
RECORDED VOICE: This meeting is now being recorded.

[SPEAKER OFF MICROPHONE]

UNKNOWN SPEAKER: All right, let us start this sub-team meeting. We have a lot to talk about, and not a lot of time. Jonathan suggested that one option might be that we turn our lunch break into a working lunch. We'll see how we're doing, but I think that's probably going to be a good idea, because we lost a fair chunk of time to previous discussion, and Stan, at least, thought we didn't have enough time on the agenda already.

So we'll keep going in 45 minutes and [inaudible]... a lunch. In terms of the agenda, I think there is two critical things that I want to get through while we're here in DC for the sub-team. The first is, essentially, finalizing the project list that Stan has started. And essentially what we should do is have one or more projects so each of the key questions that we've previously identified in Marrakech, such that we believe that once we complete the projects, we will have the sort of data analysis completed to start to answer that question or to get us the, to allow us to have an informed response to that particular question.

So, Stan has kicked us off with a pretty good list, I think of six-ish projects, maybe it has slightly expanded since the, put out a new version at the end of last week. But we should make sure that we have one or more projects identified for each of the key questions that we have. So I think that's one mapping that we can do, and ideally

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speaking, we would have people other than Stan suggesting projects. I know that Waudu, at least, responded to the doc, so thanks Waudu.

But maybe if we work through the process of mapping projects to questions, then it would be obvious where there is gaps, and we can try to come up with additional projects as a result of seeing there are questions that we have, that we don't have projects associated with. So that's one thing I would like to share with you, and the other thing is to try to get to the point that we have, can agree upon the market segmentation efforts that we've had in our sub-sub team.

I'm not sure we'll get there, but ideally speaking, we would [merge?] a list of projects, and then for the projects where market segmentation is appropriate, also say, here is the market segments that we're going to be looking at, so that I think with the combinations of projects, plus the market segment, someone could go off and start doing all of the project work.

So that we will have, like data charts and so on to put these [inaudible] reports.

UNKNOWN SPEAKER: [Inaudible] because I read anything.

UNKNOWN SPEAKER: It says that we're going to talk here until 1:00.

[SPEAKER OFF MICROPHONE]

UNKNOWN SPEAKER: I thought that template, we were going to [inaudible] the point of having the template discussion. [Inaudible] we're assigned to do today. Did I misunderstand [inaudible]?

JONATHAN ZUCK: I mean, I think the, I think Jordyn is already along those lines, trying to boil things back to the questions in order to identify the research. So I mean, whether or not it goes in the spreadsheet that way initially, I think the way Jordyn is talking about is in fact pretty much adhering to what we talk about as the template, which is to identify what the questions are, and to figure out what the research projects are associated with those questions, and find the whole. I think the net result of that would be populating the template.

UNKNOWN SPEAKER: Okay.

UNKNOWN SPEAKER: Yeah, we can... I would rather, for the purposes of our in-person time, that we [inaudible] in making sure that we've identified the projects, so that we can spend the offline time mapping that in, to make sure it all... The form is correct.

All right. Anyone else they have anything they would like to cover during our time?

UNKNOWN SPEAKER: At some point, I would like to talk about data at a fairly high level generality, just because I think it effects the projects that we'll be able to do.

KAILI KAN: Kaili Kan speaking. Well, we identify the projects, is the process seem to do relating to say, market segmentation, if that would be the case, probably I would suggest maybe we first discuss market segmentation, and then come up with projects as well, I don't know.

UNKNOWN SPEAKER: I think some of the projects will need market definition, and some of them will not. It depends on the particular question. Some of the competition related questions, obviously, will need, a notion of a market, but some of the consumer choice questions, for example, might just be, you know, we might just say, do consumers view these as being useful alternatives?

Or something like that, I don't know. We'll have to figure out what the projects look like. So for that reason, I think it makes sense. Start with the project, where we get to places where you say, oh we need to have market segmentation in order to do this, we can provide that for market segmentation discussion.

Jonathan you look like you've got something about...

JONATHAN ZUCK: Yeah, no, [inaudible]...

UNKNOWN SPEAKER: All right. So I'm going to try to pull up our list of questions that we had proposed from last time. We should have been white boarding [CROSSTALK] white board not being...

JONATHAN ZUCK: [Inaudible] probably logged in from the internet.

UNKNOWN SPEAKER: [Inaudible] white board function in Skype [inaudible] not Skype [inaudible]...

JONATHAN ZUCK: Can you have Marcus for this?

UNKNOWN SPEAKER: Yeah.

JONATHAN ZUCK: Okay.

So are you looking for the questions that came out of LA, or the research, or the [inaudible] document that...?

UNKNOWN SPEAKER: No, we're going to [inaudible] as to documents as a result of this.

UNKNOWN SPEAKER: Which documents?

UNKNOWN SPEAKER: So we have a list of questions that came out of our discussion, and the prioritized discussion of Marrakech, which I have here. So, I'll put the really high level questions, some of these break downs.

[Inaudible] The real question is, has the expansion of new gTLDs been effective at promoting price competition between TLD operators?

[SPEAKER OFF MICROPHONE]

KAILI KAN: [Inaudible] or this would be [inaudible] as [inaudible]... process that [inaudible]...

[SPEAKER OFF MICROPHONE]

Right. I think this is, Jordyn. [CROSSTALK] It's more of a judgment call.

UNKNOWN SPEAKER: No, no, it's supposed to be what happened. [CROSSTALK]

KAILI KAN: I had seen it more as a [inaudible]... Well, first of all, we had to decide whether competition is...

UNKNOWN SPEAKER: You'll not be able to address this question until we write down the actual test that we're going to do. That's what I tried to do here. I tried to be specific about how I would test that.

UNKNOWN SPEAKER: So we'll come back, [inaudible] the projects, it will maybe help... We'll agree on what the data analysis were given to you under that question, then they helped sort of bridge this gap between whether it's normative or [inaudible], but the goal is to do a positive analysis of what happened.

So the next question is, [inaudible] promoted non-price competition? And I've put these on different pieces of white boards, whatever this is, and then we can come back and snap the projects into it. And make sure that there is separate [inaudible] on each page.

Then there is this markets question, which [inaudible] because it will go into these other ones. Has the introduction of new TLDs effected competition amongst registrars or resellers?

All right. So these are the competition high level questions, and then on consumer choice...

UNKNOWN SPEAKER: I have more.

UNKNOWN SPEAKER: All right, on consumer choice we have further segmentation and regulation on the name space valuable to consumers.

[SPEAKER OFF MICROPHONE]

Okay.

I just dropped it, cardboard [inaudible]...

UNKNOWN SPEAKER: No unfortunately, I had to fold this and put it in my suitcase.
[LAUGHTER]

UNKNOWN SPEAKER: So that is, has the message of choice [inaudible]...?

UNKNOWN SPEAKER: That's normal.

UNKNOWN SPEAKER: Hey Jordyn, you can tear them off and then put them...

UNKNOWN SPEAKER: Yeah [CROSSTALK]....

UNKNOWN SPEAKER: Supposedly, if you put anything on the wall there will be a charge.
 [CROSSTALK]

JONATHAN ZUCK: Well, it's already happened over there. I didn't know.

 [CROSSTALK]

 [SPEAKER OFF MICROPHONE]

 You can report it.

 [LAUGHTER]

 [CROSSTALK]

 This is our research budget.

 [CROSSTALK]

UNKNOWN SPEAKER: And then the last question here... Do you guys have Post-Its, oh
 awesome.

UNKNOWN SPEAKER: We do. I have some [CROSSTALK]...

 [SPEAKER OFF MICROPHONE]

UNKNOWN SPEAKER: [Inaudible] languages...

And do they have options? Oh.

[SPEAKER OFF MICROPHONE]

That's it. Those are our questions.

Maybe that was [AUDIO INTERFERENCE]... brainstorm because they already have a bunch of ideas. The rest of us, what we can do is take our Post-Its and try to propose projects on the Post-Its for each of the things. I've put them on the things.

And [inaudible]... [AUDIO INTERFERENCE] [CROSSTALK]

What could you do in order to actually... [SPEAKER OFF MICROPHONE]

No, no, what can one do with the data in order to try to answer each of the questions?

[SPEAKER OFF MICROPHONE]

But you know data was there.

UNKNOWN SPEAKER: Let's say, you know, filter for category one, let me write down what number of each category [inaudible]...

UNKNOWN SPEAKER: Sure. For example...

[SPEAKER OFF MICROPHONE]

[CROSSTALK]

UNKNOWN SPEAKER: But it could be...

[CROSSTALK]

JONATHAN ZUCK: So what we might do is have Stan give us an example of, before we get too far in this exercise, of it's actually a state the question... We have many samples in these documents, for purposes of this exercise, Stan give us an example of one of these, or you could [inaudible]...

[CROSSTALK]

UNKNOWN SPEAKER: So for example on price competition, Stan has already proposed a couple of projects.

STAN BESEN: I'm actually confused about where we are, quite frankly. I thought [inaudible]... feedback to people about it, and I thought we'd arrive here today with more [inaudible]... modified version of my list. I only got comments from one person [inaudible]... but this doesn't seem like

a terrible efficient way to come up with a [inaudible] projects, I must say. It's a very strange way to proceed.

UNKNOWN SPEAKER: Choice D is we go through Stan's list...

STAN BESEN: Let's take my list apart, and on to it [inaudible] specific questions...

[CROSSTALK]

KAILI KAN: Are we saying, when we say research, is that [inaudible] data protection.

UNKNOWN SPEAKER: No.

UNKNOWN SPEAKER: If I seem frustrated, it's because I am.

UNKNOWN SPEAKER: All right.

JONATHAN ZUCK: I think we're partly making up for the fact that you didn't get the feedback, right? So I mean, I think...

STAN BESEN: I could leave the room and go out for a nice lunch and come back.

UNKNOWN SPEAKER: Well, I think, my intent was to see this with your projects.

STAN BESEN: Actually, I apologize. Three minutes to talk about data.

UNKNOWN SPEAKER: Sure.

STAN BESEN: Because that can dictate what we could do. I've been thinking about this a lot, and worried about it a lot, so I put together a list [inaudible]. So maybe, take a few minutes to talk about that, if I could just do that first, that will [inaudible] the schedule? Okay.

All right, not surprisingly, as an economist, [inaudible] data on prices and quantities, which is not any surprise. So I try to think about what the data sources are towards these things. Thanks to Jonathan and subsequent [inaudible] analysis group, we now have access to registrar prices, quite extensive registrar prices.

[Inaudible] for all TLDs, or just the new ones. [AUDIO INTERFERENCE]

UNKNOWN SPEAKER: I think almost all TLDs...

STAN BESEN: All TLDs..

UNKNOWN SPEAKER: [CROSSTALK], but with respect to TLDs we have...

JONATHAN ZUCK: Almost all [CROSSTALK]...

STAN BESEN: ...of data that we have. The drawback is the one that I pointed out [inaudible]...

There is not a single price for those registries, is that the range is extraordinary wide. It's quite wide this morning. It's a very interesting question as to why the disparity [inaudible]... But with respect to data, we have those data.

Okay, registry prices. My understanding at this point, and this is could be a question for Eleeza, that ICANN has registry prices, that is the wholesale prices, but no?

ELEEZA AGOPIAN: They provided that to analysis group. ICANN [inaudible]...

STAN BESEN: You do not have it?

ELEEZA AGOPIAN: No.

STAN BESEN: How do you enforce the price caps on price cap TLDs?

ELEEZA AGOPIAN: [Inaudible]

STAN BESEN: I understand that. You have their prices.

ELEEZA AGOPIAN: They report changes in prices.

STAN BESEN: This is odd. I keep wondering, you don't have those parts of data...

ELEEZA AGOPIAN: I'm sorry, are you asking for the wholesale prices?

STAN BESEN: The wholesale prices.

ELEEZA AGOPIAN: That question again?

STAN BESEN: The prices that registrars, registries charge registrars.

ELEEZA AGOPIAN: Right, right.

STAN BESEN: Okay. Does ICANN have, for each registry, have the wholesale price?

ELEEZA AGOPIAN: [Inaudible]

STAN BESEN: All of them.

ELEEZA AGOPIAN: I'm not sure, let me check.

STAN BESEN: Well, my understanding, at this point...

ELEEZA AGOPIAN: I don't think... I'm not sure.

STAN BESEN: Well okay. The point is, that we are tasked with analyzing the effect of the entry of new gTLDs on price competition. It would seem to me, that in order to do that, you need price data, okay? And also...

UNKNOWN SPEAKER: [Inaudible]
[CROSSTALK]

JONATHAN ZUCK: When you have logic on your side.
[CROSSTALK]

STAN BESEN: We don't know whether ICANN has it, I don't, a second...
Apparently, the analysis group will have access to those data, correct?
[CROSSTALK]
A comprehensive list of price statement.
[CROSSTALK]

UNKNOWN SPEAKER: They have price data for every registry for which [inaudible]... Not request it from [inaudible]...

STAN BESEN: Can you tell us...? Because I don't know anything about that. Can you tell us what they have?

UNKNOWN SPEAKER: They have, they've constructed a sample based on [inaudible]...

STAN BESEN: It would seem to me important for us to know what they asked for. This is extraordinarily fundamental...

UNKNOWN SPEAKER: Sorry. Who they asked it from? Or what data they asked?

STAN BESEN: Two separate questions. First, who they asked it for? And second, I understand there is a confidentiality issue, I would be prepared to sign the same non-disclosure agreement that the analysis group did, to have access to the data. Okay? So I think it's odd that this committee, or at least some members of it, do not have access to the data, given that our remit is to analyze the effect of the [introduction?] of the new gTLDs on price competition.

So there is an issue of where those price data. An imperfect substitute for that is, we will, we could direct the analysis group to do calculations based on those data to our specifications. So that's a separate question. Suppose we never get the data, to some degree at least, we need to be

able to ask them to do calculations on our behalf, I myself sorted a lot by mucking around in raw data.

So I would like to be able to see the data, I could formulate hypothesis, we'll figure out things that we can actually do, that I may not now know that we can do. But I need to know more about what they ask for, and what the terms of that [inaudible], or get access to or ask for calculations.

UNKNOWN SPEAKER: So let me answer those two questions quickly before I forget all the questions that have been asked. In terms of what they asked for, [inaudible] to the team [inaudible] actual data request that was sent to each registry in the sample, and what exactly what they're asking [inaudible]...

[CROSSTALK]

STAN BESEN: ...described the sample of...

UNKNOWN SPEAKER: They can describe how they constructed the sample, and how many registries are in it and so forth. But the idea of hiring an analysis group from the beginning was to have a third party do this, because we didn't want to have ICANN to have any access to that data, and [inaudible] for none of that data to be publically accessible to anyone, who doesn't have a non-disclosure agreement.

So I understand the frustration, I get it, and I also understand [inaudible] that's part of [inaudible], right? [Inaudible]

STAN BESEN: It's just that it's so fundamental to what we have been asked to do...

UNKNOWN SPEAKER: I appreciate that...

STAN BESEN: That not having access to it, seems to me, very strange.

JONATHAN ZUCK: There are a couple of questions that I think [inaudible]. This is Jonathan Zuck for the record. I guess we need to keep saying that. [CROSSTALK] ...transcribed. And that's been Stan that's been talking for a quite a bit about this beforehand. But the... Two things come to mind, as this conversation is progressing. One is, is there a way for analysis group to provide the data to us in an anonymized form so that it's not apparent of who the actual registries were in the sample.

And the second question, is it possible to get...? We had this conversation about data ninja at one point, which was Jordyn's recommendation. Is it possible for a couple of people to be designated as data ninjas, one of which would be Stan, and actually sign non-disclosures, so that they were a part of the inner circle of the data, and

therefore could have access to it in order to create standard hypothesis and things like that.

So I don't know who all, maybe Stan and me, or something like that, but I think we'd be willing to be beholden to a non-disclosure, if that made it possible to create a bridge between the outside group.

KAILI KAN:

Well, just pay attention [inaudible] now talking about, I would suggest to see if there was a possibility that a whole sub-team, or a whole team, to sign that non-disclosure and gain access, because I agree that this is fundamental to what we do, otherwise, without seeing the data, it's really hard to [inaudible] whether we agree to analysis group's conclusion or not, or disagree.

UNKNOWN SPEAKER:

So one thing that I will note is that the... There was some discussion about this, at least in the registry group, about in particular sharing premium lists, which is something that didn't happen in the first analysis group report and data in the second go around. And there was some assurance given to the registries that only analysis group was going to see the data before they provided that information.

So [inaudible] somehow have to deal to go back to people and say, hey, the assumption under which you provided this data is going to change, has changed before... At the very least, before we give it to the broader CCT, non-disclosure or not. It may be that if we had a very small sub-

team, you know, Stan and some... There is a big difference between Stan seeing the data and me seeing the data, I think.

[CROSSTALK]

Right. Then I think we have to be very careful after who we were to expose it to, and I think we want that group to be small to try to adhere closely as possible to the assumption [CROSSTALK]... policies made to the registries before they provided the data.

[CROSSTALK]

STAN BESEN:

Let me ask another question because it just has to do with the working relationship between this committee and the analysis group. We sort of, there is a gap between us. They are over there doing their stuff, and we're doing our stuff, and I've talked to Greg, but not for weeks.

If [inaudible] in perfect way to deal with the problem I'm describing, is for me to actually be able to talk to [every?] detail about exactly what they have, and direct them to do specific calculations on our behalf, and to some degree talking to them in detail about what they really have without disclosing particular observations, might go part of the way toward helping to better formulate hypothesis.

But that involves a more intimate working relationship with them than we now have, and I don't know how ICANN feels about that.

UNKNOWN SPEAKER: So let me answer in this way. I think, the analysis group [inaudible] a specific set of research [inaudible]... The complication we have, I don't have any problem with you talking to Craig because I think that is absolutely useful. The problem we have is they have a very specific scope. So if you're communicating separately with [inaudible] on how things are going to be outside the scope, or additional strings of research, which is fine.

I think we need to find a way to streamline that discussion because that we can make sure that we're able to produce what is in their contracts with us, and you know, adding on research as well. So in terms of [inaudible] now is for the data analysis that they're doing now, I think we have a very clear mandate for what they need to be doing, and obviously [inaudible] so on and so forth.

If there is... I think what we're hoping from these next two days, is coming up with any additional strings of analysis that we can give them. I think we need to put kind of a, not quite a deadline on it, but there needs to be a point where we say this is what we are asking you for. And, you know...

STAN BESEN: You're preaching to the choir. [CROSSTALK] I wanted to start this in February, but someone told me to relax. [LAUGHTER]

UNKNOWN SPEAKER: Well, I mean, Stan we did do some of this.

STAN BESEN: I understand.

UNKNOWN SPEAKER: When we changed the [CROSSTALK] in your comments [CROSSTALK] suggested analysis. So I think we're on the way. I think, I'm hoping that this exercise today and tomorrow, will get us to a point where we can have a project list, and we can say these are the calculations we want...

STAN BESEN: We're talking about an extensive working relationship among you, me, some other members of the committee and the analysis group. So we can actually do this to move the ball forward, because I think, with respect to our requirements, we're not adding much in the way of input to what they're doing.

So we have things that we want to do, we need a way to find out, to find a way to get them to do it for us. If that's the best we can do.

UNKNOWN SPEAKER: All right, so that's what we're doing...

STAN BESEN: I understand. I just want to be clear. That was the... We started off, by the way, this conversation was talking about registry prices. And that's how we got into this thing, but that's just one illustration of this. So if I could just go on to the next [inaudible] for three minutes.

Eleeza interrupted me. [LAUGHTER AND CROSSTALK]

JONATHAN ZUCK: [Inaudible] return the time back [inaudible]...

STAN BESEN: Thank you. Registrar quantities we actually have now, at least for new gTLDs, right?

UNKNOWN SPEAKER: Quantities of registration [CROSSTALK]...

STAN BESEN: ...tells the registry we have a number for them. It comes from the source that Jonathan found, or from the source that the analysis group is going to be using. Particular registrar quantities [inaudible]. All right. That's pretty good, I mean, I think that's actually very helpful.

That's moving the ball forward. I think those are primarily [inaudible], I think they're primarily for new gTLDs, but that may be wrong. [Inaudible] obviously would like to have them for all gTLDs. I think they may have them for all of them. Which now brings me to registry quantities. We have the same problem as we had with respect, well different problem with respect to prices.

My understanding is that ICANN releases registry quantities with a three month lag, is that correct?

UNKNOWN SPEAKER: Publically, yes.

STAN BESEN: Publically available.

UNKNOWN SPEAKER: Yes.

STAN BESEN: Are you [inaudible]... the analysis group on a real time basis?

UNKNOWN SPEAKER: No. We're releasing... They're not getting this continuously, so they're looking at a moment in time. So we'll provide it to them for the moment in time that they want to [CROSSTALK]...

STAN BESEN: ...current from the date they get the data.

UNKNOWN SPEAKER: Or the date they request it for, yes.

STAN BESEN: Okay, fine. It will be current, it won't be [CROSSTALK] previous?

UNKNOWN SPEAKER: Correct, but we won't... I don't think we will... Yeah, I mean, if we publish something in October, we'll probably not going to be publishing about September, November. We're probably going to be publishing it like June [inaudible] to July.

STAN BESEN: But what will the analysis group get?

UNKNOWN SPEAKER: Whatever they ask for [CROSSTALK]...

STAN BESEN: ...if they ask for the August number, [inaudible] the August number.

UNKNOWN SPEAKER: Yes, if it's available.

STAN BESEN: Not with a three month lag?

UNKNOWN SPEAKER: No. But I think we've already provided them with the numbers...

STAN BESEN: Okay, fine. I have the same problem there that I have with respect to prices, which is I'd like to much around in those data too. Because

obviously quantity data is of interest to us as well. And so we go back to the question of, are they going to do the calculations for us? Will we be able to request additional calculations? Etc.

UNKNOWN SPEAKER: Here, you can muck around with the three month old data, and then you could, we could ask the analysis group... We can say, analysis group, could you do this same thing for the current data?

STAN BESEN: I could do that, that's great. Register one other point here, which is ccTLD registry, registration data. We had a conversation, some of us had a conversation with Center the other day, and my understanding is that they are able to supply us with... They report in their quarterly report, a number which is, which they describe as worldwide registrations for ccTLDs.

UNKNOWN SPEAKER: Turns out what Center membership... [CROSSTALK]

STAN BESEN: It's beyond Europe, but it's not...

UNKNOWN SPEAKER: Center membership goes beyond...

STAN BESEN: Beyond Europe, but it's limited to their members. [CROSSTALK] ...I won't blame this on ICANN. Is that it would be good if we can find data for ccTLDs in the regions not represented in the Center data. So request one. We've also requested to Center that they provide us with individual ccTLD data for individual members. And I think they would try to do that...

UNKNOWN SPEAKER: They said they would try to do that within the limits of confidentiality...

STAN BESEN: Exactly. Some members will not let them release the data, but...

UNKNOWN SPEAKER: And I wasn't on the call, by the way...

STAN BESEN: Some of the... I believe, my understanding was they will... They produce in their report, the top 10 Center members, individual [CROSSTALK]. It would be good to have a longer list, but I think they're in the process of... We've requested that they supply us, [inaudible] list that's what they can supply to us. That will be useful to have. [CROSSTALK]

UNKNOWN SPEAKER: ...because Center includes a lot of countries, including Canada, for example, with others...

STAN BESEN: Not in Europe.

UNKNOWN SPEAKER: It has [CROSSTALK]...

No, exactly, but they're a member, Russia is a member, but anyway, the point is, my point is that you have also a lot of countries, and of course, don't ever think that this has to imply that we [inaudible] non-important, non-equal partners. However, you have [inaudible], Lithuania, Estonia, etc. Estonia is a special case.

But my argument is, for the Center data, why don't we just look at the top five or six or seven? I mean, you don't want to get such much involved...

STAN BESEN: But for some purposes, we want a good...

UNKNOWN SPEAKER: Aggregate, exactly. [CROSSTALK] ...and as a regional...

STAN BESEN: Let me give you a specific example of why we might want more detail as it relates to a point that [inaudible] raised in response to me. [Inaudible] he said there were some ccTLDs that he described as open,

in the sense that they seem to compete with gTLDs. [CROSSTALK] dot TV, for example. So for some purposes, we might want [inaudible].

[SPEAKER OFF MICROPHONE]

Yeah, so for some purposes, we might want to define a market that includes gTLDs and some gTLDs, and for that purpose, you would want more refined data.

UNKNOWN SPEAKER:

Yeah, I agree. But then there is also the case of competition between the ccTLDs, the latest gTLDs, and the new gTLDs, which will allow us to have a view of what are the new gTLDs, how fulfilled one of their objectives, which was to increase consumer choice, consumer trust, and competition in the marketplace. And they're in competition with all of those others, not all, those other two groups of...

STAN BESEN:

I'll just repeat something I said a long time ago. I don't think we can definitively define the markets. I think we're best off coming up with a number of possible market definitions, and do the best we can to have a large concentration...

UNKNOWN SPEAKER:

I'm all for best we can. [CROSSTALK] overall...

JONATHAN ZUCK: I think one of the things that's come up with the review team as well, that in addition to the TV, LY, ME, that are direct competitors, there is a very strong feeling that regionally, the ccTLDs are perfect substitutes for generic TLDs, for that region. So co dot UK is a functional equivalent to dot com... [CROSSTALK]

UNKNOWN SPEAKER: ...maybe that in some markets, those, the ccTLD has actually the preferred, has the same position that com has in like the US market. Which is like that's what people prefer...

JONATHAN ZUCK: Like in Germany, it's not even a contest.

STAN BESEN: So this is a case where what we can do will be dictated by what data are available. I've got no problem with it. I just want to say one more thing, which is the parked domain issue. Which I don't know whether ICANN notice about whether domains are parked, [inaudible] TLD stats reports parked domains. The first thing I saw when I looked at the NTLD stats data, where how many were parked.

And it just seems to me, you have to think about those differently. And it varies a lot [inaudible], and therefore for some purposes, even if we can get better data from ICANN, we might want to use less accurate data from another source, because it will be some kind of analysis, like the parked domain stuff that we couldn't do with the ICANN data. But I think that's...

I wouldn't think it was a big deal if it was 10% of the domains, but it's 75% [inaudible]... It could be some domains which is much bigger than that.

UNKNOWN SPEAKER: What's your assumption on parked? What is your hypothesis? If you have a high number of parked, what does that mean?

STAN BESEN: There are two possibilities. One is they're held by speculators, and some of those may essentially be sold to somebody else. All right. Some of them are probably, given the large numbers, I suspect, I hypothesize, that they are domains that are held by speculators that, the speculation will turn out to be failure.

And finally there are some where apparently they were held by somebody who hasn't yet gotten around to using it. Okay? So what I would propose to do...

UNKNOWN SPEAKER: Are any of those three bad? [CROSSTALK]

STAN BESEN: Let me tell you why I care about this. Let's suppose that they, in fact, were all held by speculators, none of whom will be ultimately successful in selling them. But I would say that the market shares of those domains, in which those are particularly [inaudible], are artificially

inflated. When we get to the [inaudible] equilibrium, they will have many fewer, quantities will be much smaller than the ones we observe in the current data.

So I'm proposing a range of calculations, which in one hand treats them as if they're just the same as anybody else, and the other one, they are completely ignored, probably too extreme as well. And the truth is probably somewhere in between. You can see that I propose at the very top, that we do all of the calculations, if we can, with the [inaudible] anything good or bad, it's the question of, we're trying to assess how this market is evolving, and the question is, can we treat...?

Should we treat every currently held domain as if it's going to be used at some time in the future? And I think that is going to be too extreme.

KAILI KAN:

Yeah. [Inaudible] first of all, I fully agree with Stan with [inaudible]... what the info I collected among metrics in China's industry, first of all, they all coming, over 90% were speculation. Secondly, among those not from speculation [inaudible] at least be resolved or [inaudible]. They tell me over 90% is for [inaudible] purposes.

So that, to 90% [inaudible] that leave say the 1%, yes for what are current new gTLD [inaudible] whatever is introduced, was intended for. So anyway, I think in addition to those being part of whether if those for [inaudible] purposes, [inaudible] which the new gTLDs domain names was actually just playing the role as the link to whatever else, that shows that it is [inaudible] earlier today about they must focus registries.

So this, where there is some data that could be collected to find out about this. The [inaudible] proposes [purpose?] registration, and also like a much more registration that are not actual [inaudible]. So, I think... [CROSSTALK]

UNKNOWN SPEAKER:

Sometimes domains will point to an existing site that's still, that the owner thinks is valuable because it's a [inaudible] or it has traffic value of its own, or something like that. Amazon has been registering a number of [CROSSTALK].

Well no, but at least within other people's TLDs. So Amazon dot photography, for example, might take you to their store where they sell photos, but that store already existed. They're not doing anything other than providing another entry point into that existing content.

But for whatever reason, they decided to think that, so that's valuable to have that additional... But you know, I got CCT dot Wiki, and it creates these, I didn't create the CCT Wiki, it just creates a pointer to that project. So somehow we have to disambiguate between cases where the owner is intentionally sort of providing more name space for [inaudible] resource, versus, oh, I feel obliged to get this name in order to provide...

STAN BESEN:

It turns out that NGTLD stats [inaudible] has a large number of different categories...

[SPEAKER OFF MICROPHONE]

I'm not proposing to do all of them, I'm just saying that, in fact, it's possible to do this analysis. Chiefly, it's such a big number, that we can't possibly [inaudible] of it. It just seems to me impossible.

UNKNOWN SPEAKER: The other thing that I think would be really interesting, the thing that we're missing from the NTLD stats data is the legacy TLDs. And it's hard to, right, well how does it compare? [CROSSTALK]

STAN BESEN: ...I think this also came out of [inaudible]... And it would be kind of hard to do this. It's much more sophisticated [inaudible]... It's possible that the number of parked domains declines with the age of the domain. So you could see, with my expected percentage to be smallest for those without light in 2014, and the ones that are, the biggest would be the ones that occurred later, the entry later.

That would be interesting to me. So that would suggest more like, well we'll they just haven't gotten around to using it, as opposed to [CROSSTALK]...

UNKNOWN SPEAKER: I think Jordyn [inaudible]... If it isn't valuable then they drop it and it doesn't get renewed, but you might pick up some of the analysis by looking at how many domain names are not renewed after [CROSSTALK]...

That's what they do, they do [inaudible] cost me this much to keep this name. Is it worth it? [CROSSTALK] yes or no?

STAN BESEN:

I think that's a good project to add, to see what the renewal rates look like. We're not going to see during much of that in the new one, in the new gTLDs, but you're right. [CROSSTALK]

What is the source of data for renewals?

[SPEAKER OFF MICROPHONE]

What is the source of...

UNKNOWN SPEAKER:

ICANN gets renewal data...

[SPEAKER OFF MICROPHONE]

STAN BESEN:

...regular report... [CROSSTALK]

...report, and it says how many [CROSSTALK]... You know, you can't [inaudible] the specific, that's something that the Neilson registration study looked at.

UNKNOWN SPEAKER:

So we're at 1:00.

UNKNOWN SPEAKER: I need to break in here. Regarding lunch service, [inaudible] [CROSSTALK] [inaudible] through the lobby. And we only have food service until 1:45. The safeguards team has broken and gone for a fast half hour lunch, 20 minutes to half an hour. And it has been suggested by the meetings team that we do the same thing, and then come back and reconvene.

UNKNOWN SPEAKER: So where are we going?

UNKNOWN SPEAKER: [Inaudible] in the lobby and it's in that restaurant, it's called Robert's. I'll lead you again [CROSSTALK]...

UNKNOWN SPEAKER: When I was a graduate student, we learned about the South Sea bubble and the Tulip bubble. [CROSSTALK] mid-1800s or something, everybody thought that the tulip would go up in value forever. [CROSSTALK] ...there would be huge demand for tulips, and so if you look at tulip prices in that year, you would think they were extraordinarily valuable. It turned out they weren't. Another one, they would land on South Sea Islands, the South Sea Island bubble.

So they would [inaudible] the bubble, they would sort of, they don't know, but yeah [CROSSTALK] I haven't looked at individual ones, but you're certainly right [CROSSTALK]...

[END OF TRANSCRIPTION]