

**ICANN Prague Meeting
Consumer Metrics - TRANSCRIPTION
Saturday 23rd June 2012 at 09:30 local time**

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Steve DelBianco: ...a little bit of background and to give you an update since Costa Rica. And we're not really going to review the draft advice, but I'll discuss several of the key issues that we're currently grappling with as we try to wrap it up and get it in the Council's hands.

And the reason this is somewhat timely for you is that in July the Working Group hopes to provide to Council pursuant to the charter draft advice for Council to consider.

At the same time there's at least a possibility that if it were to come up in today's GAC GNSO meeting, we'd want you to understand where we are and what we could say about it just to decide if you want to discuss it with the GAC today.

So I think all of you know why consumer metrics are important, but they have a formal importance that springs from the Affirmation of Commitments. And Paragraph 9.3 of the Affirmation requires that within a year of the first delegation of the new gTLDs, that ICANN would conduct one of these four review processes.

And this one would require a review the extent to which the expansion promoted consumer trust, consumer choice and competition. And the Affirmation didn't define those terms.

The Affirmation I should add in 9.3 goes on to say that that review would also consider the effectiveness of the application and evaluation process; and B was to evaluate the effectiveness of safeguards to mitigate issues of the new gTLD program.

So while those are all part of the 9.3 review they weren't part of the second bullet, which was a resolution from the Board in Cartagena where the Board asked for AC/SOs to give advice on establishing definitions, measures and three-year targets for those three words: consumer trust, consumer choice and competition.

So since the Board resolution didn't ask us to take on this effectiveness of the application and evaluation, the rest of 9.3, we focused it very tightly on this. And as you know we created a charter here out of GNSO, and the Working Group's been working on that charter to come up with the Board resolution.

If this is adopted by future Affirmation Review Teams, the advice could be critical we say to measuring the success of the new gTLD program, but again it's if adopted.

The advice of the Working Group goes to Council. It also will be available to ALAC, ccNSO and the GAC. They'll all provide advice to the Board. The Board will decide which of these definitions, measures and targets they want to adopt.

Staff will begin to track them and some time a year after the new gTLDs that are in the route will go through this process where the GAC and the GAC Chair and the ICANN executives appoint a team to do the reviews.

And that team will come together in the sincere hope that they'll build on the work that comes out of this, but they're of course not obliged to. Next slide. So the recent developments on this is -- as you know you chartered it -- we put up draft advice in February.

We closed it in May. Got a dozen or so comments, very substantive comments and the Working Group continues to meet once to twice a week for two hour sessions, working right through the comments, specifically responding to the comments and working them away into the latest draft.

And Berry Cobb I think circulated to members of Council the latest marked up draft of our advice letter. And you'll see that we're probably 3/4 of the way through and just now moving into tackling the competition elements of our advice, and that's why we're positive we can get it in your hands in July.

Next slide Marika. I've already covered the idea that we're preparing advice for consideration of all four AC/SOs, but we realize the charter came from GNSO and its GNSO Council will consider the draft advice probably first and again the proposed advice letter.

Let's talk about the definitions we have in here. Remember we were asked to define consumer trust, choice and competition so the first thing we took on was how do you define consumer?

This is not a trivial matter and we ended up coming up by saying it was both actual and potential users and Registrants in whatever capacity: professional, casual, doesn't matter.

It's if you're a user or a Registrant, both actual and potential, you're part of consumer. So we defined consumer trust in a couple of dimensions. Trusting in the consistency of name resolution and confidence that a Registry operator's fulfilling their proposed purpose and is complying with ICANN policies, and even complying with applicable national laws.

And we've since added that - added to the definition also confidence in ICANN's compliance function to be sure that ICANN is holding Registrars and Registrars and Contract Parties to the obligations that they have.

Now in that definition you can see that there's some - there's a lively discussion on the Working Group on what it means to be evaluating whether a Registry is fulfilling its proposed purpose.

We're talking about Question 18 or these standard applications, not community-based. And of course a Registry that proposes in its application to serve - in Question 18 can change its mind over time.

Registries can do that. They don't even have to file an RSEP and ICANN can't enforce the promises or proposals that are made in Question 18. We understand that but believe in the Working Group that when a Registrant obtains a domain name, moves their business into a new label like that, changes their signs on the trucks and the business cards, that they're doing so on the reliance of that purpose that was in place when they signed up for the Registry.

That purpose can change over time but there's a degree of confidence that the purpose at least fulfilled the expectations that the Registrant had when they invested in the label.

The same is true of users, that users will also rely upon the marketing enough, and perhaps even the implied proposed purpose of a new TLD when they decide to select that one from a list of search results that might come up.

I'm looking for information on travel and I might well rely on the Dot Travel to be the place where I believe I'll find the best information. Not the best example but I don't want to use examples of some of the 2000 TLDs that are out there for real.

All right, consumer choice. Oh, one other thing on trust is that we did say that we - it's obvious that you should be - have confidence that the Registries and Registrars are complying with ICANN policies, but what about those applicable national laws?

I would also write an interesting one that has two sides. The notion here is to acknowledge that to some extent consumer trust is a function of whether they believe that the Registries/Registrars that they're using are complying with whatever national laws would apply.

And as you know nations would apply their laws based on the citizens they're protecting. They apply those laws without respect to what medium is used, whether it's friend broadcast or Internet, and those laws cut two ways.

They might be laws that protect copyrighted content and material, but they could also be laws that protect privacy. So the notion here is that consumers really want to trust that if they registered a domain name, that if that domain name's being managed in a country that has very strong privacy protection laws, that they'd want to have confidence that that Registry would live up to those laws.

So consumer choice - this is about the range of options not only in scripts, IDN scripts and languages, but it may be the fact that I could pick a new domain name that was in a TLD that had a purpose that suited me.

And finally on competition, and this one is about market rivalry. So I'll jump now to the key issues. Our key issues - and again we have a - 40-something metrics in here and I don't intend to go through the metrics with you.

I wanted to leave plenty of time for Q&A Jeff. But of the metrics we have today about - it's a combination of two things: surveys and statistics that are collected through a variety of sources.

There is some attempt to measure certain costs but by no means are we trying to be comprehensive on costs. And not all of the 40-something metrics have a three-year target on them.

If you recall the Board resolution requested three-year targets. For some of them we simply said, "This is something that's important to measure, but we didn't feel that we could put a target on it."

We didn't feel it was appropriate. None are intended - none of these metrics are intended individually to steer a Registry operator to change their practices or to drive Council's or ICANN's policy development.

When you set a metric and measure it, it's to help understand the answer to the question, "How has this promoted consumer trust, competition and consumer choice?"

That's why we developed the metrics. The metrics not - are not in and of themselves designed to cause Registries to change the way they behave. They will change the way they behave for a variety of factors, and this evaluation, this report card that'll be done a year after we're in the route is just one of them.

The second key issue I wanted to bring it - up is this notion of surveys. We were going to do surveys of both users and Registrants, and again with these Review Teams the surveys cost something, maybe as much as \$100,000 each.

Our proposal is to do annual surveys starting a year after the new TLDs - new gTLDs are delegated. And in there we seek to capture as much useful data as we can both about choice and about consumer trust.

So we'll be assessing their awareness of the new gTLDs in general, but also specific purpose gTLDs. What's the measure of awareness there? What are people's perceptions about the trust they have in new gTLDs versus the legacies?

What is their experience in finding the content they seek, because a plethora of new label on the existing content may make search a little more confusing than it used to be?

And we hope that - and again ICANN does not manage the search process of search vendors, but it will still be useful for us to understand whether consumers and end users are finding the things they're looking for.

And we also thought we'd ask about experience with phishing and malware that gets to the notion of trust, phishing and malware that might be exploiting the new gTLDs, and then finally the Registrants' experience pursuing cybersquatting that occurs in the new gTLDs.

Under consumer trust here again we're trying to measure the relative incidence of things like UDRP/URS, and think about this a second. In the new gTLDs we have a URS tool.

In the legacy gTLDs we don't have such a tool, so the Working Group's trying to say that when you're measuring the relative incidence of complaints or decisions against Registrants, you have to measure it relative to the total number of registrations.

So for instance if there were 1000 UDRP decisions against Registrants in a million Registrant TLD, that would give a relative ratio of .1% or 1 per 1000 that's relative to the number of registrations.

So we would apply that ratio both in the legacy and the new in the same period of time. So if it was the year 2014 or 2015, you'd measure the number

of relative incidence of UDRP complaints in the legacy space to the relative incidence of UDRP and URS proceedings in the new, because the perception there was that UDRPs and URS' will be used together and they would be judged and proven against UDRPs in the legacy space.

And then contract breach notices was another one that came up too that we did a metric to suggest that contract breach notices should be lower than they are in the legacy gTLDs.

Well in the legacy gTLDs our best data shows that over the past two years we've only had one breach notice for one Registry operator out of roughly 20 gTLDs, and 1 in 20 is a 5% rate.

Well if you applied the same 5% rate to 2000 gTLDs with - that's 100. And I certainly don't think we expect 100 breach notices to occur in the first year of operation, and yet this Working Group is suggesting that the target three years out is that the breach notice relative incidence rate be significantly lower than it is in the legacy gTLDs.

And again the legacy gTLDs as 20 will feel rather small in terms of the 2000 that you're measuring against, so we try to make everything relative. If it's an incident like cybersquatting it's relative to the registrations.

If it's an incident like breach notice it's relative to the number of operators subject to breach. And then when they turn to consumer choice, which is the fourth bullet here under the issues, we're looking a lot at defensive and duplicate registrations and redirects.

The reason we look at that is that if a Registrant exercises a choice to jump into a new TLD that they buy a new label in the TLD, but it simply points to existing content.

They may be doing it to get new traffic based on that label, but they may just be doing it for defensive purposes and so we are trying to come up with rough approximations for defensive purposes that can be measured.

We came up with a few. We were going to measure the number of sunrise registrations that are driven from trademark clearinghouse name holders, and compare those to the total registrations two and three years out.

And we have a target in there that suggests that the sunrise registrations three years down the road should be no more than 15% of the total registrations. That would imply that lots of folks registered after sunrise, implying that the Registry itself has built up a lot of value to Registrants and you're not doing it for defensive purposes.

We also looked at redirects and we hope that we can generate an automated process that would walk the zone and look for resolutions that simply redirect to a legacy gTLD as another indication, not a black and white ruling that's it's defensive, but an indication of potential defensive.

And we threw a 15% target on that - should be no more than 15% of redirects. We also talked about doing self-reported surveys so that Registrants can say whether or not they view their new gTLD registrations as duplicate or defensive.

Might even ask them in a survey to collect data on the quantities and costs of not only defensive registrations but of pursuing cybersquatting. Competition - this is the one we've just now turned to that we had endeavored to collect data on wholesale and retail pricing of domain registrations in the new and the legacy space.

And our proposed metrics included comparing them and we didn't put a target on it. We don't think there needs to be a target on pricing. It's almost

impossible to say that if prices are higher in Dot Kids or Dot Book, that that is an indication of competition.

It's nothing. It means nothing with respect to that, because there are different values associated with being in that TLD label than in say a Com label. So the comparison of prices especially where Com and Net are regulated on prices - we don't believe it should be compared with a target but we do want the data to be gathered.

And the U.S. government who filed comments with us was keenly interested in actually weekly data on both the revenue and registration volume in legacy and new gTLDs.

We've got to turn to whether or not - what are the costs of collecting and gathering that data. In Appendix B of our advice -- you all may have seen this -- ICANN legal department advised us that they're concerned about being asked to collect, compare and share nonpublic data on prices like wholesale prices or nonpublic data.

Retail prices are available from Registrars, but they were very nervous about collecting and sharing that in a way that would drag them into a problem with competition law.

And they're also concerned that there's potential here that could lead - the price focus could lead to those calling for ICANN to do more price recommendations and price regulation, something - a role they don't want to be in any more than the extent they are now.

So to address this concern from ICANN legal, the Working Group is probably going to recommend that a third party would be retained to collect and analyze the data on pricing, and then share only aggregates and statistics and not share nonpublic information.

I think that's a relatively easy fix. And finally the U.S. government in their comments to us suggested, "That we measure the benefits of new gTLDs and show that those outweigh the costs to consumers and other market participants."

And the Working Group saw that and grew very concerned, because that's not in the Affirmation of Commitments and it wasn't in the Board resolution to measure costs versus benefits.

So we asked U.S. government representatives to reconcile their request with what was in the Affirmation, and we assured them that we wouldn't attempt to measure all costs and benefits or even then vet them against each other, but we would be measuring several significant costs as we've already described earlier.

So we're trying to move that along to a logical conclusion. Next slide Marika and then we're finished. Our next steps - like I said before we'll get you an advice letter in July.

You'll deliberate the advice. At the same time the advice letter is turned over to you the other three AC/SOs, the ccNSO, the ALAC and the GAC, will do - they'll also consider the advice letter.

And the same thing the Council's doing - they would consider deliberating whether to amend, to endorse or to ignore the advice letter. In any event the Board had asked in December of 2010 all four AC/SOs to provide advice to the Board.

It may be that GNSO is the only one to provide advice, but I'm pretty confident that ALAC will as well. At that point the Board's going to move ahead on deciding what it does with the advice and presumably set up these metrics and measures, and get Staff busy on the process of collecting the data.

That's pretty much what I have now. The timeline itself is the next slide. It really just captures - so if you go to the next slide Marika there's a timeline. This just captures what I've described now in terms of the dates in a Gantt chart form.

The Affirmation review - if it really begins a year after the new gTLDs are delegated, it'd be sometime in this time in 2014, right, because this time next year we're delegating.

One year after that would be roughly second quarter of 2014. That is when the Affirmation Review Team would kick in, but as is typically the case Council and the other groups of ICANN will end up nominating people to be on those Affirmation teams a full quarter before that.

So the dash line in the chart there indicates that groups like you would begin to nominate who's going to be on these review teams prior to the beginning of the review.

And ideally we'd compare the metrics at the end of that one-year review, so sometime in January 2016 we start to see the real outcome of this project. So I'll stop here Jeff and happy to take questions or comments.

Jeff Neuman: Okay thanks Steve. I guess I'll look for a queue. I might just start the questions and then people can add in. I'm a little confused. So I know the Affirmation of Commitments calls for the review after one year.

But a lot of the metrics you were talking about are really how does this look three years out? I think looking at something one year out is - especially with the metrics that you've created and some of them are great metrics, but I think some of the targets that you set one year out is just, you know, I don't think it's very realistic.

It's very different and so how are you reconciling that? Are you making a recommendation that you shouldn't look at some of these for three years, or are you just putting it out there?

Steve DelBianco: Great question and remember it was the Board resolution from Cartagena that added the word three-year targets. And when I talked to the author of the Board resolution, Bruce Tonkin, there wasn't a lot of logic to that three year and mapping it out to how the Affirmation would occur, because if the Affirmation review is one year after delegation and it takes a year to do the review, they're doing the review at the end of two years.

And if the targets are all set to be three years it's not going to be - it's not going to match up. So we designed all of our - we've answered the question of three year targets where appropriate, and we are trying to set those targets to be third year targets.

So if the Affirmation team is doing it at the end of Year 2, they would either have to extrapolate as to what the third year target might be and they might ignore the targets, right.

But we are proposing that things be measured every year. We are not suggesting that Staff just wait and measure everything at the end of three years against the target.

Everything in here should be measured on an ongoing basis so we don't get surprised by something the Review Team does in 2016.

Jeff Neuman: Okay thanks Steve. I have - let me just get the queue here. Sorry. So I got Ching. I've got Wendy, Mary - am I missing anyone? Oh Alan. Okay Ching.

Ching Chiao: Thank you Jeff and thank you Steve. I just have a quick question actually and probably I'm not sure are you in the position for this answer but, you know, just have a quick thought.

Where would this, I mean, the advice letter going down the road? Do you envision this to be a voluntary basis for Registry operator, or do you envision this to become part of the Registry contractual obligation? Where do you envision this will go? Thank you.

Steve DelBianco: Thank you. There's no implication or expectation that this would change contracts. It might not even change anything if the policy development happens.

It wouldn't change the RAA. This is actually ICANN honoring its obligation to measure the success and effectiveness of its programs, so ICANN has undertaken to do a gTLD expansion and our Affirmation of Commitments requires measuring the degree to which it promoted consumer trust, consumer choice and competition.

So at the end of this 2016 you get a report card back, and the report card would presumably be indicative to ICANN as to how we need to improve things that we're doing now, how we need to improve things for the next round of TLDs, but we don't think it makes sense to wait till 2016 to figure out what we're measuring.

That's why the Board asked us to start designing the definitions and metrics now so that we know what it is we're being measured against. So there's no implication of formal changes to any contracts or accreditation agreements or policy.

It's a matter of what are we measuring and that will in fact - I hope it will in fact influence the way we perform. So we should look at it with both eyes and it should influence the way things perform, but it's not going to individually change the compliance issues of a given Registrar or Registry.

Jeff Neuman: Okay, I've got Wendy and I'll add Zahid to it and Jonathan. So Wendy.

Wendy Seltzer: Thanks. Wendy Seltzer. I wanted to flag a concern that I've had with the framing of the report and its metrics. And so I think what we're doing particularly with regard to the definition of consumer trust is a backwards-looking frame that's looking at domain names not as a platform on which people can do new and unexpected things, but rather as we know all of the things that people will do and we know many of them are bad so let's look and limit the bad things without leaving room for the unexpected new possibilities.

And so I think - and without leaving room for the amount of free expression, much of which other people may disagree with and distrust but which is still an important part of what the Internet needs to contain.

And so I think that looking at incidence numbers like number of complaints filed, amounts of spam received are simply bad metrics to be measuring against.

And I think instead we need to get beyond that to thinking about what new things can people create here, what new things that we weren't able to envision at the time we drafted up this initial set of metrics have people done in the three years since new domains were introduced.

And we can only look at that afterwards. We can't predict it now and we don't have those people in the room now telling us what they might be planning to do.

Steve DelBianco: Marika if you put up this - or perhaps we could just move to slide - the definition slide. I believe it's Slide 5. This is what Wendy was referring to is the definition of consumer trust.

And I discussed it earlier when I went through it that again we were asked to come up with definitions. Go to the definitions page. Thank you. Thank you.

You just had it. Thank you very much. Consumer trust is the second bullet on there. And Wendy's right. Many of these metrics measure bad stuff in the new gTLD space versus the legacy.

And some of that bad stuff is a reflection of bad stuff that's been done in the past. Wendy's right. There could be new bad stuff that people do, but I doubt very much that the labeling of content will end up contributing to genuine new ways to scam people.

It's also true that labels could end up helping to promote new innovation, and if that's the case I hope that that will be considered in evaluating the benefits of the plan.

But we answered the Affirmation of Commitments on defining metrics for consumer trust, consumer choice and competition. And remember that the Affirmation requires that ICANN measure "safeguards that were put in place, the effectiveness of safeguards put in place and mitigate issues involved in the introduction or expansion."

That's what ICANN will be held to. That's what they promised to do in the Affirmation and they don't think it makes sense to ignore that obligation. And it's a challenge to define the metrics but it's a challenge we cannot - we can't all ignore.

Jeff Neuman: Thanks Steve. Okay, looking around - okay Mary - I'll have Mary, Alan, Zahid, Jonathan Robinson and I added myself to the queue. Anyone else? Okay.

Mary Wong: Thanks Jeff. This is Mary Wong. Steve, one suggestion and one quick question, and the suggestion follows up on Wendy's comment. Would it be open to the group to at least include a recommendation in its final advice letter along those lines, i.e., that as we become more cognizant of what the new Registries are doing that the metrics be revised?

The group may not specify a timeframe but there is at least a specific recommendation at least as a placeholder or reminder to the Council or the GNSO at that point that these things are not written in stone.

So that's the suggestion. The quick question was in terms of the metrics and the collection, I mean, obviously there's data gathering. And then when we speak of measuring there is obviously going to be variation in interpretation and analyses.

What was the group's thought or recommendation in relation to who might do that kind of interpretation and analyses?

Steve DelBianco: Thanks Mary. I think your first suggestion is a good one, that the Working Group consider a recommendation that the metrics could be revised over time if we discover new benefits and issues, new benefits to users and new issues that come up.

I think that's a good idea. And with respect to your second question on interpretation, this Working Group is preparing a definition measures and because the Board asked for a three year targets, but the definition and measures work together.

So these measures and metrics are out there and ICANN is measuring them. The Staff is measuring them because the Board's approved it. They build a stack of data that anyone can interpret, because presumably the measures the Staff is doing are going to be reported publicly.

And then so in 2015 and '16 an Affirmation Review Team will come into place, and it will be their job to interpret that which you've asked me. So I think it's pretty clear it's the job of the Affirmation Review Team to interpret the extent to which those measures are still significant, the extent to which

the achievement of those measures is indicative of consumer trust, choice and competition.

So I don't know how we can constrain it. I do want enable them and empower them to have explicit data that's been gathered so that three years out they don't look back and say, "We'd love to tell you whether this system works, but we don't have any data to support it." This is an attempt to have that data be there.

Jeff Neuman: Thanks Steve. And I'm trying to monitor - just so you know I'm trying to monitor the Adobe room and everything at the same time. So if I miss something Marika's going to let me know if there's another question. So we have Alan next.

Alan Greenberg: Yes thank you. Thank you. Steve your comments you made on redirections is interesting but I use that term in quotes. The technology exists for someone to redirect to a different site and mask it so it doesn't - it's not visible to the user or to make it visible.

And in many cases redirections are not - you listed two reasons: defensive or to get more business. There are other reasons also. You know, I type in IBM.ca knowing full well it's going to go to IBM.com/en/ca for Canada and /en for English.

And yet it's more convenient to me and it gives me a warm feeling that they have a Canadian presence, even though I know it goes to a computer somewhere in the U.S.

And there's a bunch of other reasons also why people redirect. So since it can be masked and that is made visible to you, and since the motivations are large it's an interesting statistic but you got to be really careful of attributing a reason to it. Thank you.

Steve DelBianco: Alan believe me, we tried to qualify this as much as possible to say that it, you know, several indicators of potentially defensive registrations. The visibility of the user is neither here nor there because we weren't going to ask users about redirect.

We're going to have a computer figure out what percentage - a couple of years out what percentage of the new TLDs are - is simply redirected to a legacy TLD.

And if that percentage were over 15% we were suggesting that that might be suggestive of a prevalence of a lack of consumers - a lack of Registrants exercising choice to be in that new TLD.

Alan Greenberg: But that's the point I was making. In Dot Ca IBM clearly has made a choice to have a Canadian presence. The fact that they have chosen to centralize their Web services on a single computer or a single cluster of computers and not hide the fact from users is also a choice.

But it's not something they're coerced into, you know, or maybe it was. But it's something that in fact has merit. They've just chosen to have a single computer complex handling it.

So as I said attributing choice, attributing motivation is something you have to be very, very careful of.

Steve DelBianco: All right. We are trying not to attribute motivation but to work backwards to say that we know there is motivation that generates defensive registrations. We were asked to go figure out how does one measure it.

Alan Greenberg: If you get a sample of this make sure it's a more inclusive one.

Steve DelBianco: Good idea.

Jeff Neuman: Okay, thank you guys. Just want to - we have a bunch of people, so Zahid and then Jonathan then I'll go to Marika's remote questions and then I put myself in. So Zahid.

Zahid Jamil: Thank you. Thanks Steve. That was an excellent presentation. Agreed. It explains to me what's going on and I think you guys have done a tough, I mean, it was a tough job trying to get these sort of definitions in place and I think it's - we do need them.

It's a good job we've done. I think we do need these metrics in place, because we do have a obligation under the AoC. I just had a - two quick comments.

I think leaving room for flexibility is a good idea, and I think it gives the opportunity for us to see what happens as we go through the process over the next few years.

Also, you know, it - when we - when I looked at the slide and the one that's up right now, we're looking at local and national law, it's interesting because in the new gTLD space it brings to my mind the thought that what is global?

And it's interesting because now with new gTLDs just on the business and trying to register a domain name, it may matter where the Registry is located, absolutely.

The question is to what extent do I know what the applicable national law with respect to that new gTLD might be? So I - the only thing I'm saying is I think that it may be useful for Registrants to know that very clearly so that, you know, they have that choice, et cetera in place and I think that may be one of the things we want to add to that. So just - it's just a question of maybe they need to know. Thanks.

Steve DelBianco: Under the choice metrics one of the choices is that we said that Registrants and users should have a lot of choices as to different national legal regimes covering TLDs that they might consider, and that would be useless if they didn't know what regime covered a TLD.

So you're right. In choice we have a transparency element in there that tries to measure the degree to which the TLD operators disclose their policies, and which country's laws they consider themselves to be under.

Jeff Neuman: Okay thanks. And I just thought - I've seen there's some people in the audience that have some questions as well, so I'll get to that. And so let me get to Jonathan then Marika.

Jonathan Robinson: Thanks Jeff and thanks for the presentation Steve. It strikes me that there's quite clear that there's a comprehensive set of measures, and this is going to provide a very helpful and interesting perspective on which to watch the evolution of the new gTLD program.

The more I think about the three year target issue though it has some problems that we need to deal with I think, because twofold really. One, it could be set as a basis on which the next round may be contingent, so we need to think about that timing issue whether or not the next round of new gTLD introductions gets stacked up behind me for getting to the three year hurdle and evaluating the program.

So that's an issue that people might ought to think about, whether this becomes in some way linked to the basis on which we can measure this initial program and only then having - three years later can have a second phase.

The other is that we're batching and routes - route so it's scaling in all of the current issues we're talking about about timing. It's quite clear that the

introduction of TLDs into the route and therefore into the market is going to be sequenced over quite some time.

I won't guess what that time will be, but therefore looking at a three year point out in the future from a set date in the present is going to make these measures quite different.

So I think we've got some challenges with our three-year targets and we need to think quite carefully about that. So it kind of struck me in this conversation that that's - is a real challenge around that three year issue.

So whilst the measures are comprehensive and very useful, I think the three-year target could provide us with some problems.

Steve DelBianco: Thanks Jonathan. It'd be great to get - you're a member of the Working Group and if you can think more about how we ought to put it in our draft letter that'd be fine.

If we fail to address it adequately of course Council can add elements like that if and when Council considers the advice for forwarding to the Board.

Jeff Neuman: Thanks Steve. I got - let's take the remote question from Marika.

Marika Konings: Yes this is Marika on behalf of Michael Graham who made sort of one comment, and he says, "Hopefully the creativity in many new gTLDs will embody, encourage or support as described in the answer to Question 18, and the new things created will actually support trust."

Jeff Neuman: Steve do you want to respond to that or...?

Steve DelBianco: Michael is a member of the Working Group and he was making an affirmative statement. It would be indicative of trust and I - Michael I know you're very active on the group and I trust that you think that we are trying to measure the

degree to which consumers are aware of what a Registry has proposed its purpose will be.

We have no illusions though. Registrants are not going to go back and look at the application. Two years in they're going to look at the TLDs Web site, or they'll maybe look at the way the Registrar describes the TLD when the Registrar is giving me an available list of options for where I can buy a domain name.

So the - I guess the visibility of what the proposed purpose is is a function of the reseller network and the Registry operators themselves. Question 18 will be a figment of one's past by the time I'm registering a domain name.

Jeff Neuman: Thanks Steve. Let me go out into - I know there's at least one question out there. If you could just come to the mic, introduce yourself and then say your question.

Alain Berranger: Alain Berranger, Chair of the NPOC constituency. I want to draw a quick anecdote and from that a question. When the World Bank was asked by their board to start accounting for the success of their programs in terms of fighting poverty, they formed a Working Group and they came up with a set of poverty indicators, about 160 of them if I remember well, most of them based on income levels.

And then the Civil Society and Applied Research Institution actually went to the board and asked them, "How do you define your own poverty?" Well the question was not as close as that but it was - and so the villagers from Nepal or from Peru defines something like 500 to 600 indicators of poverty, and some of them were unimaginable for a Working Group sitting in Washington or in Paris.

This may be too late to ask that question but - so a small Working Group defined the indicators of consumer trust and consumer choice. I would - I was

wondering if you - if we went to the actual consumers and asked them what were their indicators, would we end up with the same set of measures or of indicators we're going to measure?

Steve DelBianco: Yes, that's a great question and the idea of the World Bank metaphor doesn't exactly hold. When the World Bank and their consultants came up with 160 metrics, I don't know whether they did it in a way that involved two months of public comment periods, with online submission of comments from any individual on the plant.

I don't know that their consultants who did the 160 were comprised of representatives of at-large users and market participants. So hopefully ICANN does it a little differently than the World Bank, because the process of defining the measures is one that's supposed to take into account those inputs.

No process is perfect and we only got a dozen public comments. So I don't mean to imply that we've checked with everyone in Peru, and I'm pretty sure that many people will be disappointed that the metrics aren't as expansive as they might otherwise want them to be.

But if you're aware of metrics that we should add this is the time to get them in.

Jeff Neuman: Thanks. And maybe that's - this is Jeff Neuman. Maybe that's - kind of leads to one of my questions and I'll just put mine in and then I'll go to James.

In light of the big reveal and in light of the fact that there are so many applications where there's a single Registrant, some of the criteria that you've created may not be at all applicable.

So one of them, you know, you had said about consumer choice, the choice of Registrants to be in a TLD. Some of these TLDs are closed and there's no choice for outside parties to be in the TLD.

So to what extent are you going back? And I know notice the timeline still has you coming out with the recommendation to send to the Council in July. To what extent have you considered those single Registrant TLDs, and are they excluded from this type of analysis?

Since I - in looking at the definitions I think the consumer is actually none of those unless the Registrant is considered the Registry itself. The consumer choice is not really necessarily relevant in a way that you've defined it.

And competition may not be relevant in the way that you've defined it, at least with respect to those single Registrant TLDs.

Steve DelBianco: A great question Jeff. Under the competition metrics there were a few that we flagged right away that would only count registrations that are - Registries that are open to the public, particularly with respect to pricing.

So there may be other metrics in this table where we have to put an asterisk - say only count those that are available to the general public. But even for those that are single Registrant TLDs the end users will still see those content pages pop up in their search results.

End users will still receive emails from Registrants using a single Registrant "closed" TLD, so measures of consumer choice and measures of consumer trust would still be just as relevant with respect to the closed versus the open because they're all just labels on content.

They're just labels. The content's already there. And then competition is the place where we definitely had some asterisks like that because of things like measuring pricing or distribution or new entrants, so it's a great point.

And when Council considers the advice it'd be great to see other places where you want an asterisk like that. Is a single Registrant TLD something that's permanent and enforceable, or is it simply a suggestion we reaped out of Question 18, because I believe Registrars who started the single Registrant could change over time without obtaining permission from anyone?

Jeff Neuman: Yes thanks. I think that's a good point. Let me go to James.

James Bladel: Hey thanks Jeff. And you kind of touched on one of my questions, but since I'm not the kind of guy to turn down an open microphone I'll go to my second question.

Steve I don't want to belabor the indicator of redirects but - question of where you guys arrived at the 15% threshold. My understanding is if you're saying something like 85% of registrations in a TLD are both developed and stay in that particular TLD, that's actually a pretty good indication of consumer choice and trust so I'm wondering what percent came in. I think it's an interesting metric. I just - I'm questioning your threshold.

Steve DelBianco: Yes, great question. You can well imagine how much we struggled with that. We didn't have any empirical data to base it off of, so we ended up picking a number knowing that our crude measures of redirects and sunrise were so crude that they would vastly overcount what was defensive.

So we therefore set a very - what we felt was a very high number on purpose to take into account that there would be a lot of overcounting in that. And again let's suppose the number comes in at 17%.

The actual measured number of redirects three years in in the new gTLDs is over 17% - are simply redirecting to a legacy gTLD label. If that were the case you don't stop the program.

It's one of 46 metrics with an asterisk on it to say that it's imprecise. It doesn't mean the program failed. It doesn't mean the consumer choice was not achieved.

You have to consider it in the context and - but I know our temptation at ICANN. We're all detail-oriented folks. Many of us are employers and engineers.

We tend to focus in on that 1 of 46 metrics and if it's not right this is an opportunity to change it. I think we ought to measure it. If your only quibble is maybe that the target itself is too squishy, then maybe what Council does after it considers the advise is it says, "Don't put a three year target on this, but by all means measure and report what the data is for redirects."

James Bladel: And perhaps for a control group you could reach out to the incumbent gTLDs now and ask how many of them are redirecting to another incumbent gTLD, and just kind of establish a baseline of where that is today before the new gTLDs come online.

Jeff Neuman: Thanks James. Over here.

Jeremy Beal: Thanks. Jeremy Beal. I just have a question about potential Internet users because I think that's a - quite a difficult concept possibly. But it's particularly in relation to consumer choice because there will be different, you know, consumer groups that are in different positions so their choices will vary.

And I'm particularly thinking in relation to developing countries. If you're thinking about consumers, whether it be consumers in developed countries, what's their potential?

So it's really just have you done some thinking about that, but if not it might be well worth looking into it in terms of future potential.

Steve DelBianco: Thank you. And if you read the advice you'll see that under Choice the word potential user would be someone who is considering registering or considering using the Internet DNS.

And so we are - for instance look in there to say, "Is there geographical diversity? Can they pick a TLD that is in their part of the world?" There's a diversity on language and script that we're measuring the choices available to a Registrant who wants to be in a Hindi script.

And we also took a look at surveys that will measure regular - about their awareness that they could register. So that survey part James - Jeremy, that survey is supposed to be done of all individuals in a representative sample, not just people already registering or already using the Internet.

Jeff Neuman: Okay thanks. Olivier, you have a question?

Olivier Crepin-LeBlond: No it's not a question. It's Olivier Crepin-LeBlond with the Working Group. I'm just adding one more thing regarding the actual metrics. Metrics are not an exact science in the context of new gTLD.

So when one has a 17% increase or a 17% decrease or a number that is there, we're not looking at this specific number. We're looking at trends more than anything else and we are looking at a three-year target.

Of course that's one target but one could think that the maturing of it all is going to continue afterwards. And if there's an improvement in the actual metrics that is taking place, that already is something that is significant.
Thank you.

Jeff Neuman: Thanks. Okay Chuck you have a...?

Chuck Gomes: Chuck Gomes from VeriSign. Just a general observation Jeff where we often are criticized and how many things don't work or take forever in ICANN. I

think this is a good example of the multi-stakeholder model working really well.

And sometimes we need to focus on those positive things, not just the more challenging ones so my compliments to the work that's going on here.

Jeff Neuman: Thanks Chuck. I think you stole my line so - no just kidding. Yes. No I think - Steve I think the work that's been done by the team has been excellent.

The question I have for you before we go on a break, and we can take it back up again when we meet to talk about some of the GAC agenda items, can you just for the group just share what - I think you've had some conversations with GAC representatives.

What is it that they expect to discuss this afternoon and what do you hope to get out of that session?

Steve DelBianco: The conversation with GAC representatives so far we started in Costa Rica was to - I asked for instance the GAC Chair and many members of the GAC if they were aware that the Board had asked them for advice.

Surprisingly few knew that the Cartagena resolution asked them, so we did our best to ask the Board whether they would file a formal request of the GAC, reminding them that they have a resolution soliciting advice and I don't believe the Board took that on.

Council on the other hand in June took on to write a very solicitous letter to the GAC inviting them to weigh in now. This is a great opportunity for them to influence it.

One government took advantage of that Jeff, the U.S. government, and it's far broader than just the Commerce Department. It involved Justice and

Federal Trade Commission - weighed in with the expense of public comment, and I've discussed a little bit about that here today.

And the Working Group immediately replied to the U.S. government asking for some clarity and reconciling it to the, you know, the cost benefits question and they followed up with yet another email for the Working Group.

So the full extent of interactions has been offers to do briefings, reminders to the GAC that they were asked for advice, Council sending a letter to the GAC that I doubt you received a response to and then the Working Group getting a lively interaction from one of the governments as the leading GAC member, in this case the USG.

And that - I've had no conversations about what if anything they want to do today and whether they want it on the agenda or not, but we're ready if they all are.

Jeff Neuman: Yes, I think in our conversations with - just in the logistics of this the GAC did say that they want it on there. So, you know, you're on the agenda and we'll talk more at - like I said 3 o'clock I think is when we start talking a little bit about that. So if you could just be around for that that would be great.

Is there any last questions for Steve or the consumer metrics group before we kick off to a break? Okay I'm seeing none so we can close down this session. The break - everything else for the break should be - I'm looking at Glen - should be right outside the room. And let's get everyone back here precisely at 11 o'clock because we have a...

END