PRAGUE – Planning for the Next gTLD Round
Monday, June 25, 2012 – 17:30 to 18:30
ICANN - Prague, Czech Republic

NANCY LUPIANO: Our program will start very shortly, in about one minute. Thank you. If you can please take your seat so we can begin our program, we would appreciate it very much. Ladies and gentlemen, please welcome once again Senior Vice President ICANN Kurt Pritz.

[Applause]

KURT PRITZ: Thanks, everyone.   So I'd like to -- everybody chatting amongst themselves in the back. We're supposed to talk about planning for a second round of new TLDs and also about batching. I recommend that we talk about batching first. But I want to take a poll because people, you know, base their schedules on the schedule. But actually it's time for the batching discussion to start. And I -- you know, we all sense that that's a topic of greater urgency. And I think what we want to do is just kick off some effort on the -- on planning for the second round. But what do you -- do you have a comment, Brett?

[Speaker off microphone.]

[Laughter]

There's a batching joke in there somewhere.

BRETT FAUSETT:	And I have got a comment to make on the second round, too. So I'll just be here for whichever subject you decide to pick.

KURT PRITZ:	So would anybody object? There's also some Board members here that have to go, so I want them to hear your comments about batching. And I'm going to go through some slides because that's what I do for a living. Sadly.

[Laughter]

So is that okay with everybody, if we talk about batching first? Yeah? Okay. Thanks. Ted. Excellent. So I hope -- I hope these are helpful and inform the discussion. And it's meant to kick -- this has already started a collaboration amongst yourselves and there's opportunities to collaborate with the community. So I start with a definition of what a batch is. But for the purposes of processing applications, it really occurs twice, right? It occurs when ICANN assigns applications to evaluators to process and evaluate. And when they finish, batching has to do with how the results of that -- those evaluations are revealed, made public, and then those applications can go on to the pre-delegation testing and get delegated into the root zone.

Which is the same thing here. I think what we're interested most in is how we publish and in what order we publish applications that have passed evaluation because at that point that's when those applications can be processed for delegation and go into the root zone. I also just want to briefly distinguish between batching, which is just that, and the secondary time stamp or digital archery which is a method of assigning

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scores and getting to batches. And I think what we're primarily concerned with here is a batching methodology, whether we do all the applications, reveal all the results in one batch or reveal applications in some sort of metered way. And then we can talk about what tools might be used to do that.

So like I said, batching is to allocate applications into the process, and I've described for some audiences here that already in ICANN's plans do that in an efficient way, the evaluators that do the applications most efficiently will get more applications as we progress through the evaluations.

What about releasing the results so that we can get those applications to delegation? Well, it has to be an equitable method and it has to be smoothed to a certain extent. So we've said a thousand applications -- delegations in one year and not just all in one day. And I would refer you to -- as sort of an upper bound on lumpiness in delegation rates, I would refer you to delegation rates scenario paper that was done in, I think, 2009 that set an acceptable standard for kind of the lumpiness in which applications can be delegated. I hope this is making sense. So I'm sort of targeting these comments on ICANN cognoscente who want to sort of drive to a solution on this issue.

So I just pretty much talked to this, that the root zone scaling study said that it wasn't how many TLDs were in the root zone, it's the rate of change. And so the threshold rate of change is commonly understood to be a thousand a year but needs to be smoothed in some way, not a singular event.

So those of you yesterday who were urging ICANN to hire the low-cost provider in each case, I give you this really cheap graphic that I did. But it's -- it's meant to illustrate what I've just discussed, that applications will be metered into the evaluation process and there's two, actually three different evaluation teams, and then what we're concerned about is the timed release of those application results. Do we release them in sets or do we release them all at once.

And if we release the results at different times, it has to be done in a fair way. Because it might provide an advantage to those who go first, if there's a big difference in time between the release of one set and another set. Releasing the evaluations at the same time is inherently fair but it might require some metering process at the end to get to the thousand per year rate. And at the end of the day waiting to do them all will result in a longer time for the whole process to complete. So that's the sort of balancing that's been going on ever since we talked about batching in guidebook number one.

So what we've heard here is these emerging positions from the community, that whatever solution we arrive at has to be fair. That evaluation results should be announced at the same time. That successful applications should proceed to delegation phase without undue delays. That the delegation to the root zone must be at a smooth rate. And that also, we have to take into account GAC planning. So we're -- the GAC has told us they'll furnish early warnings by October 2012. And that GAC advice would at the earliest be furnished not -- not furnished before the Beijing meeting, which is in April 2013.

So I think -- you know, that's the whole background. And so what I really want to do is encourage the Board members who are here and I to listen to proposals or comments you might have about this process. Both concrete proposals for what we should do and proposals about process and discussion and how did that -- and how we might move forward. Brett.

BRETT FAUSETT: Thanks, Kurt. I have two comments. One is a quick defense of digital archery. I may be the only one who takes the microphone today and makes this point. I don't know whether digital archery is a good idea or bad idea but I do know that it was your idea. Not you personally but ICANN's idea. And in a March Board resolution we were told that the generation of the secondary time stamp was the process. So we had two choices at that point. We could complain or we could go about solving the problem and figure out how to shoot straight.

So we spent time trying to figure out how to shoot straight and we think with digital archery we were going to have an acceptable business outcome. I don't think we're going to shoot any better than anybody else. But, you know, we sort of knew what this was about and we figured that we're going to do as best as anyone could do.

But -- so having invested that time and sort of tried that and spent, you know, two weeks shooting arrows, it's very hard to completely change that and give us what we think is going to be a less acceptable business outcome based on all the things that we relied upon that ICANN told us. But I did hear something last night in the hallways that I thought might

be better. And so since I haven't seen it floated anyplace else let me relay to you what I heard.

KURT PRITZ: By less acceptable, you mean that it will take longer at the end to have day to delegate?

BRET FAUSETT: Right. Right. And it seems pretty clear to me from the conversations over the weekend and hearing the Board chair talk that there does need to be some flow management mechanism, and I think as Chairman Crocker said, that if we don't do it now we're just kicking it down the road. Eventually you're going to have to solve this problem.

So the idea I heard last night and that haven't heard anyplace else at a public microphone was that ICANN might be in a position in Q1/2013 to give everyone a -- put you into two batches, E-Z Pass, no questions, and questions. And then in the -- in the second, in questions batch, people with one question would have priority over people with two questions and things like that. To me that's the ultimate game of skill because now we're talking about the application you wrote. And to the extent that you can actually take the -- the quality of the application into the batching method, that, I think, I might like better than digital archery. So since I hadn't heard that one, I wanted to raise it with you, see does that -- does that sound like something that ICANN can do? Is that a starter for a conversation?

KURT PRITZ:	I think it's a starter. I'm just standing up here as the virtual target.

[Laughter]

In front of people who have now learned to shoot straight.

JORDYN BUCHANAN:	Hi, Kurt. Jordyn Buchanan with Google. I just have mostly a clarifying question to sort of help frame this conversation. You put up there a list of sort of Criteria for a solution. Is it your view that there are no other bits of policy framework that need to be complied with as part of a solution? Do we have all degrees of freedom other than the constraints that were listed on that slide in terms of developing a solution to this problem?

KURT PRITZ:	Well again, I think those were -- those were -- that list was put together by a few of us who heard those things. So I -- so my answer to your question, is I don't know. Kind of depends on a solution proposed and what -- what process we should go to to say that there was the right degree of consultation before making the decision. So there's a subset of applicants here that are discussing solutions. But also here are the -- you know, the SO and AC chairs that represent in a sense the rest of the community. So I think it's a -- you know, depending on what we talk about, we also want to talk about what's the proper way of approving it. And since we have not just a collection of subset of applicants but also the representatives of the SO and AC leadership consulting with them might be a path or other things.

THOMAS RICKERT: My name is Thomas Rickert, and I just had the pleasure to chair roughly a two-hour session in another meeting room that unfortunately couldn't be announced on the official ICANN agenda but nonetheless we had a turnout of I think far more than 100 persons being there.

The discussion was very fruitful and I think that we have been able to collect all sorts of proposals or possible ways forward to inform the Board about potential alternatives to the process as it stands now. We will summarize the outcome of the discussion and provide you with that. Nonetheless, I think that there were two or three questions that came out of the discussion that you might answer for the sake of the whole community. The first one of which is that there is uncertainty in terms of the delegation rates. You mentioned that the maximum of 1,000 TLDs per year needs to be smoothed out. I don't know whether smoothing out is actually necessary, necessary from a technical point of view or whether we could take those and all throw them out on one day. What's the maximum rate per day could be, for example. So I think we need more information about maximum delegation rates and the shortest time intervals.

The second question that came up is in terms of digital archery. I think the vast majority of those that have been present didn't really like the approach but I think that doesn't come as a surprise to this group. But nonetheless, the question was --

KURT PRITZ: Did not really like the approach, right? Did or did not?

THOMAS RICKERT: Did not really like it.

KURT PRITZ: Okay.

THOMAS RICKERT: Okay? Nonetheless, there was the question of how long it will take ICANN to fix the glitches in the digital archery system.

And the third question was, what the contractual parameters with the evaluators are. Is it an exclusive contract or can more results just be borrowed potentially from third-party contractors. Thank you.

KURT PRITZ: So Thomas, thanks for your initiative in arranging the meeting. I think it's -- so off the top of my head, I think it can be easily found in the public record in discussions with technical community members that a thousand -- a thousand per year does not mean a thousand per day. That it's about rate of -- the issue is not about the size of the root zone but about rate of change of the root zone. And as singular, almost singular event, like 1,000 per day was in discussions so it could be unacceptable. And a couple years ago, I think -- I don't know where I described this, several times so far, but a couple of years ago ICANN published a paper about proposed -- or delegation rate scenarios that forecasted four batches of 500 given the natural spread of, you know, initial evaluation, some an extended evaluation and assumed a certain percent objections and so on that would create some spreading it forecasted a delegation rate of 1,000 per year. And said this is the

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lumpiness of delegations throughout the year. So it's not completely smooth. And that -- that delegation rate scenario paper combined with many other studies that were done was part of carrying the day on the root zone stability or scaling discussion. And so it's -- that's sort of a baseline for, I think for lumpiness. And I think what we want to do is -- what we want to do is aspire not to make the delegations more -- more singular or one-time events than that. So that's -- that's a really vague and tough answer to your question.

With regard to our contractors and evaluators, I don't think they're exclusive agreements because we've hired, you know, three evaluators, for example, to do financial and technical evaluations and they -- so -- and I've said this before. They've hired and trained staff, and actually the calibration and training has been going on for months.

And so I -- you know, as -- as the manager, I'd be very cautious about adding additional resources at this stage of the game that --

The training has been somewhat substantial and there's been really close coordination between the existing contracted parties as far as working together and understanding the issues together so they carry to their teams the standards and the scoring.

I forgot your third question.

THOMAS RICKERT: The time to fix the digital --

KURT PRITZ: Yeah. I'm not -- I don't know. So I don't know.

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THOMAS RICKERT:	Thanks, Kurt.
COLIN CAMPBELL:	Okay. Name is Colin Campbell. We are an applicant. We applied for one gTLD, dot club.

You know, I can say that I was probably one of those individuals who was not in favor of digital archery months ago. You know, when we were given the challenge by ICANN, we looked at it. We've spent a considerable amount of money in the last two months putting together a solution. We hired engineers, consultants, networking guys, and we put together, we believe -- we rose to the challenge that was set by ICANN. We put together a solution. And at this stage, for ICANN to change the rules -- and I really believe that, you know, a decision has to be made by ICANN whether or not you are going to change the rules in the middle of the game here.

And then once that decision has been made and firmly decided and firmly communicated with no ambiguity -- because ambiguity costs a lot of money, obviously -- then I think the decision can be made, "Okay, we need an alternative batching method and what is that method," and then get proper feedback from the community with respect to that new method of batching.

But I really believe right now you're -- the board is at a stage where it has to make a decision as to whether or not it's going to change the rules of the game, and that those applicants that spent considerable time and money to do what ICANN says -- said, and followed the rules of ICANN, will be harmed by the decision, and those applicants that

complained and stood back and didn't rise to the challenge and didn't follow the rules of ICANN are the ones that will be the beneficiaries.

Thank you.

KURT PRITZ: Thanks for that good comment.

FRED KRUEGER: Hello. Fred Krueger. Minds + Machines. I have a suggestion which I brought up in the previous meeting for a different -- different way of addressing this problem.

My suggestion is that we, the community, need to work it out amongst ourselves, in many ways similar to the way you're asking us to work out auctions by ourselves. Work it out amongst yourselves.

I am happy to sell my slot in line for many of my TLDs that I've applied for. I've applied for 68 on my own account.

I, like Google, am mainly interested in several of these. I value dot London significantly more than I value dot beer.

I'm sure Google values dot Google more than dot LOL. Digital archery has this flaw that everything is equal. I can't prioritize my shot for dot London versus my shot for dot beer.

I think what everybody should be given is a point. Everybody starts out equal. Everybody has one point.

If I want to give my point to dot London, dot London now has two points. If I want to sell my point to the gentleman in front of me for dot club, he can buy it from me.

Let the market decide.

And that's my suggestion. Thank you.

KURT PRITZ: Thank you, Fred.

COLIN CAMPBELL: We'll talk afterwards.

[Laughter]

KURT PRITZ: Hi, Patrik.

PATRIK FALTSTROM: Hello, Kurt.

                              Patrik Faltstrom, chair of the Security and Stability Advisory Committee.

                              Let me reflect a little bit about the -- the ordering and the smoothness that you were talking about.

KURT PRITZ: Thank you.

PATRIK FALTSTROM: We have, of course, in SSAC, been discussing this quite significantly, the -- not only the last couple of weeks but also the last couple of days and the last couple of hours, and we'll continue to talk about this.

Let me -- let me try to explain a little bit what the smoothing is about.

The short story is that the smoothing has to be there and you have to be able to slow down if it is the case that before, during, or after introduction of the new gTLDs the service level that IANA and the root server system gives to existing TLDs goes down. Then you need to slow down.

So the question about a thousand has more been due to the technical community thinking that the risk is small enough. Not that there is no risk, and not that 999 works and 1,001 do not.

We also, of course, know that compared to when the root scaling studies were done, at that time we were looking at combinatory effects of adding new TLDs, IPv6 and DNSSEC at the same time and that combinatory effect is now gone.

KURT PRITZ: Right.

PATRIK FALTSTROM: So if it is the case that the whole system actually works and the scaling and the ability to do things in parallel, that implies -- read between the lines of what I said -- implies that you can add things faster.

If it is the case that the service level goes down which means that if you send in a request for an MX record change to IANA and it actually takes suddenly much longer time for that to propagate to the root zone, then you need to slow down.

So it's the feedback process that is the most important part, not the number thousand. Thank you.

KURT PRITZ: Thank you, Patrik.

So ICANN is like this great place, isn't it? Because we talk about this technical issue that I can't describe, and then the chair of SSAC comes to the microphone and explains it. Yeah.

AMADEU ABRIL i ABRIL: Okay. I have the serious proposal and the rest of the things.

The serious proposal is that we order the evaluation and the delegation by the alphabetical order of the family name of the contact. For instance, Abril going first.

[Laughter]

Now, the less serious proposals.

Well, this is not far from digital archery. It's genetic digital archery, if you want.

[Laughter]

And I won some generations ago.

Now, for the last one, I mean, you will have -- you will get for many of us lots of suggestions. Many of them -- some of them -- a few of them are incompatible. Most of them are compatible because they're looking at different things, and it will help you improve the efficiency of the evaluation and how to rate-limit the delegation of the TLDs, or perhaps not. And perhaps, you know, there is not a universal plan, but things that can help improving that. Now, we discussed many things about improving the evaluation. The only thing I want to say here is one batch or not. The problem with batching is that you create an unneeded stress of winners and losers.

And we saw that. That many customers we had were not excited at all about the time line. They were excited about being the losers in this game. Being in the fourth batch, being in the third batch. And that created unnecessary stress. Immediately they got interested in the results, even if they were not two months ago.

So I think that from a psychological point of view, even, I don't think this is bad in itself. It has created, though, an unneeded stress.

The second one thing regarding that is one batch is preferable if this doesn't delay the start of the delegations down the road.

If it's by one month or two months, most people -- I don't know whether everybody, but most people agree that one batch and two months delegation -- delay of the start of delegations is acceptable.

If this is 10 months, lots of people will disagree. If this is two years, most people will tell you, "We need some sort of batching but by any

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other name," or something like that, right? So we cannot provide you an absolute answer. Neither me nor anybody.

It is that yes, one single thing in principle is better unless the consequences are worse. Sorry for being that helpful.

Now, the next thing that should be taken into account is the question of fairness.

It's not just about, you know, this is a market and how rich are you and how much do you want to pay for that.

The question is that here also we are creating some unneeded stress, and some of that is purely market based.

Like, you know, I am dot music and there are other music-related TLDs and I would not like, if we all passed the evaluation, to be delegated three years apart, one from the other. One year and a half apart.

So why not grouping that delegation? It makes sense. You can ask people how to group them. Or how to -- for the portfolio applicants, what's their preference. That's absolutely logical. But that was not contemplated.

"I value more this TLD more than this one for going first." Why not allowing people to do that. Right?

So these things that could ease you down the road in evaluating and delegating, just taking these criteria that aren't exclusive, but are just cumulative.

The next thing is taking tracks. I mean you have one track, for instance, for exclusive-use TLDs, another one for portfolio, et cetera, and you make sure there are a certain number of each track with these internal criteria in each batch and you say, "Well, let's take telecommunications and IT solutions brands and let's, you know, keep the (indiscernible) factors for the next one, but at least all of them go together." This is what all of them are telling us. All of them. "I don't want to be behind my competitor."

The other question is public interest, and we need to also describe some things.

I would hate personally that any solution we adopt now would bring prejudice to the African applicants, the Latin American applicants that in the current situation were somehow guaranteed to be at the very beginning.

Disclosure: We're going to have -- we are not working with any of these applications, but I think they are -- you know, there are enough diversity and public interest arguments to make sure that these people are not at the end of the queue. I'm not saying the first ones, but at least there is a track for these people, and for IDN TLDs as well, to be somehow be taken into account in parallel with, you know, with some -- some brands, some portfolios, some narrow ones, some communities, some IDNs, and a list of, you know, underrepresented regions of the world.

So we can take all these together and work, but the most important part is: Remember, nothing can be completely automated. There's some need to ask people what are their preferences because they have very clear preferences among their own list or regarding with whom

they will be grouped, but at the delegation time you know that people care which weekend you are bothered by the evaluators at midnight. It's just what time they appear in the root.

KURT PRITZ: So I'm going to try to recap what you said in very few words.

ANDREI KOLESNIKOV: Yeah. Okay. I'm excited to be here.

KURT PRITZ: So a number of small common-sense approaches, different common-sense approaches, applied manually across the whole population that would break it logically into different groupings that are preferred by the applicants themselves.

ANDREI KOLESNIKOV: Hi. I'm Andrei Kolesnikov, dot ru, but we're involved in three noncommercial new gTLD applications and I've got some experience on this.

First of all, I'd like to say a few words about digital archery. It's supposed to be a competition but now it's a fight of robots and basically everybody does robots in scripts which pushing the button getting random results because it depends on the certain latency on the channel during the pressing the button by the robot. So it's a fight of the robots. There is no competition in this one.

But let me be more creative in this way.

Regarding the numbers and the batching, I believe that -- and my colleagues -- a lot of my colleagues believe that one single batch is a fair approach, just a simple mathematic approach.

First of all, I think that the IDNs should go first.

Second, the conflicting batches should go last, because it will take longer for them to conflict.

So if you apply that, then about 20 applications will be shut down by the GAC. About 10 applications will be shut down by the evaluation string.

So we have 1409 unique strings, minus 230 conflicting, minus 10 by the GAC, minus 20 by the string security, so we've got about 1149 applications, which is suitable for the batch.

It actually doesn't matter how it will be released. You know, maybe by the alphabet, you know. We don't care.

If -- as far as a single and transparent and discussed way of releasing the applications.

But, you know, if it will be a necessity to shut it down, you know, well, it happens. The Internet must work.

Also, regarding the number of applications, we found out that there is a lot of offshore U.S. companies registered in Europe which applied which adds up a little hell to the counting -- to the method of counting of the batches, and everybody knows about it, so let's -- let's make it simple.

Thank you.

KURT PRITZ:	Thank you, Andrei. I'd like to introduce Wendy Profit from ICANN to the community.
WENDY PROFIT:	Hi, everybody.
KURT PRITZ:	She's our remote participation manager.
WENDY PROFIT:	And I have about four questions from our remote participants. Two.
KURT PRITZ:	Then you must go to the end of the line.
WENDY PROFIT:	Then I'll go to the end of the line. The first one was actually asked in the last session and then rephrased in this session. May I ask it both ways, so that it makes sense? The first time it was asked, it was worded like this -- sorry. Given the current -- given that current registrants of IDNs in CNO have been waiting many years for their IDN.IDN equivalents to finally be made available to them, would it be possible to process the IDN transit applications from VeriSign and PIR without further delay? This would

have the advantage of testing the rest of the system to hopefully prevent further unforeseen circumstances.

And then rephrased, hopefully for more clarity as this.

Sorry. I'm scrolling.

Other than technical challenges specific to IDN TLDs, contextual circumstances distinguish IDN TLDs from their ASCII counterparts. This has not been accounted for in ICANN's new gTLD program or any of its recent policy work. In particular, it is a fact that communities who do not use a Latin-based writing system have been thus far underserved by the domain name system.

These communities have a reasonable expectation of access and are used to an equally useful DNS as other communities have enjoyed for decades. As a result, would ICANN consider batching first applications for internationalized versions of existing gTLDs?

KURT PRITZ: So that -- so good job, Wendy.

So that I understood the question the first time and understand it restated, too.

It's been -- have a good answer for it? No.

It's been argued in several places that IDNs should go first, and certainly this suggestion that these particular IDNs go first needs to be taken into account with all the other -- with the other arguments and discussions

that are taking place around how to form these batches or how to process applications in a fair way.

But I think what we're hearing is, they need to be processed -- you know, Amadeu and others have said they need to be delegated as close in time as possible. First, to eliminate -- to eliminate hardship on some, and then to the extent there are differences in timing, group them in a logical way, so again to minimize hardship on parties.

That's all you're going to get. Do you have a short question there?

WENDY PROFIT: I just have a short -- it's not as wordy a question. I don't know about the answer, but...

The question: How long will the applicants have to wait before a decision on the batching process will be made?

KURT PRITZ: So let's just stick a pin in that question and try to get to an answer to it at the end of the session when everybody's made their comments and we can sort of make a plan for going forward.

WENDY PROFIT: Okay.

KURT PRITZ: Okay. Thanks, Wendy.

WENDY PROFIT: I'll save the third one for the end of the line.

KURT PRITZ: Thanks, Wendy.

WERNER STAUB: My name is Werner Staub and I'm the Swiss guy.

[Laughter]

And, you know, all the story of William Tell. And I think he is a good example to show why an archery or other cruel and frivolous game forced upon an unwilling archer is not a good idea.

And for everybody to remember that, one should remember the question that the tyrant asks the archer.

Actually, it was a cross-bow, but...

The tyrant asked the archer, after he successfully shot into the apple and did not kill his own child, he asked him, "Why do you take two arrows?"

He said, "If I had killed my child, I would have used the other arrow to kill you."

Now, it is --

[Laughter]

-- the situation of every one of the unwilling archers to think of the only solution. That would be to take down ICANN. It is absolutely impossible. Digital archery is the nail in the coffin of ICANN's credibility.

We should do away with it as quickly as possible. There are many other things to do.

If indeed, as a last resort, we need some external skill-based thing, as I said before, let's play rock/paper/scissors, something like that.

There is games that are not cruel and not based on cheating, doping, and proxy -- proxy fights.

KURT PRITZ: Thank you, Werner.

[Applause]

CHRIS DISSPAIN: Nice. Nice analogy.

Chris Disspain. Good afternoon. I wanted to make a couple of points, a couple of what I think are factual points, and ask a question of the room.

First of all, none of us are particularly delighted to be standing up here or sitting in this room talking about this. It would all be great if we didn't have to, but unfortunately we do.

I think -- I made some comments in the GAC yesterday afternoon, and I'm not going to go through them in any detail but I just want to briefly cover them.

Whether you batch or you don't, there are a number of points along the way that are going to cause slowdown or things to be in a certain order.

There's the contracting point. The guidebook says clearly that contracts will be dealt with first come, first served. So they're going to come in, they're going to go into a pile, they're going to be dealt with, and only a certain number are going to be able to signed in one day and they're going to be sent out and so on.

So there is -- nothing to do with batching. It's just a natural thing that's going to happen anyway.

And I appreciate all of the comments about a thousand and how can you do the delegations, but I think it's important to remember that there is a -- there is a formal delegation process that has nothing whatsoever to do with new gTLDs, it has everything to do with IANA's processes, and that is there and it exists. And it doesn't matter what we do in batching or any of that stuff, there is that process, and that process needs to be gone through.

And that process does not just involve ICANN. It involves third parties who have jobs to do in that process.

So that's another point at which there will automatically be -- whether you batch or you don't, there will automatically be only a certain number that can be dealt with at a certain period of time.

Having said all of that, my question is simply this -- or rather, it's more of a statement which turns into a question, which is: What I think the board thinks you want now is certainty, and I -- everyone's got their own ideas and I understand that and we've got to work our way through all of those, but I just want to be clear. We think what you want is certainty, and the last thing you want is us running off for the next five months trying to figure out how to do this. Right? Is that basically right?

>>   Yes.

CHRIS DISSPAIN: Okay. Cool. Thank you very much.

KURT PRITZ: Thank you, Chris. Hello, Chuck.

CHUCK GOMES: Hi, Kurt. I appreciate how relaxed you are.

I'm Chuck Gomes, from VeriSign, but I'm not here to represent VeriSign. In fact, I haven't talked to anybody on my team about what I'm going to say, so I may be a target for archery when I walk away.

[Laughter]

There may be some ways that the problem can be reduced. One of them that seems really obvious -- I don't know if it would be a significant help or not -- there probably are still people who would opt out. See, that reduces the size of the problem. Okay?

I was fascinated by what Fred suggested with regard to allowing market forces to work in terms of prioritization, and I'm a big one for market forces myself personally.

That, of course, would probably disadvantage people from developing countries and things like that, which I think would be an unfortunate outcome.

But his idea could be translated another way. What if applicants who have multiple applications were allowed to prioritize them? Now, we'd still have to decide, "Okay, how does that translate into batches" or something like that, but that again could be a way to reduce the size of the initial problem. And that -- just thought of that after I heard Fred, so I just throw those out for additional thought.

KURT PRITZ: Or -- or if a single applicant could prioritize those and you valued (a) higher than (b) and -- but (b) got a higher priority than (a) and in some sort of prioritization scheme that person would be allowed to flip them.

CHUCK GOMES: Yeah. I think we could -- we could play with that and come up with several scenarios that might help reduce the problem.

THOMAS ROESSLER: Thomas Roessler. Good afternoon.

I'm here to plead against fairness. And I'll say what I mean by that.

We're talking, in a lot of this conversation, about this proposal is unfair or that proposal is unfair, and we usually don't say what we mean by that.

That is a problem, because it doesn't let us, as a community or as a board, actually evaluate proposals.

I think it is incredibly important that we have a frank and clear conversation about what we are solving for. Are we solving to not disadvantage developing countries, as Chuck just said? Are we solving to give everybody, regardless of who they are, the exact same chance at the first batch? That's probably just defined a lottery. Are we making prioritization decisions based on the nature of their application according to certain criteria that we actually all think are fair because we think advantaging or disadvantaging these or those folk is a good thing?

I think that is a conversation we need to have. I want to caution us against thinking just in terms of fairness because typically we have no idea what we mean by that. Thank you.

KURT PRITZ: Thank you, Thomas.

WENDY PROFIT:	I do have two more and a comment, if we can get to that. We'll see how the first two go.
	Sorry.
KURT PRITZ:	There's a tall guy behind you.
WENDY PROFIT:	Sorry. I lost it. I was scrolling back and forth. Sorry. I apologize.
	Okay. Can IDNs move faster in the evaluation process than other applications? There's a large number of users who will benefit immediately. There are just over a hundred IDN applications which according to the prior processing rate, 500 applications over five months, these could be evaluated within one month and possibly delegated within two months after this, so we could see IDN strings on the Internet as soon as October of this year.
	That's the first question.
KURT PRITZ:	And thanks for that question, and that's been urged by others.
	I think Amadeu urged that they not be last, or at least they shouldn't be last if that can be avoided.

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WENDY PROFIT: Next question, scrolling, if legal can only process three per day, who gets into the queue first? How will that be decided? It seems to me you're just pushing the bottleneck down the processing path.

CHRIS DISSPAIN: I'm going to take my board hat off and put my lawyer's hat on and tell you this happens all the time. It is perfectly normal in tender processes and all sorts of arrangements.

You have to physically send your contract to ICANN signed with all of the appropriate papers. If they are opened at the time that they arrive, they're numbered, there is a notice sent out saying, Thank you very much. We received your contract. You Number 27 in the pile. And we currently anticipate we will get to yours in two weeks or three weeks.

So you have got certainty that it's arrived, you know what number you are, and you have got a rough estimation of how long it takes. That happens all the time. There is no science to that. There is no rocket science to it or even rocket surgery. It is just a simple, straightforward process that is commercial and happens all the time.

KURT PRITZ: Thank you, Chris.

WENDY PROFIT: The last is just a comment, not a question. A comment to Kurt, the interaction of contention sets in digital archery may yield random outcomes risking meeting the State of California's test for a game of chance.

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KURT PRITZ: Thank you, Wendy. It is good to see you, Paul.

PAUL TWOMEY: And you, Kurt. Paul Twomey, someone who does not have a gTLD
                              application.

[Laughter]

                              So just a couple of observations. I think the digital archery idea -- I
                              personally think it is not a good idea. But one thing I would raise to you
                              both around digital archery but also importantly for some of the
                              discussions around commercial or market-based mechanisms amongst
                              the participants to sort out the priority, which I have a an actual
                              tendency of having some sympathy for, I think if I was to give advice to
                              the ICANN board as a whole, ICANN is not a company. It is a public good
                              natural public good.

                              There are people who have applied for gTLDs in this space who are not
                              going to come with a lot of money but will come with an enormous
                              amount of political power, and who I can tell you now from some of the
                              things I have already heard are already very annoyed about the digital
                              archery proposal and what they see as being just an attempt of abuse in
                              another secondary market to charge people to make money, et cetera.

                              I think you should think very carefully about -- it is not what you say, it is
                              eventually how it works, and how it is done, and how people see it that
                              way, and I think you should be very careful about that.

The second point, Chris, to come to your observations around what happens next, I agree, absolutely, and understand that. May I suggest particularly around IANA processes which will not be well-known by the vast number of people in these applications, better known by cc operators, that you actually make it clear as to what the things -- and any additional information that either IANA, the Department of Commerce, or other parties may need so they can fill that in quickly. Thanks.

KURT PRITZ: Thank you, Paul.

LEO: Hi. This is Leo from CONIC. I just want to express our attitude toward the batching. I know most the majority of the people who come here is to support the single batch. And we would like to express our attitude towards our suggestions and our concerns.

You know, since the decision has been made for the Costa Rica meeting that ICANN board has decided to make digital archery, that's because we have not yet discussed our best solution for the fairness of the batching. But that is the only selection.

But we consider we should maintain -- to execute the board decision they made before back to June, back to the last ICANN meeting, considering that people had followed that ICANN's decision -- I heard that 20% of applicants has launched their arch (indiscernible). They have already cost so much, and they have paid what they have done.

And if we change the policy right now, the people may get the so-called fairness. But I think the situation is much more complicated. The people made -- considering this is fair, but you may know that there are always newcomers and there's always old players. And the old players can use their advantage to wing their advantages, to defeat their rivals who has just come to this project.

So considering there is so much risks behind the single batch, so we support ICANN board to reconsider to maintain this decision.

So, people, you think that -- the question -- the problem here is about the system glitches. It's not the board's wrong decision. I think the board had made a right decision. And it's trying to fix the glitches.

I hope that the system will be restored very soon, and this will cause the most fair approaches for all the applicants. If we play in a single batch, the people may spend more time costs and opportunity costs. That's our concern. And we support the use -- still use digital archery. If anybody disagrees with me, I would like to discuss with you further. Thank you.

KURT PRITZ: Thank you, Leo.

ADRIAN KINDERIS: Adrian Kinderis. First of all, Kurt, I would like to commend you at conducting this session at short notice. Very much appreciate it, I know, from a lot of people in the community. I thank you. And also I think special mention to Thomas about organizing his informal session earlier.

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Good job, pal.

I just wanted to make one quick comment about our certainty of process. I believe batching does not allow certainty of process for those that are outside of the first batch. There is a comment that gets debated about, well, you are just kicking it to the end of the process if you don't do it. I think that's fine. At least you have had an initial evaluation done. You have got a significant piece of work put behind you.

If you then need a batching process, at least the processes as far as I can see from there are a lot more tangible and you will be able to do a lot of planning around those.

So I think there is value of kicking it to the back of the process rather than doing it upfront and providing uncertainty for those that are outside that process. Thank you.

KURT PRITZ: You are saying there is value to applicants in knowing they've passed initial evaluation?

ADRIAN KINDERIS: Yes, sir. And then knowing that there are certain gateways in front of you and I can go back to my stakeholders and tell them where I am in those gateways. If I'm outside of the first batch now, I go back to my stakeholders and I can't tell them when I'm going to go through.

KURT PRITZ: Don't ever call me "sir" again.

[Laughter]

So I think a lot of people here have to go. We have run considerably over time what was scheduled. I thank you for coming.

I just wanted to sit down because I felt it was inappropriate for me to look down.

\>\> (Speaker off microphone).

KURT PRITZ: That's right. So I thank you for your input. I think Chris is still here, Thomas is still here. Judith is still here. There were other board members here at the outset, and they've listened carefully. And what I think the discussion to follow is how do we get this decision to closure. As Chris stated, what you really want is certainty; and that's what we're hearing. So we want to develop a time frame for getting to closure in days so we provide certainty for applicants.

So with that -- And George is still here.

So with that, I'm going to close this discussion. We're supposed to have a discussion on the second round. And what I suggest is that there's a slide set posted. If you read through the slide set, what it states is that we want to start -- we've been urged in every meeting to start planning for a second round and creating a project plan.

It states the prerequisites that have been set before us for a second round, an assessment of trademark protections, how they work, an

assessment of root zone stability and an assessment of the program, both the operation of the evaluation and hitting the program goals, itself, the efficacy of that.

So we want to create community teams, not very large teams, but cross-constituency community teams to help with conducting that evaluation. And we think that work can start right now, can start now that applications have been posted. Additional work can be done when the evaluation is complete, and additional work can be done when the new TLDs are started and in operation.

So what I recommend, and I what I would like to do, is shortcut that discussion and ask you to go back to your constituency groups and stakeholder groups and talk about how you would nominate representatives to teams for those three types of evaluations, the trademark, the root zone stability, and the efficacy of the program, so that we can measure how we do it at each stage (audio problem) and come to conclusions about when a second round can be launched.

So I'm a just going to say that. If anybody wants to come to the microphone and make a comment, that's terrific. If anybody wants me to go through slides, that's terrific. And if anybody wants to set up a side meeting after this, that would be fine, too.

Werner, you talk about this at every meeting.

WERNER STAUB: That's true. I have been in front of ICANN to say that we need an ongoing process where people can plan. As we completed the applications, I looked back on about three good applications that we

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gave up. They deserve to exist, and there were more that we gave up earlier than that.

Why did we give them up? Because we had this big-bang situation. There was not enough bang. It was just not possible to discuss them. And it had a very bad effect on the applicants. It pushed out all of those public interest applications that had some homework to do. It was just not possible to take the risk of investing so much money, not just in the application fee but the homework they had to do to find consensus.

So if you have the next round, I would really suggest two measures. One of them is to dramatically increase the application fee, and the other one is to do the opposite. And this is possible. Those who wish to take the community by surprise and wants to have their TLD that nobody knows about, that we're going to grab it, why don't they pay a million dollars?

Those who want to put in their application, their homework, possibly with the ability to improve it and that kind of stuff, early on and say, This TLD I want to apply for it and if anybody else wants to apply for it, then we're ready to take the contention resolution. I think there is a big difference of trying to work in the public interest or trying to grab for one's self.

KURT PRITZ: That's an interesting idea. All right. Thank you very much for staying late and thank you for being so constructive. Good night, everybody. See you in the bar.

[Applause]   Thank you, all. This concludes our Monday program.