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HYDERABAD – gTLD Marketplace Health Index Metrics

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CYRUS NAMAZI:

Good morning, everybody. My name is Cyrus Namazi. I'm a member of ICANN's GDD Team. Welcome to the session on gTLD Marketplace Health Index. The objective of today's panel is to be able to provide an overview of the objective of the exercise to provide this index and also a status update on where we've been and where we are today. Included in that will be a timeline of the deliverables. I'm hoping that we actually get an interactive discussion going, because ultimately what we're looking for is to be able to fine-tune. But we've posted mainly as a placeholder, we call it a beta release. It's missing, I think, a lot of key pieces.

It's my personal belief that really the depth of knowledge and experience that is necessary to make this a valuable dashboard that is going to be helpful in informing us, all of us, in different parts of the community with useful information really resides within the community. This is why I wanted us to all get together, share with you what we've done to date, the composition of the Advisory Panel, what and where actually other parts of the community and community members can come in and participate.

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And to do that, I actually have a panel of distinguished experts sitting next to me. I think we're missing one of us. Olivier hasn't shown up yet but, hopefully, he will. And the way we're going to kick it off is I'll ask my panelist to do a quick introduction of themselves. Then my colleague, Mukesh, who on the staff side is actually the lead person for this exercise will do a short introduction of what we've done, how we're doing it and where we're going just to help sort of level set the conversation. Then we'll begin, hopefully, a very interactive conversation. So without any further ado, let me ask Jeff, please, if you could start with your introduction.

JEFF BEDSER:

Hi, Jeff Bedser, iThreat Cyber Group. I'm with the SSAC.

THOMAS KELLER:

Hello, Thomas Keller. I'm from 1&1 Internet, that's a registrar in Germany. I run the business for domain names there and I'm the Chair of the DENIC Advisory Board.

ROELOF MEIJER:

I'm Roelof Meijer. I'm the Chief Executive SIGN, the company that runs the Dutch ccTLD. We have about 5.6 million domains under management.

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STEVE DELBIANCO: Morning, Steve DelBianco. I'm Executive Director of a trade association in the U.S. called Net Choice and I'm the policy coordinator for the business constituency here at ICANN.

MUKESH CHULANI: Good morning, Mukesh Chulani, Senior Manager for Registrar Services, ICANN, part of the Global Domains Division.

CYRUS NAMAZI: Excellent. Thank you all very much. Without any further ado, Mukesh, why don't you kick off the discussions for us and then we'll begin an interactive panel discussion, hopefully, with participation from all of you. We have microphones actually on both sides of the room, so if you're not sitting at the table where there is a microphone, just raise your hand and someone will bring you the microphone.

MUKESH CHULANI: Thank you, Cyrus. Amy, could you move the slides ahead? Wonderful.

I'm here to provide us with a bit of a background in context on the overall project. I'm going to do that by covering four main sections and just go through briefly the background of this

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project, advise you of our recent developments and subsequent steps, show you some of the beta metrics which we've recently released and obtained feedback on. Then just give a background as well on the Advisory Panel that we have helping us refine these metrics and make them more rigorous, more relevant.

This gTLD Marketplace Health Index project was launched in 2015 and is part of a larger effort within ICANN to track the progress of ICANN's strategic objectives and goals. In particular, this health index is being developed as part of Objective 2.3, which as you will see there looks to support the evolution of the domain name marketplace to be robust, stable and trusted. We've subsequently focused that so robust is now defined as robust competition. When we look at trusted, we're looking at consumer trust. When we look at stable, we're looking at perceived non-technical stability.

Staff developed a set of proposed metrics for discussion early in 2015, which we believe could track the progress of this objective. We solicited public comments also in 2015 of the draft metrics and we asked for community members to volunteer to serve as advisors to guide our design essentially going forward. We have 40 volunteers, 40 community members signed up for the Advisory Group. We're working with them to refine the metrics, just to iterate through and just make them more relevant to what we're trying to do here.

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Next slide.

Now, just to give you a bit more context on what this index is and what it isn't and how it differs from other metrics efforts at ICANN. You must have heard of the Competition Consumer Trust Consumer Choice Review. There are other metrics efforts as well and I just want to spend some time to align us on what the differences are.

This gTLD Marketplace Health Index as I mentioned is a piece of this broader cross-organizational KPI Dashboard. So Key Performance Indicator Dashboard which is now in beta. And you'll see it in this URL there, [ICANN.org/progress](http://ICANN.org/progress). Incidentally, the beta report for the Marketplace Health Index is also available through that link. If you go to 2.3, you'll have access to the beta report as well. The dashboard is intended to provide indicators that can help focus on what's essential, what requires attention, what can be improved by monitoring progress on what it means for the marketplace to be healthy.

When you look at this project in light of the Competition Consumer Trust and Consumer Choice Review. You would see the latter is focused on the impact of the New gTLD Program. It's planned as a recurring review, but the first snapshot looks at the early effects of gTLDs and competition choice and trust. The marketplace health index on the other hand is collecting data on

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a regular basis, but it intends to draw a larger picture of activity on the domain name marketplace beyond the just the impacts of the New gTLD Program. So you may have a situation where both initiatives look at the same data points because they answer the two different questions, so they're geared towards different objectives.

The CCT Review is intended to inform GNSO Policy Process as it considers changes to the policy on new gTLDs and ultimately provide the Board with more insight as it considers the continuation of the program. While the Marketplace Health Index looks to analyze the health and diversity of the gTLD marketplace to support the evolution of those three things which I previously mentioned, robust, stable and trusted.

There is another project ongoing at ICANN called the Identifier Technology Health Indicators Initiative. Not to confuse the objectives of this particular project with that, the ITI Project covers all unique identifiers that ICANN helps coordinate as outlined in Section 2.1. So gTLD Marketplace Health Index covers 2.3 and the ITI covers 2.1, which looks to foster and coordinate a healthy, secure, stable and resilient identifier ecosystem. Just to set us all on the same page, that's essentially the differences between these initiatives.

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In terms of our progress so far – if you move to the next slide, Amy. Thank you. So as I mentioned we initially launched the request for public comments and in 2015 all public comments were posted. In February, we subsequently worked with the Advisory Panel to refine the project plan and come up with draft metrics which we reached a major milestone of the project in July when we published the beta for public comment. That beta contains 22 metrics split across robust competition where we have most of the metrics right now and then stability and trust.

We are now working with the Advisory Panel to review the definitions for robust, competition, stable, trusted and then come up with additional metrics or revisions to the existing metrics. The goal is to finalize all metrics by the end of the year and, hopefully, to publish an updated report by the first half of 2017.

If you go to the next slide, I apologize for the really small font. But this essentially defines what those three categories are, robust, competition, trust and stable. Arguably, the most important activity in any KPI development effort is to establish those definitions. Because once you know what you're defining, you can construct KPIs to get you there. So how you define robust, competition, trust and stable have determined the selection of indicators. There you go. I'll show you some of the indicators we've selected.

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Just take a look at robust competition, for example, where we see down towards the middle a commercially thriving marketplace demonstrated by growth in new gTLDs and across all gTLDs. That kind of determines what indicator you choose. Or in trust, you see quantifiable measures of risk reported to ICANN. That kind of determines what indicators you choose and the same thing for stability.

Next slide please.

This is an example of the robust competition metric. This particular slide tracks the growth and total second-level names registered in gTLDs starting in 2015 until the end of 2015 – sorry, starting from 2010 till the end of 2015. I mentioned a few of the definitions and you’ll see how metrics have been selected to link to those definitions. When you look at a marketplace that’s experiencing more entries than exits as one of the definition categories, then it makes sense that you choose a metric that says, total number of jurisdictions with at least one registry, operator or registrar or the addition of or deletion of gTLDs.

So these are essentially an outflow arising from the choice of definitions for the categories. There are a few other metrics, in total there’s 22 in the beta report and we are doing our best to refine those. So some of these may not exist in the final version



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and some of them may stay there in slightly different forms or stay as they are.

We have an Advisory Panel and I've mentioned that earlier. Many of you may wonder what it is or how it'll function. In fact, I've gotten some questions already about that. The panel is quite different from other groups in ICANN that you may have worked with before. This initiative is not like a Policy Development Working Group or an Implementation Review Team.

The idea is the Advisory Panel exists due to the complexity of designing metrics we feel that it would be useful to have a means for informal conversations with, frankly, with people who have done this before. And who have all the various considerations in mind as we develop these metrics. It definitely does not substitute the formal community consultation which we could need, especially as we get into the subsequent proposed metrics that haven't been presented to the community yet.

This is essentially just a look of where our Advisory Panel volunteers are located. I mentioned we have 40 current members. We're really pleased that they're a very diverse group of volunteers. So we have volunteers from registries, registrars, from domain investors. We have individuals who have worked with ccTLDs, local ISOC Chapters. We have multiple former GAC

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representatives. We have volunteers with experience in data analytics, in economics, legal, policy issues. It's a very broad mix and we certainly value their participation and this slide shows you the split across the globe. So they're not just a wide range of expertise, they also give us a good range of time zones which makes scheduling calls rather interesting. With this, I will turn it back to Cyrus, unless you have any questions for me.

CYRUS NAMAZI:

Thank you, Makesh. Thank you very much. So let's begin a conversation here and I'd like to pose a question to my panel. It has two components to it really. One is, is ICANN the right place to actually do this exercise? Is ICANN the right competent organization to actually do this? And then the second and somewhat related to the first question is, at the moment, the primary focus of this exercise is on the generic TLD Marketplace, is that where we should draw the line?

Obviously, the other half of the domain name space is composed of the ccTLD space. It's a bit more difficult for us to actually get access to information and the right data there. But that doesn't mean that we should actually stop there. Initially, when we embarked on doing this exercise just to be able to sort of advance the efforts to a meaningful point, we drew the line under the gTLD side of it. But I think a good question for all of us

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here is whether we should expand the charter of this exercise to include ccTLDs. In fact, today, this afternoon we're giving an update on this exercise to the ccNSO, just FYI.

So Steve DelBianco, let me begin with you sharing your insights with us. Again, I invite all of my panelists to please chime in, this really needs to be interactive as well as all the members of the audience in attendance.

STEVE DELBIANCO:

Thank you, Cyrus. The first question was should ICANN do this? The answer is sure, but. And the second question was should ccTLDs be included and the answer is definitely. When I said, "sure, but" it's because when ICANN staff and management drive the collection and selection of metrics, you have to look at the path that came from, the priorities that ICANN management has and the process that's used.

This all begin in 2013 Fadi Chehadé went to Davos and discovered that very few people knew who he was and who ICANN was. He came back the next day and met with a lot of us from the CSG at an intercessional in Los Angeles and said we've got to do something to promote awareness of the industry. And that gave rise to this threat of promoting the DNS Industry. That's an appropriate initiative, it's only one of the 16 KPIs, but it did contain a bit of a theory, a priority that said we're about

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promoting the industry. That notion, it grew like a weed across the ICANN landscape. It's shown up in many places on the website. It was in the rhetoric that was used at ICANN over the last three years.

But we're under new management now and we could see that be adjusted and shifted a little bit and I'm encouraged in that respect. So with regard to priorities, I think that staff and management had the priority of promoting the DNS industry and particularly the G space. But that's not ICANN's job, that's the job of trade associations like [IRUN] or in particular the DNA, the Domain Name Association. As a trade association, their mission is "To promote the interests of the domain industry by advocating the use, adoption or expansion of domain names as the primary tools to use the internet." And that's fantastic. The Bylaws for ICANN because you asked the first question, "Should ICANN do this?" are a little different. ICANN's commitments reflect, "ICANN's fundamental compact with the global internet community."

The ultimate interest of ICANN is serving that community and that community are registrants and users of the DNS, both actual and potential registrants and users. Because folks who are not yet using the potential set are far larger than those that do use the Internet today. So the business constituency that I represent— we'll get into this later, Cyrus.

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As a number of comments that we submitted twice in January and September and we've got a member of the Advisory Panel, Angie Graves, Denise Michel is here at the table with us. And I hope we'll have a chance to do some specifics that I could just conclude by saying that this process is driven by the cooperation, staff and management. It's not driven by the community. It's not a cross-community working group. It's not a PDP. It's not even a community-driven review like the CCT Review and Jonathan Zuck's the Chair of that group.

But you know, that's an advantage, it means you can move a lot faster than a community-driven group. And you can move faster, but it doesn't mean you have to move faster. I realize you have some really ambitious goals Mukesh said about publishing it right away in 2017. The corporation wants this KPI, it's one of 16 on the dashboard. So it's definitely not the only one.

The community loves data and we want more data and more transparency. I'm optimistic that we can have both by giving the community more and more of the data elements we've asked for, but haven't been granted in two rounds of comments and letting you get the KPI that you really want to drive and realizing that the dashboard may contain a lot of statistics and measures that the community asked for but may not be easy for you to quantify into the single unified composite index. In that respect,

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opening the possibility that we can serve two purposes with this.  
Thanks, Cyrus.

CYRUS NAMAZI: Thank you very much, Steve. Any other comments from some of the other panelists? Please, Roelof.

ROELOF MEIJER: On the first question, “Should ICANN do this?” I agree with Steve that if it’s about promoting the industry that that should not be done by ICANN. But I think that’s not the only objective of this exercise, at least, I hope it is not. I hope that the major objective is that to verify what the influence of ICANN’s work and the choices it makes is on the global marketplace.

Should ICANN execute this work? To be honest, I don’t think so. I think the draft report shows signs that ICANN has difficulty of leaving its own perspective and taking more general perspective in the approach of this activity. I think I would recommend that it’s left to an expert organization with a good track record of global market research or something.

Should cc’s be included? Yeah, definitely. I think one of the most telling examples is .co versus .com. If I look at the Dutch domain name market I consider the gTLDs to be competitors and I think they definitely consider us to be competitors in the Dutch

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domain name market. So you cannot just look at one group of players, I think you have to be very comprehensive there.

CYRUS NAMAZI: Thank you. Would you like to respond to that very quick, Steve, before we—

STEVE DELBIANCO: Yeah, I would love to. Thanks, Roelof. It's not just CO and TV. If I'm an actual or a potential registrant, I'm going to consider my regular CC, not just the CO and TV. So it is by far, I mean, look at the growth over the last two years in registrations. It's one-third new gTLDs. It's one-third legacy gTLDs. And it's one-third ccTLDs. So registrants make a choice and then end-users, if I do a search for a particular thing I'm interested in. I'm interested in buying some insurance and my search may come up with both Gs and Cs. So the user makes a choice, partly based on the TLDs and where they're from. So registrants and users make choices and the CC is part of that space, we've got to include it.

ROELOF MEIJER: I wasn't clear, I think. Because I did not suggest that that was the only example. I think it's very telling example because it's a CC that on purposely behaves as G. But my second point was that,

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for instance, the Dutch domain name market we are all competitors. We're all in the same market.

CYRUS NAMAZI:

Thank you both; Jeff and Thomas, anything from you?

JEFF BEDSER:

Thank you, Cyrus. Coming from SSAC and sticking with the security perspective to which to me is we're going to be on the trust and the stability issues around these type of measurements. I think that the process of gathering credible empirical data really needs to be ICANN's role. So without ICANN who to gather all the appropriate data. You can do surveys and you can do samplings, but at the end of the day if you want the data to stand and everyone to trust the output in a framework it has to have comprehensive data sets. I think that the key is defined for, again, stability and trust data sets that are not only about the health of the industry as far as the volume of domains and where the domains are, how long they stay up and what they're used for.

But, also, we need to look at abuse indicators to understand how the abuse can impact people's perception of the health of the marketplace and the trust in the marketplace. So having a framework design that give indicators not only of growth and



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the data that could be provided through the stakeholders, but also trusted abuse sources to be correlated against it give you a framework that effectively can have the end-user look to an indicator, look to the charting and say, “Okay, now I understand where my trust can go, because I trust the process. I trust the data that’s been provided?” So, again, to my point, if not ICANN who can be that trusted source to pull that data together?

CYRUS NAMAZI: Thank you, Jeff. Thomas?

THOMAS KELLER: Well, to answer your question, I think we would really have to look at where we want to [inaudible]. So with the data I’ve seen so far presented in the report, basically, it says a lot about the growth, the distribution, the registrants and registries, what we have currently. And the question is how far we want to go into the data [mining]. I think there a lot of data that is still missing in the report we really should include in there, especially, if it comes to the compliance and the relative cases to compliance, for example.

If we do this and if we venture down this road there are certain things that are really in the remit of ICANN with the contracting parties where they can go much further than just ccTLDs. With

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the ccTLDs there are already if you ask me very good working organizations out there like CENTR that already are chartered to exactly doing that to promote the ccTLDs and have a health check on them, if you will, as well. So all the ccTLDs are very, very different to what we see in a G space which is behaving after the same rules and regulations. So, yes, ICANN could be the entity that pulls all the data together, but I would really, really ask ICANN to do that in a way that they include the already chartered organizations.

CYRUS NAMAZI:

Thank you, Thomas. A question from Jonathan, if you could introduce yourself, please.

JONATHAN ZUCK:

Yes, thanks. Jonathan Zuck for the record. I guess I'd love to add a little bit of background this, too. A lot of the reason that this data is available for use in this health index is because in Cartagena the Board passed a resolution asking the community to make recommendations of data sources the staff should begin collecting and some metrics that they might measure and three and five-year targets for those metrics, etc. So we had a Cross-Community Working Group that had the GNSO and the ALAC. That led to an implementation advisory group that

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narrowed that down further and that led to the collection of some metrics.

It was really a very interesting exercise and I can say it was meant to be a series of inputs to the CCT Review. The reason I say, inputs, is I think it's kind of critical to think of it that way because they were really the collection of data absent theory for what the data would really mean.

In other words, when we finally convened our review and we incorporated some economists, the first thing they did was say, "There, there, there, those are nice metrics you've collected." But absent theory, right, data is far less useful. So you have a lot of situations where, for example, the raw numbers are less interesting than the concentration calculations from a standpoint of measuring true competitive effects. Without knowledge of minimum viable scale, etc. Then we don't have an understanding of just having one additional registry depending on what level of registrations they have, what role are they actually playing in the competitive marketplace. Registrars, which TLDs are they actually selling, for example, so the absolute numbers of them.

So just doing a kind of data dump out into the market can be a difficult problem and some people worry about disclosure error, right. That you just end up having a bunch of stuff out there and

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then everybody's free to interpret it. Then the idea is you come up with a kind of simplistic interpretation which is what I feel like we have here and what I confess we were guilty of creating in our effort.

So, to answer your first question, I think ICANN is the organization to do this. I would just suggest they are not yet ready to do so. I think that there's a very real need for ICANN to build a very mature, senior-level position around data science and a team around the collection of data and the development of the economic theory necessary to have a health index. I think that just putting this out there in the simplistic form will mean kind of shooting ourselves in the foot and creating a bunch of debates in the community about how to interpret the data, etc., in a way that won't necessarily be helpful.

I feel like this is a kind of amateurish effort and, like I said, I started it. So it's an indictment of my own work that it's a little bit of an amateurish... but now that I've had the opportunity to be schooled. And Steve DelBianco was on this group with me and we both think of ourselves as competent economists because we have master's in it, right. But then when a real economist is on the committee with us they're like, "Hey, we need to take this a little step further or else we're going to create more harm than good." So that's sort of my impression. I think ICANN is the organization, but ICANN really needs to take data

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science seriously before an endeavor like this will really be productive for the community.

CYRUS NAMAZI: Thank you. Thank you very much, Jonathan. Steve?

STEVE DELBIANCO: Thanks. Jonathan mentioned that there was no theory, but there was a hypothesis when we started this four years ago. The hypothesis came directly from the Affirmation of Commitments which set up the CCT Review required that ICANN do the review a year after the new gTLDs [round]. The hypothesis was that the new gTLD expansion promoted consumer trust, consumer choice and competition and that the application evaluation process were effective. The way the review was written it asked the question. The extent to which this was promoted and the extent to which it was effective.

So we had a hypothesis and all the metrics we designed were intended to contribute inputs to that hypothesis. It wasn't quite a theory, Jonathan's right. But we did have in mind what question we were ultimately trying to answer.

When Jonathan said ICANN is not yet ready, I have to agree if the objective is to serve all of the community's need for these inputs. If you looked at the BC IPC comments, in our September

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comments we reiterated two pages of comments from January, because none of our January comments were accommodated. But we're very patient, we know how ICANN works. We just keep at it.

But this is a different animal, it isn't a Cross-Community Working Group, its working with management. And management seems to be on a path dependent to get this, one of 16 KPIs into a dashboard. You've already got a lot of the dashboard built. There's an awful lot of momentum on this, Jonathan, and I have a feeling that the corporation is going to do it anyway. They're going to make a KPI. But if we can't actually stop the train, we want to attach enough cars to the train so we will get a lot of data that we actually want in the community.

The KPI, the composite index, you'll do what you're going to do. You'll decide which of the different cars on this train are going to be measured and weighted in coming up with a single number. And that's the challenge of a single number, it's very hard. When air quality index, tech quality index, consumer price index, all indices are composed of composites of a lot of different numbers with different weighting. And when you just look at a number, 92.4, you honestly don't know what's behind it. If management has objectives and strat plans for which you're committed in 2017.

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And, if in fact, your compensation is based on it, look, we're in the real world. We know that management's going to probably proceed with that because you have to. But don't leave us behind. Give us the chance to give input on the other metrics we need, abuse metrics that you heard from Jeff talk about what role offset include the ccTLDs and add all that in there even if you don't put it in the composite index.

CYRUS NAMAZI:

Thank you, Steve. Let me just quickly respond, I guess, to your assumptions of at least what my vision of this exercise is. The vision here is not to come up with one gauge, one indicator. I don't think we can meaningfully come up with something that is so condensed in one indicator that depending on how it changes, depending on how we built it, what we put behind it is going to meaningfully inform us of anything

My vision of this exercise is to truly build a dashboard. I mean, I use the analogy of the cockpit that a pilot uses, that you have to have all these gauges. Now, we're not flying the plane, you guys are flying the plane. So this dashboard is going to be there and in a meaningful way we need to come up with what the pieces of data and information need to be in it and then be able to track the changes to them. Then the community, you all, including the ICANN staff, depending on the specific nature of the objectives

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can look at this spectrum of information and draw conclusions from it and be informed is really my objective. I sense that you are equating the reference to KPI to it ultimately being funneled into one indicator and I don't think that's a meaningful approach at all. That's not the objective.

UNIDENTIFIED MALE: No, I don't think it's even reasonable to say it is—

STEVE DELBIANCO: Mukesh, couldn't you verify, please, that when the list of 16 KPIs, one of them 2.3 is a single index number that's going to be derived from the dashboard. It's part of it, I'm not saying it's your whole objective. But if that's part of your objective, fine, go for it. But just don't leave the rest of us behind.

MUKESH CHULANI: So Steve, there is that overall number. But it doesn't arise out of the individual metrics. So those individual metrics, the 22 that we have, they don't feed that number. That number actually reflects the completeness of the effort so far. That it matches the timelines.

UNIDENTIFIED MALE: It's just a measure of progress.



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MUKESH CHULANI: It's just a measure of progress. It doesn't feed... so all the various indicators, the registrars, registries, domain count, etc., they don't feed into that overall number. The overall number just shows whether we're on track of not to produce that based on time.

UNIDENTIFIED MALE: So it's a Marketplace Health Index, but it's not an index?

STEVE DELBIANCO: Fine. It's a progress report with a percentage and that's fine. If it's a dashboard, we can all use we're onboard with that. But it's really not an index then.

UNIDENTIFIED MALE: Could you just put it up on the screen? Just bring up the dashboard. I've got it on my screen. I think it would help inform the discussion.

CYRUS NAMAZI: So we'll look that up. If you can pull it up, we can put it up there. But as Mukesh mentioned, the reference to that particular KPI number that you see is the percentage to completion of the goal of publishing, what we call a Release 1.0, we're in the beta

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version, has nothing to do with we think the DNS Market is only 87% healthy.

UNIDENTIFIED MALE: Does that percentage complete affect your management goals?

CYRUS NAMAZI: No, not really. It doesn't. Yes. No. Let's go to Jay. Please introduce yourself.

JAY DALEY: My name's Jay Daley from .nz. I haven't been able to join any of the calls so far because I don't want to get up at 4:00 in the morning. But that is not a complaint in any way, I'm happy for the rest of you to do all the work. Thank you.

First thing is, we always have murky origins within ICANN for where policy things emerge, okay? So I am not bothered as to where this started. We always have staff trying very hard doing something that the rest of us go [inaudible], not happy with this and then some magnificent course correction is on the way. So I'm not unhappy with that, okay? All right. So let's just focus on the future of a bit more about this.

I want to pick up on Jonathan's point about open data and about how this is going to be used more broadly within the

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ICANN's arena. First things, I think it is vital to have competing indices about this type of thing. So I think it would be useful to ICANN to have one, the DNA to have one, any other organization to have one. And us to work out which one of them is best and let them, you know, compete and work to that sort of thing. I really don't think we should be trying to aim for one now until we know... because the process of competition is what is going to eliminate the bad ones and give us a better one. And that's quite [used] for us to do.

At the Helsinki Meeting, I gave a presentation to most of the ICANN Board and others about open data and so it very much the same as you Jonathan, that ICANN needs a Chief Data Officer and he needs to start taking data seriously. I've had a number of conversations with staff about that and as of today, Ed Lewis has announced the Open Data Pilot Initiative that has just come out on the ICANN website today. There is no process or anything mentioned about community engagement or involvement in that, which is slightly surprising, so I've asked the question. But things are clearly starting to work. The feedback that I got from suggesting that there ought to be a Chief Data Officer was one of horror. And also one of the, "Oh, we do data already." Which those of us who do data will fall about laughing in response, okay?

So finally, I just want to say that in order for us to really use this, and this goes back to your point as well, we need the data not just published in the PDF. PDFs are not data. PDFs are someone's capsulated opinion. At the Dublin ICANN Meeting, I was sufficiently frustrated with some people that I spent an entire afternoon going through PDFs of travel reports using tools from data journalists to extract the data from that creating a full data set of who had been paid for travel by the ICANN Community to go to various places and publishing that as open data. And, I really don't want to have to do that again, I would very much like this data there.

Now, one of the reasons for that and this is sort of a slight contradiction, sorry, Jonathan, is that I have learned from publishing open data my own registry because I run an open data portal where I publish as much data as possible for my registry that I cannot predict in any way the way that people use the data.

So it is only by publishing it that I put the opportunity into other people's hands for them to use that data in a new way. I have to publish that data to enable that to happen. While it's always important that when we are using some of this data or collecting data, we have some idea of how it may be used and some intent behind it that should never stop us doing things. Because otherwise we are owning the agenda and setting the agenda and

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that's been part of the problem with the ICANN world for many years, is that when it comes to evidence-based policy, those who have a particular opinion or those who are collecting data to justify that rather than neutral publication of data.

So that's the final point I wanted to make. So I'm pleased with the way it is going. But let's just try to take it up a level.

DENISE MICHEL:

Denise Michel with Facebook. Thank you so much for holding this session. I think it's very important and there's much, much work to be done in this space. I'd like to underscore and support in particular the comments made by Jonathan Zuck and Steve DelBianco, as well as, and I apologize, I don't know your name – the gentleman here on the end from the Advisory Panel. I think the health index is important and needs a lot more work.

The conclusion that I can draw from the draft report is that GDD looked at the data at hand and created a health index based on that rather than the metrics actually needed to provide the community with insight, in particular, into the stability and trust at the domain space.

The Business Constituency provided very detailed comments and very specific recommendations in January when you are collecting input on how to structure this. They were largely

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ignored. And they certainly weren't responded to in a substantive way. We had a number of specific suggestions as to how, what to include in the index that could be meaningful and provide us with important information, particularly in the stability and trust area. I would request, I think on the part of the BC, that the GDD staff go back and respond substantively to our specific recommendations. I think that would be helpful and give us a little more competence that this health index is going to be created not just to promote domain names, but actually to give the community useful, meaningful metrics on the health of the domain space. Thank you.

CYRUS NAMAZI:

Thank you very much, Denise. I just wanted to highlight in case you don't know, there's actually a tracking sheet that we have posted that keeps track of every comment that's been submitted in the two rounds of public comment that we've had with at least our interpretation and pending plans on what to do with it. If you haven't seen it, have a look at it. We're not trying to ignore anything, to be honest. I think all of your inputs are extremely valuable. But from my perspective this is something we need to build one brick at a time. So a lot of good objectives and opinions and ideas come in and they just need to sort of wait for the right time and the right opportunity if we want to show sort of a track record of progress. So have a look at the

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tracking sheet, please. And if you have any questions, concerns, do reach out to us, please.

DENISE MICHEL: Thank you. Yes, and I am aware of the tracking sheet. I think part of our challenge here is that the initial bricks you're using are only the bricks that make the domain name system and new gTLDs look good. So I think you have a bit of a credibility problem here. So I would suggest that the next couple of bricks you add to this really try and address trust and stability in a way that's meaningful.

CYRUS NAMAZI: Thank you very much. Roelof next.

JIM PRENDERGAST: Sure. My name is Jim Prendergast, I think I might be the newest member of the Advisory Board having just joined a few weeks ago. Is it possible to bring up the [ICANN.org/process](https://www.icann.org/process), the actual dashboard? There's like a timeline that's posted there. And the reason I want to put it up there is the first question is, "Should ICANN be doing this or ICANN the right place to be doing it?"

What the timeline shows is we're more than halfway through that process. So, I guess, the timing of asking that question

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perplexes me. If we're halfway through completion, if we're at number 85 on the scale, why are we just asking that question now?

The other point I would make, I think other folks had mentioned it is, and I brought it up in Jonathan's group, inclusion of ccTLDs in this? Absolutely. I mean, the world is different. We've already heard the CO example, but you've got ccTLDs moving into backends as well. So you have to, definitely, include them.

CYRUS NAMAZI: Thank you, Jim. Roelof?

ROELOF MEIJER: Well, you're leading me into the question I wanted ask. I think my response to your answer, why are we asking this question now, would be because we're discovering that ICANN is not the right place to do this. And I don't mean that we shouldn't discuss about it but I think there should be an organization that specializes in this kind of thing that runs it and we provide the input, ICANN provides the input.

I think what is happening now is that we're discussing what should be included and what not. That's why we're not making a lot of progress. That's probably why we're going to do a few steps back and I think that could have been avoided if there had



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been an organization that would have developed the template on how to do this with a lot of experience behind it.

JIM PRENDERGAST:

If I could just follow the answer to Denise about how you're accommodating the comments that have been filed so far. I was not aware that there was a tracking sheet. So if there is a way to e-mail that around so that I can take a look at it, I think that'd be very helpful. Because I'm not sure everybody realizes that that is out there. I mean, the latest communication from the staff report is that... which was released on September 23<sup>rd</sup> is that you're analyzing the comments and we'll work with the community Advisory Panel to continue expanding and refining. I didn't even know that was available. So it could be my fault that I didn't know, but I'd sure love to take a look at it.

CYRUS NAMAZI:

Thank you. Thank you, Jim. It looks like we need to improve in that department, maybe have one landing page that has all the resources in it or something like that. Let me go to Steve and then Jonathan.

STEVE DELBIANCO:

Thanks, Cyrus. Cyrus, you used the expression, "We're building it one brick at a time." That would actually be very challenging if

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we actually had a composite index which was what health index implied. Because when you have an index, you really can't add stuff to it over time or you have to go back and adjust all the previous data gathering. So it's really hard to have an index if the underlying components change. But we don't have an index, we just have a dashboard full of bricks, which is liberating. It means you can add bricks at any time, take bricks away if they don't matter, adjust the way you calculate certain bricks.

But the only thing you lose is the ability to do nice time series trends to show something changing over time. So, for instance, one of the questions you teed up for this panel today was, "Should we be able to use subjectively evaluated surveys?" Or you might survey consumers about their level of trust for CCs and Gs with respect to being a registrant or a user.

Well, the answer is positively yes. Your concern was that maybe the subjective answers one gets to a survey are difficult to quantify and who cares. The beauty of a survey— and I learned this from Jonathan on the CCT— is measuring changes over time. So if we did quarterly or semi-annual, we'd be able to measure consumer trust of the CC, of the G space, etc. And all you really care about is, is it trending up, is it trending down, has it changed, is it bending? And that value is there even if the surveys themselves are generating subjective answers to come back. So by doing that and Roelof's less confident, but that is the

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beauty of surveys is to measure whether we're trending up or down.

JONATHAN ZUCK:

Yes. Thanks again. Just to clarify, I'm a big fan of making a lot of data available and I wasn't trying to suggest otherwise. I mean, in the presentation of data and the absence of theory you create misleading thoughts and it's open for a kind of wild interpretation in the PDF form. And to support what Denise was saying, I think that the issue about whether or not it's ICANN at the basic data level it needs to be. Because hiring another outside researcher who ends making a recommendation at the end of the report that more data would have made this report better, I think we need to get past that, right. I mean, that was the conclusion of the outside report on introducing new gTLDs in 2010. That's going to be the result of our report is that the absence of the necessary data actually perform a real analysis means that we can spend millions of dollars on outside researchers. But if we're not getting the data we need out of registrars, if we're not getting the data we need out of registries, if somebody isn't collecting the data along the way, it's very difficult to just go and get it when it's needed.

So that's the way an outside vendor would work, so I feel very strongly that ICANN needs to play a central role in the collection

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and publication of data. I'm just saying that the publication of a dashboard absent an underlying theory that does incorporate the negatives and the positives, etc., to give something legitimate. I mean, just that graph that was up there about number of new registrations by itself is a just meaningless number.

So I think that we need to do a little bit more work before we put up a dashboard that we pretend is somehow an indicator of the health of— I mean, imagine the amount of work that went into designing the dashboard of a 747 or a 777, right? They didn't just throw some stuff up and in six months and say, "Fly this airplane." The selection of what was there and the combination of information to be more useful was much more scientifically created.

CYRUS NAMAZI:

Thank you, Jonathan. I guess the part that puzzles me a bit is when I personally draw a distinction between data and information. To me data is a collection of statistics and so on, information is what you derive from it. In my view of this work, we are using the analogy of a cockpit and a dashboard, but I think we want to have different pilots, so to speak, come in and take the data that's there and draw their own information because some of them are going to fly the plane upside-down,

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some are going to be cruising at, I don't know, 60,000 feet, some of them are going to be doing flips. I'm not sure if ICANN is in the role of actually drawing conclusions, unless we collectively agree that we should.

From the start, the primary objective has been to provide this set of metrics to inform different groups within the community to actually understand how these particular metrics are changing. Going back to Roelof's point about having an outside vendor doing it. To me this is a living, breathing exercise that we're going to continue to do and actually be able to see over time how these metrics that we collectively decide to track are changing. But do we want to also draw conclusions in terms of what those changes mean. It's a question, I'm not sure if the answer to that is yes. I'm asking?

Let's go to Jonathan.

JONATHAN ZUCK:

Sorry. Yeah. I'm not sure the answer to that is yes or not, either. And again, I support the collection and publication of data. The presentation of a dashboard is, in fact, picking and choosing what subset of the data that you're collecting and the way that you're presenting it is used then in a rhetorical way to make presentations around the world, to justify policy inside of ICANN. That's how it will be used.

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And so the “dashboard” as it’s being described is not just the collection of data in an unbiased way, it is the selection and presentation of a subset of that data that is meant to imply health or lack thereof the DNS. So you can’t have your cake and eat it, too. Either collect all the data and publish it in an open data format and let everybody do what they want with it. Or apply some legitimate data science to the data and put some theory behind it so that what you’re presenting to the world is theory-based and not just a data dump based on metrics that in and of themselves don’t have innate meaning.

CYRUS NAMAZI:

Thank you. Let me respond to you very quickly. Then we go to Steve and then Roelof here. My point was not really to indicate that whether we should collect and publish every bit of data that’s out there. That’s an impossible task. I think one of the jobs of this team and the Advisory Panel and collectively these people who ultimately contribute to this exercise is to decide and choose which data to go collect. Collecting data is a difficult thing, it’s a costly thing. We don’t have access to—

JONATHAN ZUCK:

And theory will help us decide what to collect as opposed to deciding based on what’s easiest to collect.

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CYRUS NAMAZI: Perhaps we're saying the same thing.

JONATHAN ZUCK: Absent theory I don't have any idea what I should be collecting, instead I'm making as Denise mentioned, I'm basing my data collection based on what's easiest for me to get to.

CYRUS NAMAZI: Okay. Steve?

STEVE DELBIANCO: Thank you. The distinction between data and information is apparent if we just look at the KPI that's being published right now. Amy bought it up for us and under 2.3, this is one of the 16 measures of the dashboard. It's data... if I go down to the individual bricks below that on your dashboard. And then you have concluded information about that. And you've colored it in green indicating it's tracking to target. So you add to data by adding a tiny bit of information to it.

I realize this is just a percentage of completion. This isn't about the actual health. So the KPIs allow you to measure whether you guys are doing your jobs, not whether the marketplace itself is healthy. Instead for that, we go to the underlying dashboard, put

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the KPIs aside and when we look at the underlying dashboard, there's both data in there and some interpretation. And ultimately, the interpretation in the eyes of the user is something you can't be accountable for. One of the questions Cyrus teed up for us is, "What happens if people misinterpret the data?" Well, you cannot control that. Sometimes bad things happen when people misinterpret data. Look at the U.S. Presidential Election Campaign. Please don't.

CYRUS NAMAZI: Now, that's hitting below the belt, Steve.

STEVE DELBIANCO: [Laughter] But you can't control interpretation, so don't try. And yet make it clear when representing raw data versus we are adding a little interpretation of our own before we present it.

CYRUS NAMAZI: Thank you. Roelof?

ROELOF MEIJER: I've lost track of all the things I wanted to say. So first on Steve's previous reaction when he said, "I think Roelof is not convinced." My reaction was based on the fact that you suggested that it's enough to know if the data changes, trending



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data. This is a health dashboard. So apart from knowing if the health of the patient changes, I think we also want to know if he or she is healthy or not. So just noticing a trend is not enough. If you want to draw a conclusion or multiple conclusions that's my first—

CYRUS NAMAZI:

But do we want to draw a conclusion in this index?

ROELOF MEIJER:

Well, this is my question. Well, I mean, I wasn't there. I've been recently getting involved in this. I don't know what your objective is. But if it's just producing raw data so that other people can draw conclusions, it's not the idea. It's not what the name of the project suggests.

UNIDENTIFIED MALE:

We've got a semantics problem, it's an index as opposed to a repository.

ROELOF MEIJER:

But if it's an index or a monitor or whatever, dashboard, that's something else as an interface producing raw data. So if that's what you want then you have to change the whole thing, I think. With regard to what Jonathan said, I'm not suggesting that we

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get an outside company to do the whole thing. My suggestion was to get an outside expert to design the dashboard and I don't mean the look and feel. But I mean what dials are there. And I don't think metaphors go well, but in line with your metaphor I think that the people who design the cockpit dashboard of a plane are not the people who actually design the rest of the plane. They're probably pilots.

CYRUS NAMAZI:

Thank you, Roelof. Let's go to Jay and then I'd like to bring you my other panelists with your thoughts.

JAY DALEY:

Thank you, Cyrus. I agree with Steve here very much. Data becomes, well, I would call it insight not information. But it becomes that when you assert meaning to the data. And the word "health" asserts meaning. The word "index" asserts meaning. Okay. And it's pretty clear as Jim said, these are the problems it should be a repository. Because we don't yet know or understand if either of those assertions are meaningful yet. If we just go to the gTLD Marketplace Repository, collected the data, we can then have an ongoing process of learning and understanding from it.

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CYRUS NAMAZI: Thank you, Jay. Let me quickly sort of tease the audience and then ask you to raise your hands for those of you who have actually read the data report. Because I don't think there's any conclusions drawn in there. I mean, we can actually sort of debate about what the name of the exercise is, whether "index" is the right word or not. But the objective has not been to draw conclusions, but maybe—

JAY DALEY: That's true. But when the very first thing you read is, gTLD Marketplace Health Index, then that colors the way you read the rest of it. You are then looking for insight, expecting it meaningful, expecting an assertion of meaning from it. So the fact that it contains no summary of what you think it means is unfortunately lost from the very beginning there.

CYRUS NAMAZI: Understood. Thank you. So, hopefully, we can draw a line under this unless anyone else has any additional thoughts or comments you'd want to share.

ROLAND LAPLANTE: My name is Roland LaPlante, I'm with Affiliates. And I'm not all that familiar with this thing. I have read the materials and I just started working on this a few weeks ago. When I first read the

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materials I was a little troubled by them. And when I heard that ICANN's going to go forward with this regardless of what the community thinks, I'm even more troubled by it. Because I think the implications are exactly what Jay says, if you call it a health index then there is health. You have to figure out how it impacts the health of the marketplace. And I had a lot of trouble understanding how the metrics that are going to be collected actually relate to health.

So, for example, one of them is the market is open to new players and competition is [inaudible] only existing players. Well, ICANN dictates who can get in the market and who can't. Registrars have to get accredited, ICANN's the gateway. Registry operators have to get accredited, ICANN is the gateway. So you can really game this thing. The next round isn't going to come for months and months, maybe years. So there's not going to be anymore new TLDs for a while. Is that an indication of lack of health? If some portfolio player comes in and buys a bunch of TLDs, this indicator would say this is new player, this is awesome. But if the person who buys these TLDs is inexperienced and clueless about how to run them, it's actually going to damage the stability and security of the domain system. And I would think that would be an indicator of not health, so I think we have to be very careful about how we choose these things.

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The second one is more registrars and registries are entering the gTLD marketplace than are leaving. Well, you just accredited over a thousand new registrars in the last 18 months, is that good or bad. I mean, they're all drop catchers. They're not selling—

CYRUS NAMAZI: But what do you think is that good or bad?

ROLAND LAPLANTE: Pardon?

CYRUS NAMAZI: What do you think, is it good or bad?

ROLAND LAPLANTE: I think it's bad.

CYRUS NAMAZI: Because I didn't draw a conclusion in the report.

ROLAND LAPLANTE The consumers are getting nothing out of it because they don't sell to consumers and it's burning up a lot of registry resources.

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CYRUS NAMAZI: Great. So it informs you and others of that change and you drew that conclusion. Right?

ROLAND LAPLANTE: Right. Exactly. So that gets me to the second issue and, that is, it's impossible not to draw conclusions from this data. And ICANN is going to have to draw conclusions and it's going to be compelled to act in some way. So what is ICANN going to do if it finds the marketplaces not healthy in some area? If some script is not offered in the marketplace is that an unhealthy thing and should ICANN force all the registry operators to offer some certain script in order to create this model of health? I'm really worried about what ICANN will actually do with the data. I think it's wonderful that we collect data, but I'm really worried about what conclusions ICANN will draw and they will be inevitable. I mean, if you're not going to draw conclusions, why collect the data? If you're not going to do anything with it, then it's a colossal waste of time for everybody and resources. Thank you.

CYRUS NAMAZI: Thank you. Thank you very much. Thomas, do you have a response. We have seven minutes or so left and we're just getting warmed up I'm afraid.

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THOMAS KELLER:

Just a short response. I hear all this about the index and that this is not an index and that we should draw conclusion and all that and what is health, it's a very interesting questions. But at the end of a day, I think this is the beginning of the data gathering. If you work for a company that does a lot with data as I do, you'll know that if you start going out gathering data, most of the time you don't know what you really want to achieve with that. So you think, "Oh, that might be nice." And then you have a look at it and say, "Okay. Can we enact on it?"

I think there's a lot of data points in the report currently. I would rather call it a report. They're all just interesting and it's just the status quo for staff and that's good to have them. There are other things, I guess, we need to develop that really point out health.

So one of the things that could point out health is a relationship between registrations or the inventory of domain names and who is request or whatever. That would be of interest and I think the next things that need to come up. A lot of the things that are stated there is saying, "Well, there are two registrars in Africa." Well, is that good or bad, no, that's a matter of fact. Is there some things a conclusion we need to draw out that, no, certainly not.

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But if it comes to things where ICANN needs to manage their contractual parties, this would be data that's of interest to see whether ICANN is doing a good job in that or whether the registrars and registries are doing a good job to living up to their contractual obligations. And that is what constitutes health for me, not whether we have 200 more TLDs or not. We can't add things like uptimes and stuff like that. You know it's feasible, I'm totally agreeing with my speaker sitting right to me. We can look out for things like spam. But then, what is that really telling us?

So we need to be careful. And, yes, I can totally understand that people aren't satisfied with what they see currently, but this is a moving object. It's a living thing. So let's keep on collecting. Let's keep on making mistakes. And let's make progress and publish things and decide at the end of the day what we're going to do with it. For me, it doesn't sound too complicated. And it's certainly not a science.

CYRUS NAMAZI: Steve?

STEVE DELBIANCO: Yeah, Thomas, I agree completely. And it reiterates what I said at the beginning is if you focus on our ultimate commitment, is to registrants and users. Well then, if you're concerned about an



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African region, the number of industry players there is not relevant to whether we're serving the registrants and users and that country. That's your point about who is there, how many registrants do we have from the continent. And it really doesn't matter to me which registrar they use. That's a different consideration than whether we've promoted the registrar industry in Africa. That may be the previous CEO's objective, it's really not anymore. But more important, do we have registrants from that continent and then what about users and measuring traffic coming from that particular region is a much better way to look at health. We get close to it on the beta, right? But we're not all the way there yet.

JEFF BEDSER:

Thank you, Cyrus. So just responding a bit to the gentleman from the Affiliates' point. I think that one of the points of a transparency issue here with there's a volume of data that's been collected is all the players who are affected by that data can react to that data and make changes in their own organization. This is data being collected now that, for example, you may have only had your data before as a registry operator. You may have only had your data before as a registrar. But now you can see that data in comparison to all the other players, it's now transparent opening said, "Wow, the way this is impacting me, I didn't have to pay for this data to be gathered. But now I

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can read the data and make my own decision about how I can change course or improve upon. Hell, even make marketing decisions saying, “Look, how I read based on what I do on my operation, my health or my overall impact is higher. I look like a better place to do business because of my business practices impacted it this way against my competitors.” But all the data becomes transparent and open so that, of course, adjustments can be made almost on a regular basis depending on how they frequently updated the data so people can have a healthier ecosystem based on reacting to the whole ecosystem’s data. Thank you.

UNIDENTIFIED MALE:

If I could just react to that. I think that’s a great idea if they’d make data available to everybody. But ICANN right now collects registry operator reports every month with a whole host of indicators. That’s all done in individual TLD reports and if you want to get any kind of cross-section of what’s going on with your competitors or your benchmark set or whatever, you have to pull that down individually, put it in your own stuff and everybody’s doing the same thing.

One thing that ICANN could do that would be really useful is to put all that stuff in a database that we all have access to so we can look at it all. We can look at the DNS trends. We can look at

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registration trends. We can select our own benchmark groups. I think that'd be really useful. So I think making the data available is a good idea. Thanks.

CYRUS NAMAZI:

Thank you. We are almost out of time. And I am very impressed and thankful for all the energy and enthusiasm, all the great ideas. I think there's a whole spectrum, frankly, of opinions and ideas which is really, really great. So I want to thank all of you who attended and participated, of course. And, especially, my panel.

Tomorrow morning at 9:00 in Hall 6, the Advisory Panel actually has a working session, two hours, Mukesh? Ninety minutes, I think. So I would highly encourage you to attend. The more volunteers we have, the more great minds we have, the more experience we have participating in this exercise, I think the better it's going to get. We had, I think, five or six questions that came in through the Adobe, unfortunately, we didn't get to it. I apologize for that. But please join us tomorrow morning at 9:00. We do have remote participation available in the working session.

I'm looking forward to continuing to work with all of you, receive all your great input, have more debates like this. I feel like I

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learned a lot from it. So with that I thank all of you. This session is adjourned. Thank you very much.

**[END OF TRANSCRIPTION]**