximately 6 weeks to recognize new TLDs. Mozilla they also implement changes and now they

quickly get new TLDs. They also made changes in the PCL. We provided now a bit of data for the new TLDs so they recognize very quickly.

And the roadmap, as you said, is a high-level document that describes just an agreement with the community what is the problem that we're trying to solve, and just at the next level is we're working now in a communications plan to go and talk with the software vendors and other (unintelligible) stakeholder groups that we identified.

Michele Neylon: Yes.

Volker Greimann: Any further questions? Seeing none I thank you for your presentation. I think it's very good that this problem was tackled and these are good first steps to go about it I think. So we'll take this discussion into heart and we'll follow up on this as well.

Francisco Arias: Okay thank you.

Volker Greimann: Okay, administratively, we have moved the presentation from Margie Milam on Whois validation and auditing to the back of the schedule. This will now occur at 5:15 after the originally proposed end, so we are extending a bit.

And next in line is Scott Harlan with the presentation on the (unintelligible) directive. Scott, are you here? Just take a seat somewhere where there is space. And Paul has the slides.

Thank you, Scott, for coming to us and being willing to present on this topic on short notice. I think this is of importance mostly for European registrars but has implications worldwide as well. So please go ahead.

Scott Harlan: Hello everyone. My name is Scott Harlan. I'm an attorney at Katten Muchin Rosenman. We represent various registrars and registries. It's been brought to our attention that there are some developments in the EU trademark reform and so we wanted to raise these issues here at ICANN to try and obtain community support for advocating against some of the proposed changes.

Just as full disclosure, I'm actually not an EU trademark attorney so some of the views on the slides are actually given to us by EU attorneys however. So I'm going to do my best to explain the EU trademark system very quickly.

There are two main documents, there's the EU regulation and an EU directive; they govern different things. The regulation governs the actual community trademark that you can apply for and get coverage across the relevant countries and then there's the EU directive which attempts to harmonize the national trademark laws of EU members.

The current language in those documents, which I have listed there, you know, a trademark owner is conferred certain rights and the most important of those are listed there, which is you can prevent third parties from affixing your trademark or sign to goods or packaging or, you know, signs for you place goods underneath or importing or exporting goods under your trademark or using the trademarked porcine on business papers and other kind of advertising. Those are obviously very obvious, normal trademark uses that trademark laws are designed to prevent.

Now the European Council has proposed language to modify these provisions where not only would trademark owners have the right to prevent those other things, they can also prevent using the sign as a trade or company name or as a domain name or as a part thereof.

Obviously that's very broad language and could potentially be used anytime somebody puts a trademark inside of the domain name or as the domain name itself.

Now this language is still under negotiation. It was on pause for a while. I believe there were elections in the EU but it's back on the table. They're likely to start beginning negotiations on the regulation and directed as a whole. And our understanding is that EU lawmakers are pushing to finalize this within the next six months so they are supposedly going to make this a priority item.

It's called the (trialogue). It's a dialogue between mainly the European Parliament and the Council with the European Commission serving as a quasi-mediator.

Now the language is in the Council's proposal but it was narrowly defeated in the parliament proposal. But, you know, the current feeling from the people we've talked to is that that Commission - the Council's version is the one that's likely to be adopted which has the problematic domain name language in it for registrants, registries, registrars.

And, you know, what's been noted to us is that so far the discussion has been only among trademark experts who of course want to expand their rights and that there's been very little dialogue with the Internet community and that they have very little understanding of this issue from that perspective.

So why registrars should be concerned about this, it's very broad. It's also unnecessary. You know, domain names that are used as a trademark in a typical trademark way are already, under case law, prohibited by the application of the regulation and the directive and national laws.

So the concerns are you add this over broad language which highlights domain names, you know, it's going to emboldened trademark owners to bring more cases against the domain names and, you know, sometimes (bully) noncommercial uses.

They'll be able to argue that the EU has explicitly expanded their rights to do so because the language has been highlighted and added. EU judges will then more likely find liability, may be third-party liability, maybe not. It's hard to tell how broad they could go with that. And many of those judges are not Internet savvy and, you know, will only focus on the text of the statute. And honestly that can affect domain names and how they're registered in a broad geographical sense.

So the problem from registrants of course is that it will chill their ability to express themselves in domain names when they're not using it as a trade name or, you know, for noncommercial purposes. And that, you know, we think it should be, you know, preserved as a fundamental right as it currently is. And, you know, this could affect obviously registrars' bottom line either by chilling registrations, having to deal with more complaints, more lawsuits, etcetera.

Just have a couple of examples of current trademark overreach. Just to draw your attention to what can happen. You know, for example, a journalist and an activist protested that Danone, I'm not sure how to pronounce that, Danone Food Company, for closing a factory in France and they set up a Web site with a, you know, arguably a fair use of the trademark. And they were sued in the Paris system.

Colgate-Palmolive brought the lawsuit against an Ajax.org Web site from a nonprofit organization with, you know, no connection to cleaning products. Archie Comics filed suit against the parents of a two-year-old girl named

Veronica Sams for whom the parents registered the domain name veronica.org for a noncommercial Web site.

So there are concerns that this is already happening and it will only increase once the trademark owners - overly aggressive trademark owners, obviously not all trademark owners are that aggressive, that this could embolden more types of these lawsuits which could chill registrant's abilities to register domain names and also, you know, other effects on business - domain name businesses.

So here's some advocacy options we've identified as potential venues to try to advocate to the EU government to not adopt the domain name language. Obviously I'm here talking to you right now, at the RrSG. There's also the RySG, Domain Name Association, Internet Commerce Association, there are Internet user associations, consumer organizations.

Of course there are lobbying firms that could help in this effort. And then, you know, lobbying the GAC members that are here is also a potential option. So that's the end of my presentation. Like I said I understand the issue from a high-level but, I mean, I understand that there are other elements to these EU laws that, you know, defendants could use. But the broadening and the highlighting of that language is very concerning.

And so if anybody wants to ask any questions or, you know, I'd welcome any comments on what could be done. And I'm happy to meet with people afterwards. My email is up there. I'm not sure how this works exactly but I'll turn the microphone off.

Volker Greimann: Yes. Thank you Scott. This is indeed a worrying development, although I have reviewed the section of the proposed language and it appears that this

would only apply to registrations and use of domain names or as part of a domain name in the course of trade, not for noncommercial purposes. Could you elaborate on that? If that's a mistaken opinion or...

Scott Harlan: Yes, from the opinions that we got from some of the EU counsel we've talked to and, you know, we've heard that opinion as well. There are elements of those documents that a defendant could use like they use in trade requirement or the non-functionality requirement.

But some EU counsel that we talked to said that those requirements have been lessened in certain court cases recently so it's not as automatic as something that you have to prove to win any domain name case. So that's why that protection may not be as strong as it, you know, used to have been, with the addition of the broad language it could overcome some of those developments. But that's their opinion. I don't have that expertise to speak to it directly.

Volker Greimann: Okay thank you. Personally I party reached out to the German GAC member and asked him about his opinion. The answer is still outstanding so I would urge other European registrars to do the same and get informed on the issue and try to reach out in an affirmative manner to their governments or to their government officials in the GAC to make their voices heard and to get an opinion on where their governments stand on this position.

I would like to open up for a queue. I already have a request from (John), anybody else just raise their hand please.

(John): In the opinions that you've received do they indicate that the other limitations in Article 6 and 7 of the directive would apply? And Article 6 and 7 of the EU trademark directive involves issues like nominative use, what we call in the

United States, that is if I'm making accessories - if I'm making iPhone cases and the only fit iPhones I can say I'm making cases that fit iPhones. Or if I sell my iPhone to Volker, Volker can then say, you know, I'm selling this iPhone because, you know, there's exhaustion.

Do those limitations still - would they still apply if this went through or not?

Scott Harlan: I think - this is Scott Harlan again. What we've heard is that, you know, mainly that it's uncertain if, you know, how far those defenses will go in these cases. But, you know, but the language emboldens, you know, even if that is true it would still, you know, having that language in the documents will potentially embolden people to bring lawsuits anyway. And then you have to fight them and prove, you know, nominate fair use or the other defenses that are in there.

And essentially most people who register domain names don't have the resources to fight big trademark owners and lawsuits. And a lot of judges aren't savvy in nominative fair use defenses and particularly in the Internet context.

And so even if those defenses are eventually effective we don't know how it will play out. And number two, because the language is in the document it allows people to bring the lawsuits to begin with so it still a chilling situation. And just from trademark owner's perspective didn't really need this language and it's just worrisome to highlight it. That's what we've heard.

Volker Greimann: Any other comments, questions? Seeing that there are none at this time I would like to thank you for your presentation. I think it's well worth our attention to look into this more and to coordinate it with other stakeholder groups and see what we can do about this and how to make their voices heard.

Is there already a coordinated effort going or proposed language to be sent to governments that we could adapt for our own use?

Scott Harlan: Thanks. This is Scott Harlan again. Thanks again for having us. And I do think it's an important issue. We don't want more regulations in the European Union that are tough on registrants, registrars and registries.

You know, we found that people don't know about the issue, there's no organized effort right now so, you know, we're trying to generate that - that organization right now to have somebody - ideally some kind of trade association or group step up and lead the effort to adopt - so the European Parliament issued its revision. It does not have the domain name language so all it would take would be to support the Parliament's version of these articles and then to reject, you know, the Council's position.

So we wouldn't have to draft new language; is already there being offered by the Parliament. But it was apparently narrowly removed from that proposal so they do need some support from people pushing them into keeping that language out of the final result.

Volker Greimann: Thank you.

Scott Harlan: And my email and phone numbers are in the slide deck that I believe Jennifer Standiford asked around. So if you want to talk more about organizing, you know, I'd be happy to respond and put people in contact with each other.  
Thank you.

Volker Greimann: Thank you. The slides will be distributed to the members list as well all the slides that have been presented during the ICANN meeting or will be

presented during the ICANN meeting to the Registrar Stakeholder Group. So you should be receiving email from Paul in the next few days with these slides as well.

Okay moving on to the next topic, we are well behind our time. And I hope that the majority is either already eating or have been well fed so we can move to the discussion of the Board topics before we actually get to the Board.

We have about 15 minutes until we are due to travel to the Board, but knowing that travel time is probably less than five minutes we can maybe overshoot that a little if there is a need for discussion.

So I would like to hand the microphone over to Paul who can coordinate this discussion session.

Jennifer Standiford: Yes, I got the notes. Sorry. This is Jennifer. Can we put up the slide with the topics for discussion to remind everyone? Call is going to put up the slide of the topics that were discussed this morning but there was a consolidated list of feedback we received from some of the members of the Registrar Stakeholder Group.

I'd like to go through those so we could determine what the actual asks are as it relates to each topic and what the actual outcome is that we're trying to reach.

So while Paul is loading that, on the topic of translation and transliteration, do we have a recommendation or is anybody volunteering to speak on this topic? And if so what is the actual ask?

Michele Neylon: I say moved up and down for now.

Jennifer Standiford: Move it down?

Michele Neylon: Just for now move it down.

Jennifer Standiford: Okay. Moving on to the LA - or LEA stats. The comments that we have received back from the Registrar Stakeholder Group as it pertains to that Whois accuracy program - and this came directly from (Mark Cheptovik), which was, "Is the program causing chaos? Registrars are holding the bag. LEA has yet to provide proof it's doing anything other than a productive other than upsetting many registrants and individuals."

So under the LEA stats, subject matter, what is our actual ask? James.

James Bladel: So I volunteered to take this topic to the Board. And I will lay out the issue by reminding them that we have, for the past three meetings now, asked and were told - we were committed, in fact I think the - four meetings, thank you. I think that the word used in Durban was promise - that we would be receiving this data.

So my question is what's the status? Have they even made this request to governments and law enforcement? And if so have they responded? Because we are seeing and we are able to demonstrate that we are disrupting our industry based on these new requirements.

The level of false positives - the rate of false positives is unacceptably high. And until we have some clear indication that those costs and disruptions are being offset by some benefit to law enforcement we cannot and should not entertain any new requirements or expansion of these requirements.

We're seeing country codes, to (Christian)'s point, we are seeing country codes rollback their requirements because they're encountering these issues in the real world. And we want to make sure that ICANN is also similarly responsive to what it's hearing from its channel and from its customers.

So that's my position on that. I don't know if anyone wants me to change those but that's how I intend to represent it.

Graeme Bunton: This is Graeme for the transcript. I think that's great. The only part I would add is that as far as we know right now it's only false positives. I don't think there's been a single example so far that's been floated my way that a bad actor has been undone by verification.

Rob Hall: James, it's Rob for the transcript from Momentus. I think I'd phrase it slightly differently. You said no new asks. ICANN will tell you that this working group they have had for a while now that's been dormant, that they've reactivated as of today is not a new ask, in fact it's something that's in the 2013 RAA.

I think you've got to be very specific and ask them to back off that. You know, they've reactivated it. They are driving down trying to get field validation done. I would suggest putting it back in a dormant status until such time as they can furnish this proof and we can have a discussion about whether it's effective or not and should we continue down the path.

Phrasing it as new asks, they'll just push back and say this isn't anything new, this is already contemplated; we have to finish it. And I think we want a concrete yes or no from them of, you know, why are you reactivating this at a time you haven't even provided the data to us?

James Bladel: Okay, Rob, so I'll drop the phrase "new ask" and instead just focus on expansion by activating the cross field verification.

Rob Hall: Yes, I think that's our real ask is stop this until you can get the data and we can talk about it.

James Bladel: Yes, got it.

Michele Neylon: Anyone else on this particular topic? No? Okay moving on. Next one on there was the ICANN budget. Surely some of you have some feelings about the ICANN budget.

(Pauly): I do. Hello. (Pauly) for the record. Sat to your right, this fellow.

Michele Neylon: Sorry, I couldn't see you.

(Pauly): I don't know if we want this or not discussion with the Board. That's it. Does anybody feel strongly that it should be on there?

(Tom Kelly): Well, I'm (Tom Kelly) for the record. I think it's a (unintelligible) but one thing we really should think about is whether the (unintelligible) should always stay there. We haven't changed that for any time in the last five years I guess.

And I think with all the new money coming into ICANN that would actually - suppose there's a chance that we can change that. Not for the Board today but I think we should start that conversation any time soon to be ready as soon as it comes to the new (unintelligible) planning phase of the budget for 2016.

Michele Neylon: James.

James Bladel: Yes, I think so the Registries mentioned that they were raising this but it seemed like that the direction that they were taking this topic was more the planning process and how there could be more transparency at the beginning of the process, more taking the public comments and the feedback that they're receiving on board.

We're seeing that the draft is not necessarily reflective of those comments that were received. And then following up, you know, throughout the year with the reports and I think that that shareholder or stakeholder update call might go to some lengths for that. So if we want to drop it, we can drop it.

Man: I hesitate to weigh into this but it's, you know, what (Oleg) set out (Pauly) sent out earlier which is we've got this bigger budget and its leading now into other processes that we may want to speak against at some point. So now every constituency, including ours, can go forward and say I want a bunch more trouble slots.

You know, so we can talk about how the budget got approved or not but at some point we should be starting to talk about we don't like some of the things in it that are spending money that we contribute and should we be pushing back on that.

On a larger note at some point I think we should be talking about, you know, there's 2/3 approval we have really isn't that and should we try and strengthen that if they're going to keep, you know, making larger and larger budgets. At what point do we say no, this isn't okay. And I think (Oleg)'s point of the 18 cent figure is supposed to be derived every single year from when their shortfall. So what is it this year?

But until we have all those questions and asks, you know, we are on the same side and understand what we want maybe we should take it off this discussion with the Board because we don't have a specific ask.

Man: Just a brief intersection about something that we learned over the weekend on the GNSO session on this topic is that we've all seen the last budget and we've all seen that it was largely based on unrealistic expectations of future income, seeing very high number of new gTLD registrations as a base estimate.

And them already spending the money - well skinning the bear that they haven't shot yet and now they have found out indeed the expectations were largely overconfident and they had to pick up about \$10 million which they made up in savings, so we're not actually looking at new monies coming into ICANN but actually spending been reduced due to less money coming into ICANN than originally expected.

And that may fall back down on us. And it may end up in an increase of the 18 cents down the road. So this is, in my view, is very worthwhile topic to discuss because I think that we should have - well the entire community should have more say when the budget is drafted so that the spending estimates are in line with the income estimates and that money that hasn't been earned yet is not spent.

Man: So maybe our ask then is a concern of - we're concerned that the revenue projections are based on reality. We're also concerned for example that the registries are now asking to eliminate their base minimum fee which would further cause pressure on that. And as a registrar constituency we're concerned that we will bear the brunt of that and make up any shortfall because we're the ones that have a contract that allows that. And so we just want to make the

Board aware of this concern and that, you know, we'll have to fight it if they're going to just do that. Does that make sense?

Man: So that point is 15 million registration transactions.

Man: On top of the minimum \$25,000 fees.

Man: No, so your point on it being - I think you said unrealistic.

Man: Yes.

Man: Yes so what they've reduced it to from 33 million to now they're saying 15 million transactions to the chargeable where there's the 25 cent registry fee. So that's then 15 million transactions in registries that have over 50,000.

Man: Yes, that's the key point you just made. So what they've done very cleverly is they've said it's 15 million over the minimums...

Man: Yes.

Man: ...the registries already need to pay us.

Man: And how many registries.

Man: That's a double edged sword, right? Because no one thinks they're going to get to the minimum of 15 million period, let alone over the top of, you know, 50,000 times all the...

Man: When you work out what it is it's...

Man: And couple that with the registry is now asking to eliminate that minimum. So you're eliminating the base minimum and you're not going to make even what you projected and we're the only avenue they have to collect money other than that and we're concerned.

Man: Yes, the only issue with this discussion and bringing it to the Board is are we just turning up to slap them in the face and say this is rubbish? What's our point? Where do we get to?

And just a touch on one other thing that Rob said, which isn't quite correct, every constituency has always been able to apply for additional funding; we've just not done it. And now they're making a new process. So it's not that no one has been able to apply for additional funding now, they're just making it a more streamlined process. There is no difference.

Man: I'm happy to take this one if you want.

Michele Neylon: Okay. Yoav and then we need to move on to the last topic because I'm a bit conscious that it's come up to 2 o'clock. Yoav.

Yoav Keren: Yes, this is a small comment when we were talking about the budget, the one thing that I've heard this week is that in London the travel support was given to over 800 people. So it's not only that so we are, you know, I think we should also have a say in what ICANN is doing with that money.

Yes, and that's troubling. I don't know how much - how many people it is for this one but that was for London. I think about 200 of those, close to 200 were ALAC. These are, you know, I never thought it even close to that.

The other issue we've had this discussion about the validation. Maybe we should raise this. How we can raise it as a part, you wanted to take down the translation and transliteration point but I don't know if you want to put a new thing into the topic but...

Michele Neylon: Okay just - we have to be quite careful here because if we start getting into nitty-gritty operational things it's not a Board matter, it's a matter for GDD. So it's something that, you know, gives the ask is we want to renegotiate our contract, then maybe that might rise to the Board. If we want to change something like that it's going to be more of a GDD type thing. They're just going to punt to Akram.

Yoav Keren: Okay.

Michele Neylon: Being perfectly honest.

Man: Except that they have to approve the budget. So...

Michele Neylon: No, no, we're not talking about the budget we're talking about...

Yoav Keren: The validation issue that we all had...

((Crosstalk))

Michele Neylon: Sorry, it's just two separate things. It's just we've had the issue in the past where we've raised things with the Board that basically weren't really within the Board's remit, it gets punted back. Fadi will smile at you nicely and then queue up Akram to say something and Akram will then print it further down and ultimately we don't get anything out of it.

Okay so on the LEA stats issue we have James Bladel is going to take the lead on that. On the budget Rob Hall. Now there are two other topics that we gave them. The Internet governance involvement, what was that in relation to exactly, Jen? Who raised that one? (Unintelligible) disappear to?

Okay. I think - okay the Internet governance involvement. Some of this has actually been kind of diffused slightly by some of the things that Fadi has said over the last couple of days. One of the things that he did raise in a meeting with - I think it was a meeting with the SO and AC leaders on Friday was something about doing a better job of coordinating with the community with respect to ICANN making more - making larger budget commitments to various initiatives such as, for example, NETmundial.

But I don't know, I'm not too sure how we want to bring this entire Internet governance thing.

Jennifer Standiford: You know, this is Jennifer for the record. I kind of want to go back and say, we don't have a concrete ask and an objective we're trying to accomplish. Perhaps we move onto another topic.

Michele Neylon: We could keep it to two topics if you want. But the translation and transliteration one I'm not too sure exactly what we're asking there.

Jennifer Standiford: Right.

Michele Neylon: I'm a little bit confused.

Jennifer Standiford: We could just confirmed with the Board that I believe the vote is going to take place to approve the bylaws - revised bylaws for the Registrar Stakeholder Group this Friday. It's on the agenda so we want to make sure that

that's covered. It's not a question or comment. We could be seeking confirmation.

Man: You can thank him for putting it on the agenda and approving it.

Jennifer Standiford: Yes.

Man: You're right, we don't need a comment or question that we could say thank you for finally getting it on the agenda and we look forward to its approval Friday.

Michele Neylon: Yes, I mean, it's been a long process. I mean, part of that was our fault but it's also down to their timings of moving things along. So it should be done. Okay I see you waving, it's okay. The little German lad, Mr. Greimann, would like to say something. Mr. Greimann.

Volker Greimann: I think the big Irish bully for giving the floor to me.

Michele Neylon: Thank you German.

Volker Greimann: Maybe we don't even need and ask for the Internet governance discussion that just raise it as noting that we feel that the involvement of ICANN and especially Fadi on the international level have raised the profile of ICANN on that level. And we also appreciate that now that this involvement is being reduced again that this world has been played out and that the level of commitment is in accordance with what the Board has decided more feasible on a lower level.

Michele Neylon: So based on that I think I'm going to assign that topic to you, Volker.

Volker Greimann: Actually I won't be able to make that session.

Michele Neylon: And he wonders why I bully him. I'll try to take that if somebody else wants to take that topic?

Volker Greimann: It had your name on it from the beginning.

Rob Hall: Can I suggest that during your opening remarks you also thank them for the appointment of the senior C-level compliance officer. I think it's, you know, maybe along with Jen's request new bundle back into just a thank you for, you know, we look forward to the bylaws filing being approved this session and we look forward to working with the new level - you know, new high-level compliance officer (unintelligible) the meeting with.

Michele Neylon: Thanks, Rob, that's a good point. Does somebody have to hand his exact job title?

Rob Hall: Chief compliance officer.

Michele Neylon: Chief compliance officer?

Rob Hall: I'm pretty sure.

Michele Neylon: (Bob), go ahead.

(Bob): Well how have we handled this transliteration?

Michele Neylon: We're not, we're dropping it.

(Bob): It's really very significant.

Michele Neylon: Well okay how - where we asking them?

(Bob): All these Whois's are in Roman letters and much of the world does not use them and that means for conversion to the alphabet and the probability that a piece of mail that would get to it is questionable. I don't think it can be ignored.

Rob Hall: But, (Bob), I'm not sure it's at the Board level yet where were asking them to deal with it. So the working group is going on about this and they haven't really finished. So, you know, the Board is aware of it but we don't have anything to ask...

((Crosstalk))

Michele Neylon: We've already told them this. I mean, I think like over the last - my memory could be wrong but I think at the least over the last 3 to 4 meetings at various points we've raised this. I think in one instance we got beat up on by several Board members who, you know, pointed out some of the kind of fallacies around some of the stuff and etcetera. But it's not - this is a discussion we can have within this group on the cross field validation as well. I mean, they're all interlinked.

So, okay, the - thanking them for the high-level compliance officer appointment and noting and thanking them that the bylaws on the agenda for Friday is it?

Man: Isn't a Board meeting Thursday night after the public session?

Jennifer Standiford: I stand corrected. This is Jennifer. Thursday evening after the public forum.

Michele Neylon: Okay, yes that actually makes more sense. Okay, it is now 5 past 2. We are - we're with the Board in...

Volker Greimann: Ten minutes.

Michele Neylon: No, which room? We're with the Board at a quarter past 2. The room is Los Angeles which is two levels down over in the main building. It's where the opening ceremony was held yesterday. So unless there's anything pressing that anybody wants to bring up now I would suggest that we make our way over there.

Anything anybody else? No? Okay then. So see you all over in Los Angeles at 1415 and if we can try to be - make a prompt start. Oh also as well before I forget, Mr. Tim Cole is here visiting with us so if anybody remembers Tim Cole, he's right here. And he's now turning bright pink.

So see you all over there.

END