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JORDYN BUCHANAN:

Okay, we're going to start in just a minute. By way of agenda I shall start to talk about this even before we have David. So the recording is already going, right? We're good to start?

This is Jordyn Buchanan, and this is the Subteam meeting of the CCTRT face-to-face here in Vienna – first of five. Just by way of agenda for folks, in each of our five meetings we're going to focus on our individual high-level questions and the goal is to talk about the data that we actually have around our high-level questions and to start to talk about what findings we might actually be able to draw from our data. It's very exciting. We're going to talk about actual stuff instead of process.

We were originally going to start off this afternoon with a discussion of price competition, but we're doing a little bit of inaudible and switching to talking about non-price competition this afternoon and that's because we only have David from Nielsen here today and there are some questions in the non-price competition category where we think the Nielsen data is relevant.

Pam, do you want to scroll down to the #2?

So 2.1 here is the catch-all that Stan had previously identified, which is projects requiring responses to the Nielsen Registrant Survey. We'll skip that for just a minute until we get David. And then we have Projects 2.2 through 2.4 are the Policy Projects, and Dejan's been working on an analysis of these. Staff's put together a matrix. So Dejan, are you ready to talk at all about what you've figured out?

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*Note: The following is the output resulting from transcribing an audio file into a word/text document. Although the transcription is largely accurate, in some cases may be incomplete or inaccurate due to inaudible passages and grammatical corrections. It is posted as an aid to the original audio file, but should not be treated as an authoritative record.*

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DEJAN DJUKIC: Sent last night to Alice my draft. I'm not sure is it on the wiki right now. If it's not, I can send –

JORDYN BUCHANAN: Pam, do you have... Dejan sent out a doc last night. What was the subject of the message, Dejan?

DEJAN DJUKIC: [Object] on discussion paper –

PAMELA SMITH: Dejan, did you send that to the list or just to Alice?

DEJAN DJUKIC: [inaudible] Alice.

PAMELA SMITH: Oh, okay.

DEJAN DJUKIC: I can forward it to you if you want. I'll send it out to the list.

JORDYN BUCHANAN: Just for context, the goal of these policy-related projects is to see whether we see evidence that TLDs are competing based on their

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policies. And I guess there would also be an aspect of choice in this question as well.

DEJAN DJUKIC: Did you receive it by now?

JORDYN BUCHANAN: The list may be being slow. Do you want to try to just forward it straight to Pam?

DEJAN DJUKIC: Okay.

JORDYN BUCHANAN: Alright Dejan. Do you want to start? You can maybe start just talking us through without us seeing the documents. You can use your words.

DEJAN DJUKIC: After our last call I changed my high-level questions in the way how we discussed and now it's how the expansion of gTLDs been effective at promotion of non-price competition between TLD operators. So I spread policy-related question in two subquestion and after that I also had sub-subquestions between these two. So first set of questions are related to privacy policy and it consists five subquestions which I sent before last call we saw all these questions.

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They consist of questions related do they share registrant data with other parties? What steps they are taking in order to protect personal data of the registrants? Then after, what circumstances they are disclosing registrants' personal data? Also one of the questions is do the registrants' personal data how they are using the registrants' personal data? Do they use for other purposes than besides the business of registration? Also do they collect other data such as DNS traffic data?

The other set of questions are related to policy in general. These are three new questions which I created a few days ago. Probably you will see soon on the screen.

First one is bullet #2. First one is who is eligible to register domain name? So are there any restrictions related to a presence in the country of registry or any other restrictions jurisdiction and other? Another one is related to compliant procedures and other protection mechanisms in the cases of abuse of usage of domain name. And third one is under what circumstances they are cancelling domain name registration.

Third set of questions is related to PICs they have implemented. I have so far only first level. So we'll need to develop that part.

That's it so far.

JORDYN BUCHANAN:

I guess, Dejan, the question I would have that I would want to see answered from this is, to what extent... Do you see significant variations across the TLDs in the matrix?

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DEJAN DJUKIC: That's an actual table, which consists 30 top new gTLDs. So I guess we will stick to that numbers. It will be impossible to analyze all new gTLDs.

JORDYN BUCHANAN: That makes sense. I guess my question is, have you had a chance to look at the data that ICANN's put together and actually determine... The thing we want to figure out is, is there actually differences across the TLD's, right?

DEJAN DJUKIC: Yeah, look [at] the data mainly in a way to create concrete questions, and after if we are agreed that this is quite enough set of questions I will continue to develop parts with the answers.

JORDYN BUCHANAN: Okay. The phase now where Dejan's basically at is, are these the subquestions we want to answer? And then we'll have to actually dig in to –

DEJAN DJUKIC: Or do we want something to add or delete?

JORDYN BUCHANAN: Go ahead, Stan.

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STAN BESEN: I'm trying to picture what the output looks like here. Is there going to be like a row for every one of the 30 new gTLDs, and then the columns are going to be the answers to each of these questions for each of the new gTLDs? I'm trying to picture what the output looks like.

DEJAN DJUKIC: Actually we already shared that table. This will be more like description with narrative. For these gTLDs we have table with the answers. Not concrete questions like that, but with the topics related with this –

STAN BESEN: Let's go back to the very first one, whatever is 1.1. Scroll down to 1.1.  
  
Do they share registry data with third parties? So there's going to be a thing that's going to say yes or no? Is that what you have in mind?

DEJAN DJUKIC: Some of them sharing under different circumstances, so there needs to be some description, can't be just yes or no.

STAN BESEN: It would just help me think/understand is if I could picture what even a mock-up table would look like.

ELEEZA AGOPIAN: I can pull up the table I sent it around to the group already. We've already conducted this research.

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JORDYN BUCHANAN: I think Stan's asking a different question. What's this document going to look like when Dejan's done looking through?

ELEEZA AGOPIAN: I understand.

JORDYN BUCHANAN: Maybe we should talk about what's going to be the most useful for us. One answer like at 1.1 you could say, whatever, eight out of 30 said yes or something like that.

STAN BESEN: Well, that's the summary. That's the bottom line, but presumably the raw data are –

JORDYN BUCHANAN: ICANN already has that table with the raw data.

STAN BESEN: But is it all classified the same way as this table is set up? I picture this as a matrix with the rows being the gTLDs and the columns being the questions. And can all those cells be filled in based on what we already know?

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JORDYN BUCHANAN: Go ahead, Kaili.

KAILI KAN: I'm afraid that I might be a little bit lost here. The high-level question is non-price competition, and then the subquestions are privacy and user-oriented? I don't know. My original thinking is that non-price competition is [some] competition in the form of additional services. For example, if they register domain name with me I give you a free milk box or something like that? It's [Inaudible].

JORDYN BUCHANAN: That would be one form of non-price competition. The theory in this case would be, I might choose a TLD to register in based on its privacy policy. So I might say, "Oh, .badprivacy, they sell my information to third parties..."

KAILI KAN: And user orientation is that whether they come to me or they ask me to go to them or say like whether they smile or they talk to me? Things like that?

JORDYN BUCHANAN: Well, in this case there's concrete policy... I guess the first pass is to figure out, do we think that there's significant differences in policies? Like if all the TLDs have the same policy then we can just stop talking about this. If there's significant differences then I think the follow-up question would be, is there any correlation between the... And



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unfortunately, the way we've done the sampling it's going to be very hard to answer this question because we took the top 30. But if we answered the question, "Okay, is there now a correlation between these policies – do people answer yes to more than 10 of these questions have more registrations than people that say no?"

KAILI KAN: Originally, my impression from our earlier discussions in the first few months is that the registrar that typically bundle services together, I thought... But here your subquestions I do not see those bundling of services as another form of non-price competition.

JORDYN BUCHANAN: This is only looking at policies. We could also – which we are not – we do not identify this as a subquestion we are trying to answer. In theory, we could have also had a question to look at bundled services, but we think that that happens mostly at the registrar level and isn't relevant to the introduction of new gTLDs so we didn't... No one's done any research on the question that you're [hot-posing].

KAILI KAN: Here we are talking about registry level.

JORDYN BUCHANAN: Registry level, correct.

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KAILI KAN: Not the registrar level.

JORDYN BUCHANAN: Correct.

KAILI KAN: My understanding of it is that registries usually do not directly interface with registrants. Do you think?

ELEEZA AGOPIAN: No, but they can set policies for how a name can be registered in their registries. So what we looked at was, after discussing it with [Dejan], for each registry, for the top 30 registries, we looked at what policies they have related to maintaining personal data related to the registrants who were in their registry, general usage policies, abuse, content, jurisdiction, complaints, eligibility to register – which is the key one – and enforcement of those policies.

KAILI KAN: And is that [inaudible]? We're talking about registry's policies in relation to this morning what we talked about large scale speculation and what I consider another form of abuse, abusing the New gTLD Program, whether ICANN to the registries we have a cancellation policy that is, if you do not have enough registrations within a year or so if you do not do such and such, then your approve new gTLDs can be cancelled by ICANN. As a matter of fact, I remember there was in our e-mail

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discussions there was even for the case of .africa there were two that were cancelled – terminations.

ELEEZA AGOPIAN: I think what you're thinking of was those TLDs their agreements were terminated because they never got to the point of delegation. It doesn't have anything to do with registration numbers though.

KAILI KAN: Yeah, but what's something that you do not do. So I wonder [what] in order to counter say speculation, whether the registries should have some policy set here that is [a] domain names you do not get [as] resolved or do not use it and keep it parked then if that is case, within a year or so your contract will be [inaudible].

JORDYN BUCHANAN: So Kaili, I think for the purposes of the current discussion, you would suggest we should find out whether there's any registries with that policy already. So that would maybe be in addition to Dejan's list.

KAILI KAN: Yes. Especially as mentioned this morning in the case of China that speculation is enormous, vast, vast majority.

JORDYN BUCHANAN: Dejan, does that make sense to add a question of, are users allowed to keep the name without using it?

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KAILI KAN: Yeah, to [counter] the large scale parked and what is [inaudible].

JORDYN BUCHANAN: Or I guess so it would be without using it or are there any restrictions on parking?

DEJAN DJUKIC: Using, you know, which way you can use the domain just for e-mail and so we should ask do they have content on domain name or which way using –

JORDYN BUCHANAN: I guess the question is [inaudible] the registry policy requiring either use or specific types of use.

ELEEZA AGOPIAN: That's included in the spreadsheet that we have. We looked into whether there was any policies on content and about eligibility in general.

KAILI KAN: [Inaudible]. That depends on how they interpret that question. My feeling is that probably we would like to have the question to be much more specific to [counter] the speculation.

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JORDYN BUCHANAN: But Kaili, right now we're fact-finding. The question is, do any existing registries have such a policy? We'll find out yes or no and Dejan will add that to the matrix. And then there's a second of, when we get to recommendations, should we have a recommendation that now ICANN requires you to have a policy like that?

KAILI KAN: I would say that it works both sides. First present it as a question whether the registries you have such a policy and then yes or no, whatever, and then we [tick] off whether we would like to include that as a recommendation.

JORDYN BUCHANAN: Yes. That's exactly the sequence, but right now we're at phase one of that. So Dejan, does that make sense to see – sounds like it may already be in the doc – but just to see whether there's any rule that the registry has in place that requires you to either use the name or not park or something like that? Stan, go ahead.

STAN BESEN: Going back to your answer before, do you already have this filled in for the questions that are here?

ELEEZA AGOPIAN: Not as they're displayed in this way. They're more general categories. We looked at all of the policies for the top 30 registries and pulled out

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language that was applicable to each of these broad categories I talked about .

STAN BESEN: Going back to Margie's point of this morning which is, is this something we could actually do in the time we have remaining based on what we already have? Is this going to need more research?

ELEEZA AGOPIAN: You should be able to interpret this from the table that you have.

STAN BESEN: So just to be clear, we could just give it to you and say, "Fill in the table."

ELEEZA AGOPIAN: No. This is a more subjective exercise.

JORDYN BUCHANAN: So I think the goal here is, the next phase is Dejan's going to through for each of these questions and then look... So we do have this question of what do we want the output to be? Do we want it to be just a super high-level summary? Do we want 1.1? Do we want the response to be – Do they show the registrant's data? Yes or no. Yes, 17%. No, 83%? Or do we want that grid to exist?

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STAN BESEN: I'm just trying to be practical. Who's going to do this?

JORDYN BUCHANAN: Dejan is going to do this. Dejan is translating from the thing that ICANN has in the form of a summary.

STAN BESEN: Good man.

DEJAN DJUKIC: [Inaudible] the table when I was creating question, so some of these questions not completely fit to the table. I will change in a way, but it's generally data from the table.

STAN BESEN: You obviously have not collected the information for the question that Kaili just raised.

ELEEZA AGOPIAN: We have, provided it fell under the category of these general use categories. I don't know that any of these registries had a specific policy on speculation or limitations on parking or anything like that. If they did, it probably fell under their usage policies which we captured.

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STAN BESEN: Am I wrong? It just doesn't seem to me like a very easy task to go from general descriptions to filling in a table in a systematic way, but maybe I'm wrong.

ELEEZA AGOPIAN: This is a very qualitative... What you're asking is a very subjective way of looking at policies and how restrictive they are or not.

STAN BESEN: I think that won't be that easy.

ELEEZA AGOPIAN: You would think that would be easy?

STAN BESEN: Not that easy.

ELEEZA AGOPIAN: Yeah, correct. We did the best we could with the policies we had. That's what I'm trying to explain. This presents the policies in such a way so you could break it down by these types of categories.

[STAN BESEN]: [Inaudible].



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ELEEZA AGOPIAN: I don't disagree. I provided this to you several weeks ago.

STAN BESEN: [Inaudible].

JORDYN BUCHANAN: Alright. Dejan's going to try. Let's transition. So Dejan, it sounds like we had just that one question to add from Kaili and otherwise, go for it. I think this will be most useful if we just get that high-level summary of – this many say yes, this many say no, and maybe there's an in-between – this many say yes if the user gave us permission or something like that.

STAN BESEN: Actually, that doesn't sound to be that easy. If it was just yes or no questions that would be easy. If there's eight ways you can answer a question, summarizing is going to be hard.

JORDYN BUCHANAN: Yes. I guess I'm proposing we leave it to Dejan to figure out how to... He'll bucket it however it makes sense looking at the data. Okay.

Alright, Dejan. Thank you.

Okay, so we're going to transition to talk about the Survey data now because we have David for a little bit.

Alright so Stan, I'm going to put you on the spot. You had previously proposed that once we have the Registrant Survey, there's some

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projects that we could or should do. At least the first of these, the switching question, we've already had some discussion about that this morning.

STAN BESEN:

A series of questions for the Analysis Group to answer and then there's something called Project 6 – Projects that depend on responses to the Nielsen Registrant Survey. And there were five questions. I want to focus here on the first three, and the first three were basically putting the respondents' answers into one of three buckets that would exhaustively characterize the respondents. And the buckets were – entities new to registering, entities that dropped a registration in the legacy gTLD but registered in the new gTLDs, and all others – that is, the other group is – do not presently have one, dropped one – that's a switcher – or just added to existing. And those were the three categories.

And I think this morning we discovered that that's so easy to do based on the survey, and my question is, is there a way to use those data nonetheless to fill those categories? We talked briefly after the session this morning, and the question I raised was, if we went back to the raw data – which is one of the ways that David talked about this morning – could we, in fact, categorize each respondent into one of these three buckets and come up with something that's almost 100%?

DAVID DICKINSON:

So first question would be clarification question. People who have registered multiple domains can fit into multiple categories. If your

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intent to have these categorizations be mutually exclusive to double count people or to have those people who are just one, and then everyone else.

JORDYN BUCHANAN: It seems like we can resolve that just by having a fourth category, which is we could have new, switcher, keeper, and some switch some keep.

STAN BESEN: We got to be careful here. George and I had a brief conversation about that before and it depends on whether the unit of observation is the domain name or the entity. There's a way to do it. I have been thinking quite frankly about just the entity being the registrant. So my category question is, did not previously have any registration in a legacy gTLD. That's the category. Dropped a registration in legacy. And all others. And that would exhaust the universe. It doesn't deal with the question that you just dealt with, but it in fact permits me to sum to 100%. That's a way to do it.

JORDYN BUCHANAN: So you're saying everyone who's ever switched [is a switcher] regardless of whether you're also [inaudible].

STAN BESEN: That is a way to do it. George would say I should have the observation. Yes, George, I'm sorry. George would say we should use the unit of observation being the name.

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JORDYN BUCHANAN: [Inaudible].

STAN BESEN: But this would do it. This would give, if you could take every one of your observations and put them in one of these categories, then you would get 100% and we'd have a rough idea of what the universe looks like.

JORDYN BUCHANAN: What I would suggest is more buckets [inaudible] you're saying. Number one is people who've never registered – they're newcomers – those are easy. Those are mutually exclusive with all the rest. The second would be people who only switched – so they got rid of whatever they had before so now they only have new TLDs. They switched everything. The only thing they said in the response to the survey was that they switched. And then the third would be someone who both switched and kept. And then the fourth would be someone who just kept. You added a new one but you kept whatever you had. And then switched and switched plus kept would sum up to your other bucket.

STAN BESEN: We have to worry about the practicalities here just remember. Whatever the raw data permits them to do. So you'll have to tell us whether we can do this. But I think one of the strategies would be, go back to the raw data, try to classify them in a way that everybody is in one and only one bucket, and then calculate the percentages. I don't know whether you can do that or not, but –

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DAVID DICKINSON: I think that task is actually fairly easy. Famous last words, I know.

STAN BESEN: This conversation is being recorded.

DAVID DICKINSON: We have those people who said, "All of my new gTLD registrations were brand new." Well, first let me just step back. This only works for new gTLDs. If I had legacy domains registered, that's outside the scope of this classification.

STAN BESEN: [Inaudible] who registered new gTLDs.

DAVID DICKINSON: Yeah, that's fine.

STAN BESEN: [Inaudible].

DAVID DICKINSON: Yes, understood. So I've got people who said, "It was completely new. I didn't have a prior registration." We have people who said, "I kept my existing gTLD and I added a new one. That applies to everything that I

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did.” And then, “I gave up a legacy gTLD when I got the new one. That applies to everything I did.”

So we have those three buckets. We have to do a data validation just to make sure that there’s no duplications in there, but that’s fairly easy.

Then you’ve got everyone else who said, “I did some of this and some of that.”

JORDYN BUCHANAN: We’ve got Kaili and then I’ve got a comment.

KAILI KAN: I think on top of that, there are those questions was under the basic assumption that they’re using it. So on top of that, first of all, whether you have registered it something, if you are registered are you using it right now already?

STAN BESEN: They didn’t ask that question so we can’t use the survey to answer it.

DAVID DICKINSON: We did ask them to allocate if they had multiple domains registered. We asked them to allocate those among a variety of service categories – parked, redirected, used for an active website, something, and [everything] something else. So we did ask that question regarding – I have to go back and check and see if it was all gTLDs or they’re new gTLDs. But we have that question in there.

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KAILI KAN: So you do have data of parked registrations?

DAVID DICKINSON: For people who said that – yes, we asked them, “If you’ve registered 10 gTLDs,” we said, “How many are parked, how many are redirected to an active site, how many are used for an active site, how many are used for some other purpose,” and I believe there’s a fourth category there that I’m blanking on.

STAN BESEN: What if you only registered one?

DAVID DICKINSON: I was checking on that. I don’t think they were asked what their application was there, so that would be the missing piece of data for that.

JORDYN BUCHANAN: Similarly, we’re not going to be able to correlate from a given domain – how they were using it – to whether they switched or kept it, right?

DAVID DICKINSON: Correct, yes.

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JORDYN BUCHANAN: We could say, of the switchers what fraction of them had some of their domains parked? But we couldn't say exactly which domains were switched or parked.

STAN BESEN: Just to remember the basic objective, at a high level we would like to describe where the registrants to the new gTLDs came from. This is at a fairly gross level. We want to put them – at least for me – in those three categories so we can tell the world something about where they came from.

DAVID DICKINSON: Correct.

STAN BESEN: Apparently we have a possible strategy for doing that.

DAVID DICKINSON: Yeah, but you can't then go and – "This domain was parked, or this one was –"

STAN BESEN: I've got a much more modest objective here.

JORDYN BUCHANAN: So we'll be able to categorize the registrants but not the domains.



DAVID DICKINSON:                Yeah.

JORDYN BUCHANAN:            Alright, cool. So it sounds like you can take that back, David, and we'll be able to do Stan's first three projects here or some variant on them.

And then Stan, do you want to talk through those #4 and #5?

STAN BESEN:                    [Inaudible] if you recall the survey, you did ask people some questions about whether they did it for defensive reasons. That's one of your questions.

DAVID DICKINSON:                Yeah.

STAN BESEN:                    And so I haven't looked at every slide in the presentation, so I ought to go back and look at that, but we'd like to say something about the proportion of new registrations that were done for defensive reasons.

DAVID DICKINSON:                Yeah, that's easy.

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STAN BESEN: Well, that's actually #4 and #5, because #4 is about the defensiveness and #4 is defensiveness versus benefits and #5 is to describe the benefits, which is more open-ended.

DAVID DICKINSON: Let me start with the part I understand, or think I do anyway. We asked them, "What would you say was your primary reason for registering a new gTLD?" Globally, 60% – and actually this varied very little by region. It was very consistent across regions. So, "Protect an existing domain and ensure no one else got a similar domain." 60% gave that response. "To appeal to new Internet users or new types of customers," – 34% gave that response. You want the actual slide number?

STAN BESEN: That's okay.

DAVID DICKINSON: And, "The name I wanted was not available using older gTLDs," – 6%. It's slide #51. I don't know who's got the clicker. There it is right there. Somebody was very quick.

STAN BESEN: I wish I could read it from here.

DAVID DICKINSON: So you can see, very much protective reason is the dominant reason – about a third saying it was to appeal to different people and a very small

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percentage said it's because I couldn't find what I wanted. That number was significantly higher in Africa and North America. But still, we're looking at 13% or 14%.

STAN BESEN:

I'll look at that more carefully, but that looks like an answer to question #4 here, which is, "Why did you do it?" And question #5 which, I'm not sure what the answer is, is basically, "Where you switched because of the – not for the defensive reason but for the benefits – could you characterize what the benefits were?" And maybe that's included in this slide as well. I have not looked at #51 with any care.

DAVID DICKINSON:

If we go ahead to slide #54, we asked them reasons why they considered switching. This is for people who didn't register, so it's probably not what you're looking for but this is kind of why they were looking to switch there. You would normally expect that the people who are thinking about it and the people who did had at least similar benefit expectations, but it's not a direct answer.

STAN BESEN:

I think #51 does provide the answer to question #4 [inaudible] that more carefully.

DAVID DICKINSON:

But slide #54 and #55, for those who didn't switch or those who decided not to switch, why or why not? That's in there.

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STAN BESEN: In a way, #51 answers both because the first line is defensive and the next two are for benefits, and it describes two different kinds of benefits, if you like.

DAVID DICKINSON: Correct.

JORDYN BUCHANAN: That's great. So this is a project that Stan had identified as being relevant to competition from the Registrant Survey. We had not identified any other Registrant Survey projects so now is the time for us to figure out if we're missing anything. And Megan's got an intervention and Eleeza.

Okay, Waudo.

WAUDO SIGANGA: Still on this notion of competition in this registrant space, [in order to] really fully understand that concept of competition amongst registrants

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JORDYN BUCHANAN: It's not amongst registrants. The idea here is just to look at all the evidence that we can see for non-price factors relating to competition amongst registries.

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WAUDO SIGANGA: Registries.

JORDYN BUCHANAN: Yeah. So one of the things I think we're trying to get at through these questions is, to what extent are the new gTLDs providing competition for other options? So if what we saw in the survey – which we don't – is that everyone said, "Oh, I couldn't find the name I was looking for in the old TLDs so I registered in the new gTLDs," then that would be a form of non-price competition and everyone would be switching to the new gTLDs because the name space was what they were trying to [inaudible].

WAUDO SIGANGA: Non-price competition within the registry.

JORDYN BUCHANAN: Within the registry, yeah. That's what we're looking at in this topic. Now Megan.

MEGAN RICHARDS: I wanted to ask about Project or Activity 4.2. I think that's what it's called on your list. Oh, you were going to bring it up, okay. It's [mine], exactly. And I think that the results of the survey could very easily answer – not easily, but usefully – provide us with some data on that.

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And whoever is controlling the Excel file could perhaps show it again, and then Dave can have a look at what it is.

Effectively, you have answered this question this morning to a certain extent from the Registrant Survey, and I asked you exactly what the correlation was in the Consumer Survey and someone said it's on page nine or slide nine of the Consumer Survey. So if you look at 4.2 on here, the idea was to look at – it's called "Greater regulation and segmentation more valuable to the consumer as a user and less to the registrant." But I think what we really mean there, regulation and segmentation is really this issue of protective mechanisms, what we call safeguards, etc. And you identified it as I think restrictions, which of course [you] would never say they're restrictions.

DAVID DICKINSON: Restrictions [or] validations.

MEGAN RICHARDS: Yeah, validations. And the idea was that this was really, it's more of a Consumer Protection related issue, but it's also a consumer choice issue. And I think by comparing the data between the consumers and the registrants on your so-called restrictions aspect, we could probably answer some part of that question quite usefully. You see what 4.2 is?

DAVID DICKINSON: Yeah, I do. I had a clarification question. Regulation and segmentation – segmentation probably means something different to me than was

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intended here. What was the implication of, or why is segmentation related to regulation here?

MEGAN RICHARDS: I don't know who put segmentation in. I don't know where [inaudible].

JORDYN BUCHANAN: I think the idea here is –

MEGAN RICHARDS: [Inaudible].

JORDYN BUCHANAN: I think the idea here is they are sort of parallels, like is it valuable to divide up... If you can imagine a universe in which there was a word for every possible... if there was a TLD for every possible registration that you would form and you were required to register in that TLD, then you would have both perfect and regulation and segmentation, right? If you were a taxi company you have to register in .taxi. If you were a plumber you'd have to register in .plumber.

DAVID DICKINSON: The [caste] system of TLDs.

JORDYN BUCHANAN: Yeah, so obviously that's one extreme version of it, but we could be working towards that. It could be that if you're a pharmacy you really

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want to register in .pharmacy and you could only register in .pharmacy if you're a pharmacy. And so that's why I think the paired concepts of segmentation and regulation showed up here.

DAVID DICKINSON:

Yeah, alright. That makes sense. Certainly we can contrast the attitudes towards regulations, restrictions, validations, whatever we want to call them – safeguards would have been a good positive-leaning term. We can contrast those between the two surveys and look at any systematic differences. I haven't done that recently so I can't spout that off the top of my head. What I can say is, one thing that was interesting to me there is that light registrants versus heavy registrants, they tended to have the same points of view about restrictions. So it's not necessarily... something I expected to see is that those people who do a lot more of it may be less in tuned to restrictions and they weren't. It was pretty flat.

And I think we'll see the same thing looking between registrants and consumers is that it's a little bit different but pretty close to each other. So the perceived value of validations is pretty common between the two.

MEGAN RICHARDS:

That's clear from slide #9, that consumers have a very slightly higher percentage of positive reaction to these validation aspects. But they're certainly consistent.

So we couldn't say, according to this, that it's more valuable to the one compared to the... I mean it's slightly more valuable to the consumer.



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But the registrant has an issue as well in terms of making sure that people feel safe and trusted and can use their –

DAVID DICKINSON:

Yeah, and we didn't do a deep dive into it, but I would suspect for a lot of people it's a philosophical orientation as opposed to necessarily really practical. Essentially they're saying, "I think it's a good thing that some of this cautions are taken, and even if it may put a little bit more restriction on me as a registrant," they aren't experiencing that. They still see it as being valuable.

MEGAN RICHARDS:

Yeah. And then just to go on to what Jordyn said about segmentation, and to the previous question on switching and new registrants. But I think this is too complicated. When you look at the data that you're going to look at for Stan, this is just purely quantitative it's not qualitative, is it? So we wouldn't be able to tell the other part, the segmentation argument, from the data that you're going to produce for that.

I was thinking, for example as Jordyn said, if you are a bank are you going to be more likely to go to .bank rather than .com because etc., etc. And I think that was part of the segmentation argument that we were trying to look at. I think it's just too complicated, though. I don't think we have sufficient data for that.

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DAVID DICKINSON: We have stuff that talks around it but nothing directly. We know, for example, that perception of relevance of the gTLD is the number one factor in why they would choose it. But what we can't say is whether a bank would say .com is most relevant to me because that's the most widely known, or .bank is more relevant to me because that describes my industry. We don't have that.

MEGAN RICHARDS: Okay, but then could you look at that relevance – what you call relevance? Did you ask the same question to the consumers and to the registrant so that we could compare whether there was an interest in [inaudible].

DAVID DICKINSON: No, because we stripped out almost all the registration-related questions from the Consumer Survey.

MEGAN RICHARDS: Okay, let's forget it then. Let's just go to the so-called restrictions [inaudible].

JORDYN BUCHANAN: I think the closest thing we would have, Megan, would be the questions about trust in the Consumer Survey. Would you trust this site but not whether you would prefer to navigate to it.

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MEGAN RICHARDS: No. Okay. Let's leave it just on the validation aspect – restriction validation. Okay, I think that's sufficient, isn't it?

JORDYN BUCHANAN: Sure. Alright, any other places where we think we can use the Registrant Survey... Sorry, Eleeza. I had you in the queue. I totally forgot.

ELEEZA AGOPIAN: That's okay. I was going to mention there's a couple more projects in this chart that refer to the Registrant Survey. One was, "How easy is it to register a domain name, or one you're satisfied with?" That's 5.4 and we had talked through that earlier. The other...6.1. "Do registrants in different languages and regions view relevant TLDs as expanded choice?" We talked about geo-TLDs and preferences for geographically relevant TLDs but I don't know that we talked about the availability of preferred languages.

DAVID DICKINSON: [Inaudible].

UNIDENTIFIED FEMALE: [inaudible]

DAVID DICKINSON: That may or may not be a wise thing. "The name I wanted was not available," there is no significant regional difference. A little bit, but I'll find the other things, but it's in here.

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JORDYN BUCHANAN: Go ahead, Stan.

STAN BESEN: [Inaudible] which is, this is not for this survey but [if it's] for the next survey if we could ask a more granular set of questions about the benefits you get from switching or registering a new domain. So if there were more choices, we might be able to get answers to the questions that you just raised which is, "I want to be part of a community," or for some other reason.

MEGAN RICHARDS: If I can a complementary question because you don't like it when I say corollary. When you do the assessment or you put together the data for Stan's questions about – I'm [pulling on] Stan's questions now – about new registrants, switchers, keepers, etc. however you call them, in theory you should be able to also tell if they've moved to a new language, isn't that correct?

DAVID DICKINSON: Sorry, it was an echo I guess is what I was hearing.

MEGAN RICHARDS: So one of the questions we're asking is about whether people are using internationalized domain names or new languages, other languages. So if .bank exists in Chinese script – why is it doing that? Is it me, or is it –

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UNIDENTIFIED MALE: [inaudible]

MEGAN RICHARDS: Should I turn it off?

UNIDENTIFIED MALE: [inaudible]

MEGAN RICHARDS: Mine is on mute. It never works anyway [inaudible].

UNIDENTIFIED MALE: [inaudible]

JORDYN BUCHANAN: Test, test. David, turn off your mic for a minute. Test, test. It's not in this room.

MEGAN RICHARDS: Anyway, in brief – and you'll have to hear it twice – but the question is, can you distinguish also in those new registrants, switchers, etc. if there has been a switching to other languages or other scripts? That's the question.

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DAVID DICKINSON: Yeah, now my mic's on. There's a couple of things I can do. I can look at those who registered a new gTLD versus those who didn't and see if there's a substantive difference in their response to things like, "There were plenty of choices," "It's easy to find a domain name that works for me," those sorts of things and I can also look at that response earlier than I was talking about, about [it] would have a higher belief that those things were true. And I'll stop there because – I'll take that on to my to-do list.

JORDYN BUCHANAN: Alright. Can we just turn these... This is very mysterious. Okay. Hello.

Alright. Okay, so we have a couple of follow-up tasks there. I guess while we have David let's just think about these other projects for just a moment. So on 6.2... I guess what we need from Megan or someone is to go through the survey questions to be able to figure out which ones we think we need to do crosstabs for in order to understand whether registrants have choice from the program or not in terms of language and community.

Pardon? David's going to do that already? Cool. So [maybe] we'll do the crosstabs and then we'll be done. Eleeza?

ELEEZA AGOPIAN: David, are you clear on what the questions are for which we would like crosstabs?

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DAVID DICKINSON: I believe so.

ELEEZA AGOPIAN: Okay.

DAVID DICKINSON: [Inaudible] I'm realizing one of them isn't possible because we only asked it of people who considered switching, so they were already by nature aware, but I'll still do what I can with what we've got.

JORDYN BUCHANAN: Alright. Go ahead, Kaili.

KAILI KAN: Just to continue this morning's discussions, we noticed that there's some discrepancies of the sample space that whatever there is representative of the overall population of the end users or whatever. Is there any way to [next] or if there is to correct or improve on that? Because without that foundation that's right. Whatever conclusion or data we collect may not be that trustworthy after all.

It's really whether we can depend on your data or conclusion that if that itself is a question then that is the biggest problem.

DAVID DICKINSON: Yeah, and I'm assuming this relates to the discussion we were having this morning about the incidents of registration in the actual population.

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And again, this survey wasn't set up to look at incidents and we would have set it up significantly differently if that had been... or we would have done a different task if that had been one of the key objectives. So certainly we could do something to look at actual incidence. It would require a different sampling methodology.

I know it's hard to separate those things, but it's a little bit different than representation – and I can say that because, for example, we had a group last year, we had a group of people who came from ICANN-provided samples so we know they are who they are. And we took them out because they were much more active. When we look at the people in our sample who were more active, they come much closer to that ICANN-provided sample.

So there's an internal validation going on that if the people we find naturally who are the closest in terms of activity to that ICANN-provided sample, they look and feel a lot like that ICANN-provided sample. And we did a lot of other internal validation things. Is that to say that the sample is perfect and there isn't a single spoofer in there? No, I would never make that claim. There are. But that's going to be down at the noise level.

Two different things – you can still have... Let me use a political analogy. I can do a poll – I don't do these – but I can do one that replicates the voting population. That's very different from saying, what percentage of the people are going to actually go to the poll and vote? Though you would do those and you'd have some different requirements on both of those objectives.



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And that doesn't invalidate the likelihood of Candidate A or B winning. They're substantially different tasks and I wouldn't use the methodology that we used here in order to project incidence rates for registrations, but I do think we get a fairly representative look at the people who have ever registered.

KAILI KAN:

What you said might be true for many regions or countries, but obviously as we discussed this morning, at least for China, it is way off. It doesn't even make sense, the conclusion here. So I would wonder whether because the importance of China, especially it has over 50% of the total registrations [or] whether you can do another sampling for China –

JORDYN BUCHANAN:

So Kaili, just to try to understand the issue here, are you concerned that because the percentage of respondents of the initial 11,000 is higher than you would expect – the percentage of those people who have registered a domain name is higher than you would expect, but therefore you're just worried about the quality of the overall data?

KAILI KAN:

I don't worry, as a matter of fact. It's entirely meaningless. I don't even worry. Because considering China 1.3 billion. Out of that 11,000, 3,000 have been registered [or not] which in China interprets into like 300 million. It's just impossible.

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JORDYN BUCHANAN: If you start at your 800 million –

KAILI KAN: If you have 3 million, that will be an overestimate I will say.

JORDYN BUCHANAN: That's not obvious, I guess. Because if you start at your 800 million actual Internet users number and you make it 30%, that's 240 million, and that's probably about double the number of registrants [in China].

KAILI KAN: No, it's not. In China, [inaudible] if I go to register a domain name, I might be followed.

JORDYN BUCHANAN: It is also possible, maybe people who are on Internet panels also are more likely to be domain registrants which we're not controlling for. We're not even attempting to control for that because we're starting with people who are on Internet panels.

KAILI KAN: If that is the case, then that means that their panel is extremely distorted as is for the case of China.

DAVID DICKINSON: Again, incidence versus... There are a variety of ways why you can't trust incidence data from a survey like this. People are empaneled through a

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variety of recruitment methods that could skew that. They may be asked to participate in this specific survey or they are targeted. Panel companies know certain things about the people on their panels so they target the invitations towards certain people.

For example, if I want to do a survey with IT professionals, the panels know that they've got these people. They know they're IT professionals so they target the invitation. So without going through and exhaustively looking how each panel provider empanels – brings people into their panels – is it by river sampling, is it by banner ads, is it however? Without knowing that and then not knowing how they targeted for this specific interview, any kind of supposition about incidence is invalid. I wouldn't even look at it. The only reason it came up is because we decided opportunistically to ask people who said they hadn't registered some additional questions, and we have a group of people who answered those questions. But that doesn't mean that's exhaustive.

KAILI KAN:

Let me just put it this way, I'm a professor in a school, in a university. I will tell you I can [inaudible]. I can guarantee you that nobody in my entire university has ever registered a domain name.

JORDYN BUCHANAN:

Just to make a hypothetical, if I went to the mall and I surveyed people and I said, "Have you gone shopping in the last week?" I would get a very, very, high percentage of people saying that they went – much higher than I would expect from the general population. So if the panels are targeted at people that are likely to be domain registrants, then of

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course a very high fraction of them are going to respond that they have registered a domain name.

KAILI KAN: [First] the question is how did you get your panel? If the panel for your shopping purpose, you went to the shopping mall to ask people around, "Have you shopped today?" That's the question. If you went to the desert to ask people, "Have you...?" In that sample space in the desert is entirely different from the people you ask in the shopping mall.

So then the question is, where did your panel come from? Out from where?

JORDYN BUCHANAN: I've got Stan, Eleeza, and then – I'm going to try to wrap this up because we are –

KAILI KAN: Also considering in China, I would say to really not to register, I mean buy a domain name from a registrar, that's easy. Anybody could do that. Just pay a few bucks.

JORDYN BUCHANAN: That's the definition. That's what we're asking them.

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KAILI KAN: But then there's an even bigger issue. That's why this morning I said, it is well-recognized, everybody agrees, that well over 90% or even 99% are speculation, because if you register a name, fine. If you really want to put that in use, it needs to be resolved by the Internet. That's huge trouble. Government scrutiny plus – put it this way, I wouldn't do that.

JORDYN BUCHANAN: Alright. I've got Stan and we need to let David go to the other room.

KAILI KAN: Anyway, [this] if China doesn't have over 50% of the new registrations over the last two years, fine. We don't care. But the problem is, China has that and China is so different from probably the rest of the world. So therefore I would suggest that we take another look into the source of this data and how reliable it is. To my understanding – not just understanding – my entire understanding, the current data collected as we said this morning is way off from the reality in China by orders of magnitude.

JORDYN BUCHANAN: Alright, Stan.

STAN BESEN: Actually I have a request to David and I've already made this request to Greg. We're going to use the results of your survey and some of the result and some of the results of the economic analysis in our report, so what I would request is you think about writing up for our benefit a

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description of essentially – a brief one – a description of the process by which the data were collected and to the extent that you have qualifications about strengths and weaknesses, that would be appropriate as well. Just think of it as something that we’re going to cite your results but we have to tell the reader something about the underlying source of the data. Think of it from our point of view, what would you want us to say about your data briefly in our report?

KAILI KAN: I agree with Stan. Another thing if you can do it, do it. If you just say, “Sorry, we cannot do it. It’s beyond our capacity.” Then just at least explicitly put it up front and then –

DAVID DICKINSON: There’s no barrier to writing a document about how we sourced things and how methodologically we did it.

KAILI KAN: I don’t personally, I don’t [inaudible].

DAVID DICKINSON: You may not trust it, but I can say what we did. That’s factual.

KAILI KAN: Okay, if you say what you did but also what I’m asking is you not only tell them the truth but also all the truth. How did you derive the data?

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STAN BESEN: [Inaudible] a document, please. Think of it as a long footnote in a report. That's my view and that's my picture of it.

JORDYN BUCHANAN: Alright, David's got to go to the other room so we're going to have to let him go and we'll wait to –

DAVID DICKINSON: [Inaudible].

JORDYN BUCHANAN: Oh, really?

ELEEZA AGOPIAN: [Inaudible].

JORDYN BUCHANAN: This is very confusing. I'm being told different. Anyway, let's assume that that's the case anyways, because I want to actually – unless people have a specific data they're wanting to discuss with David – I want to transition the conversation to trying to figure out what we know at this point.

And on this particular topic it sounds like we're going to need to get some more information back before we can draw – oh, wait. I have to

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present on my thing, too. Except I don't trust the data that I got from ICANN. So we'll have to have that conversation in just a minute.

Any other questions for David before we send him off? Thanks, David.

Alright, so there's one other project that we did, and this project's targeted at figuring out whether people are registering in the new gTLDs despite the fact that they could have registered in .com in particular. And so what ICANN says they did was to look at for each registration in the new gTLDs as of April, they looked to see for every name that was registered in the TLD.

Let's say for a moment the TLD we're talking about is .photography. For every name in .photography, they looked and said, "For the second level domains, was sldphotography.com available? This is Jonathan's example. He has bigshots.photography. So is bigshotsphotography.com also available? The theory here is that if bigshotsphotography.com is available and bigshots.photography is registered and the registrant would have been able to register the .com and they chose not to for some reason – and that would be, it could be price which would make it price competition or it could not be price and then it would be non-price competition.

So ICANN did this and if my Excel skills are correct, only 18% of the names that were registered had the .com equivalent available. But I don't believe this. Of all the names registered in new TLDs – every single one as of April – what fraction of them had sldtld.com available? As of the end of April basically. There's actually there's a small time



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discontinuity and we're not looking at the moment at which the name was registered. We're looking at moment in time.

STAN BESEN: Why don't you believe it?

JORDYN BUCHANAN: Because then some of the TLDs, like .wong, it's only like 1% of the registrations fall into this category, so that means that there's like a million wong registrations and only 10,000 of them have the combination available in .com.

STAN BESEN: So it's 18% [is] the average overall.

JORDYN BUCHANAN: 18% is the average. But I don't believe it because it seems implausible to me, and .xin.

STAN BESEN: If you use your example, one way to deal with that – one more project – is to calculate it on a at least per sample of new gTLDs. So what you may be suggesting is that the average hides a much wider variation.

JORDYN BUCHANAN: We have it per TLD per TLD, so we can look and see that. I'm just a little skeptical of the data. I want to go back with ICANN and look at some of

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these because it seems implausible to me that in some cases that [the fraction isn't smaller].

STAN BESEN: But your example suggests that we should report more than the average.

JORDYN BUCHANAN: Yes. I think we would want to talk about TLDs where there's numbers that are particularly high or particularly low.

STAN BESEN: You could give a range or the [inaudible] or something like that.

JORDYN BUCHANAN: For example, in – there's a TLD .actor and I noticed right off the bat that that had a very low percent available and that didn't surprise me at all. I thought, "Okay, Tom Cruise actor is probably taken already and it's not surprising that someone could get tomcruise.actor and Tom Cruise actor was already available." But for a million names across something like .wong it just seems surprising [inaudible].

STAN BESEN: The two issues – one you're skeptical about the quality of the data.

JORDYN BUCHANAN: Right.

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STAN BESEN: And the other is my suggestion, which is reporting other statistics than the simple average.

JORDYN BUCHANAN: Yeah. I think we will want to do that. We will want to report the average. The outliers are going to be very – the high and the low will probably be zero and 100 or something like that.

STAN BESEN: But there are other measures like the top quartile [inaudible].

JORDYN BUCHANAN: Right. We'll probably want to look at things like quartiles or standard deviation or something like that.

Anyway, we'll come back to this but if the answer were 18% this would imply that in general people might be being actually pushed into these new TLDs because they can't find the names they want. That doesn't match the Registrant Survey as well which said that only 6% of registrants in the new gTLDs couldn't get them. Or it could just be that everyone's registering defensively.

STAN BESEN: [Inaudible].

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JORDYN BUCHANAN: This is why I'm talking about it. Because so far the extent of my analysis has been to glance over it and be like, "I don't believe this."

So Eleeza, it would be just interesting to figure out how we can sanity check some of these things. It might be interesting to just choose a few that have really low numbers and the TLD is not that big and just get the actual list and hand check it to make sure it looks roughly plausible.

STAN BESEN: [Inaudible].

JORDYN BUCHANAN: I think you guys probably can't share the BRDA data with me in particular, so we'll just have to agree on some sampling. I think we just need to hand check some of it and we'll just have to figure out a sampling mechanism to do that. Otherwise, I'd be glad to do it.

Alright, so I think that's the extent of our projects for non-price competition. Once we get all of our projects wrapped up which is hopefully really soon, what will we know? And do we think that's going to be adequate to write about non-price competition?

If we get the answer to Stan's five questions, we will know what fraction of people fall into these buckets of new people, switchers, keepers –

STAN BESEN: Just to correct the record, that's not limited to non-price competition. Some of the behavior we're observing may be a response to prices. I

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regard that as very high level. Where did the registrants in the new domains come from? That's something I would want to know irrespective of understanding exactly the motivations for the movements.

JORDYN BUCHANAN: Yeah, it's plausible we need a higher level question which is just, "Did the New gTLD Program increase competition?" regardless of why.

STAN BESEN: We have even higher level questions which is what happened.

JORDYN BUCHANAN: Sure. I guess I'm saying something slightly different which is, we proposed back in L.A. or something like that, "Here's the six questions we're going to try to answer." And in some cases on the competition questions in particular, we split it up into price and non-price. And in some cases we're going to say things that are not informative of one or the... like they'll answer the question of whether there's competition happening but we won't know the source of the competition. And so we may have to address that as a standalone question.

STAN BESEN: I think we should at the moment focus on the facts as we know them. The question of interpretation is separate and we ought to think about that as a separate issue. But I think we have to nail down what we believe the facts are.

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JORDYN BUCHANAN: Okay. So hopefully sometime soon we will be able to characterize the registrant pool into these various buckets, these three or four buckets. And you expect that to roughly help us understand whether these people are... Tell us – how would we go to interpretation from that data? What do you expect to –

STAN BESEN: I'm not sure that by themselves they'll answer that question. But if somebody is asking us to characterize what happened, you want to think of it as not the competition part think of it as the consumer choice part of the exercise. What did consumers choose to do in the new environment? That's going to tell us something about what they did.

I regard that as part of the puzzle. I think it's going to be very hard to answer some of the other questions about price competition for reasons we'll get into later. But that will tell us something about consumer behavior in response to a wider range of alternatives – something I think we would want to know.

JORDYN BUCHANAN: Okay, and then on the fourth and fifth questions about defensive versus benefits –

STAN BESEN: I hadn't looked at the entire survey before. I was focusing on slide #52. Slide #51 has some partial answers to the question of why people

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registered in the new domains. There were three categories. I think going back to Megan's earlier point, if we had anticipated this we might have suggested a more granular set of alternative reasons, or might be multiple reasons. But right now we do have defensive versus two other categories. I don't have slide #51 in front of us. But I can imagine writing up something based on the contents of slide #51.

JORDYN BUCHANAN: Right. So between your two sets of projects it sounds like what we will know is why – your second two tell us why people registered, and then your first three tell us, “Okay, after you registered, what did you do or did you come out of the [fresh]? Are you a switcher from...”

STAN BESEN: I would say the first three are where do they come from, and the last two were designed to deal with the question of why. And I think slide #51 provides a limited answer to that question, the best we're going to do in the circumstances.

JORDYN BUCHANAN: Yeah, Kaili.

KAILI KAN: [Again] about related to categories. Again, one more category should be whether it's for speculation. That means it's parked or not. Can we include that?

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JORDYN BUCHANAN: There's a separate project... Stan has asked for basically all the metrics that we have about domain counts and so on that we then say, we recalculate it taking out the parked people. If we actually get hold of data that allows us to do that.

STAN BESEN: But we can't ask the survey to give us information they didn't collect.

JORDYN BUCHANAN: Correct. We don't need to look at the survey to see what parking behavior is. Because we can just look at parking behavior.

STAN BESEN; What he said.

KAILI KAN: But again, put it this way – I hate to say that repeatedly. From the data we have China has 53% [in] new registration and it's widely believed [and] is in China over 90% of those are for speculation, that means being parked. So that means that half of that are already should be excluded. However, if the data whoever Nielsen or Analysis Group collect, have not excluded the parked data as Stan mentioned. They did not collect that. If that is the case then the calculation itself is grossly distorted.



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STAN BESEN: What Jordyn is saying is, if we want to understand the frequency of parking, we needn't go to the Nielsen Survey. We can collect data on parking directly. And the original set of project requests says in the very first item, "Perform all calculations using data both for all registrants and all non-parked registrants." If your point is that parking is an important issue, I think we recognize that. It's important for us to get data on parking so we can do the alternative calculations.

JORDYN BUCHANAN: Let me put this through a particular lens. Right now according to nLDStats all the domain registrations in new gTLDs, 58% are parked – so the majority of them. This is the nLDStats. If you just look –

STAN BESEN: [Inaudible] 75%.

JORDYN BUCHANAN: Right now it says 58%. I'm just telling you what –

KAILI KAN: [Inaudible]

JORDYN BUCHANAN: This is live. This is real time. [It does] change.

KAILI KAN: Anyway, it's more than half. [Inaudible].

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JORDYN BUCHANAN: It's entirely possible that everything you say is 100% true, Kaili – that 53% of registrations are in China and 90% of those are parked and that everywhere else in the world people aren't parking at all. But if we wanted to look at per geography parking statistics, in theory we could intersect WHOIS data and nLDStats data. But we do see that parking is a significant... it's more than half. At some point it was 75%. Now it's 58%. There is a large amount of parking. We all agree. And we have to deal with the fact that there is a large amount of parking as we think about what the implications for competition are.

STAN BESEN: Let me say one more thing.

JORDYN BUCHANAN: Go ahead, Stan.

STAN BESEN: Jordyn, just one more quick thing if I may.

JORDYN BUCHANAN: Alright, I've got Stan and then Jamie.

STAN BESEN: For the purpose of many of [your] calculations, parking would not be important if the parking rates do not vary across gTLDs. But they

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probably do. But the point is that they're two separate issues. One is how much parking there is, and the other is how much it affects the statistics that we've calculated. The latter depends on – for many of the calculations – depends only on the variation in parking rates across TLDs. [inaudible] may be important.

JORDYN BUCHANAN: And particularly you mean between legacy and new gTLDs.

STAN BESEN: But this also turns out if I remember the nTLDStats data, the parking rates do vary a lot – just [over] 75%, had some 99%, and some much lower than 75%. So there is variability. But they're two different concerns. One is how does it affect the calculations that we're doing? I think it's important that we deal with that. And the other is how important parking is as a phenomenon.

JORDYN BUCHANAN: Thanks, Stan. Jamie, can we hear you I guess is the question.

JAMIE HEDLUND: I don't have the nTLDStats in front of me or some of the other data. What I have heard in this conversation though is a lot of recitation of "everybody knows" and "99% of domain names are speculative," and things like that. This Review Team will have zero credibility if we rely on conjecture and opinion to make any point as opposed to the data, flawed as it may be. So I would urge this group to get away from

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hyperbole and talking about “everybody knows,” because that’s not going to get us to a place where we need to be. Thanks.

JORDYN BUCHANAN: Thanks, Jamie. I think it echoes a point Jonathan had made earlier today to make sure that we’re grounding all of our statements in data. It is certainly the case. I’m just looking at the nLDStats site right now. Certainly the case that .wong and .xin – I would expect almost all the registrations for those to be in China, and .wong is 85% parked so that’s a lot of parked. Not quite 90% but pretty close. And .xin is 97.8% parked. So it does seem that some - .xin. It’s big.

KAILI KAN: [Inaudible].

JORDYN BUCHANAN: I think that’s one of the Zodiac...

ELEEZA AGOPIAN: [Inaudible].

JORDYN BUCHANAN: Oh, it’s affiliates.

ELEEZA AGOPIAN: [Inaudible]. The registry is “Elegant Leader Unlimited.”

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JORDYN BUCHANAN: It's a Chinese registry. Anyway, there's several hundred thousand .xin registrations. Almost all of them are parked. It does seem like we could certainly talk about how at least some of these TLDs that we would expect to have lots of Chinese registrants... I think there's some other data.

It may be we can do some other correlations to WHOIS data as well. But I think it actually probably, you're right, Kaili, that China is a large population and a large population of the registrants – whether it's 53% or whatever. But if we look at overall parking rates then we don't necessarily worry about the country of origin. It will still tell us overall what the effect on the broader marketplace is. And China may just be part of that equation.

Alright, I'm going to resume running through this. Are we supposed to wrap up at 45 or –

KAILI KAN: I don't know if this data should be collected by Nielsen or Analysis Group, is that price of the domain name, how important it is for the registrant.

JORDYN BUCHANAN: It seems that should already be in the Nielsen Survey. It's like one of the things [that's] like what are the factors that –

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KAILI KAN: Have [we] collected that data?

JORDYN BUCHANAN: Yes. That's in the – if you look through the slide deck you can find that.

KAILI KAN: [What was their] conclusion because I do not –

JORDYN BUCHANAN: I don't know if we broke out into the crosstabs – we could probably break out a crosstab for China or something like that.

ELEEZA AGOPIAN: If you look at slide #54 in the Registrant Report, one of the questions asked is, "What are the reasons you considered switching to a new gTLD?" And "good value/price" was one of the response options.

JORDYN BUCHANAN: What was the –

ELEEZA AGOPIAN: It was 37% stated that was their reason, and across the board it was pretty consistent across regions.

KAILI KAN: The number one factor was –

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ELEEZA AGOPIAN: No, not the number one factor. The number one factor is that they consider them to be modern.

KAILI KAN: The new g is modern?

ELEEZA AGOPIAN: Yes.

JORDYN BUCHANAN: The other thing I think we will –

KAILI KAN: Number two is new g is cheaper?

ELEEZA AGOPIAN: No, it better targets specific [inaudible].

JORDYN BUCHANAN: How far down is price?

ELEEZA AGOPIAN: “Good value as well as price” is five.

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JORDYN BUCHANAN:                    However, this is per registrant. It may be that if we look on a registration basis, that price is very important. And I think one of the things that we'll want to look at is to what extent there's a relationship between wholesale price and volume – and I suspect there is one –

KAILI KAN:                                Does the point that – I feel this is important – is that probably the most important benefit of introducing competition is to lower the price. It's not however from the buyers or registrant's point of view. If that price is very small, for example, among all the food items nowadays nobody considers the price of salt as important although you must have salt. But whether the price of salt is doubled or even tripled, nobody cares. So therefore, to introduce competition in salt market probably is insignificant, not important at all. So therefore coming back to our New gTLD Program, whether the New g Program has introduced competition, so in order to lower the price probably that's not at all important for the overall market.

JORDYN BUCHANAN:                    I want to kick this conversation until tomorrow because tomorrow morning we are explicitly talking about price competition. So we'll have two hours to [inaudible].

KAILI KAN:                                But anyway, because Nielsen is [leading] tomorrow, if this question belongs to them, probably I would like to see them expand [inaudible].



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JORDYN BUCHANAN: We're actually unfortunately we're done asking questions of registrants. We have the data that we have and the question is, what can we do with it?

KAILI KAN: Any way because they have the raw data.

JORDYN BUCHANAN: That's right. So if there's questions where we know –

KAILI KAN: We [ask] them and then they –

ELEEZA AGOPIAN: You also have the raw data. I sent you all the raw data tables. You can look at all of the crosstabs. I just want to be clear that you all still have access to the data.

KAILI KAN: Right. I agree with you. But let them do the work for us.

JORDYN BUCHANAN: Alright. So quickly to run back through our projects and what we will know. We talked about Stan's questions. We have Dejan's project, so what we will know from Dejan's projects is, is there variance in various types of policies that registries have? And then I guess if we wanted to, depending on the results of that, I think we may want to have a follow-

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up question which is, does any of that influence consumer behavior?  
But I think we would only want to spend that time if we saw that there's  
significant variance between registries on any of the policies.

Once I validate with ICANN the... Go ahead, Dejan.

DEJAN DJUKIC: Just one comment. Eleeza mentioned before the question how hard it  
is, difficult to register domain name. Maybe we should add that  
question in my list of questions. We have answer for that probably from  
Analysis.

STAN BESEN: [Inaudible].

DEJAN DJUKIC: It's from the Registrant Survey. Do we have answer for that or we must  
ask again?

ELEEZA AGOPIAN: Yes. We have that in the Survey, how hard or how easy is it to register a  
domain name. Yes, there are answers to that.

DEJAN DJUKIC: So maybe we should include that in the list.

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STAN BESEN: But you're doing yours on a registry by registry basis.

DEJAN DJUKIC: Yeah.

STAN BESEN: So you don't have answers to that question registry by registry from the Survey.

ELEEZA AGOPIAN: No. This is two separate issues. You're asking Dejan whether the survey contains any questions regarding registrants' responses to the question, "How hard or easy is it to register a domain name?" That answer is yes. Separately your project is looking at registration policies, use and abuse policies, that registry's set for registrants.

STAN BESEN: My point is that he's filling in [inaudible] matrix [inaudible].

ELEEZA AGOPIAN: I understand. No, the survey does not break the answers down by registrant in a TLD. I couldn't tell you that those who said that it's difficult are mainly registered in this TLD or that TLD. The survey doesn't indicate that. So your exercise would complement that.

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JORDYN BUCHANAN: We actually talked about this earlier. It's not in the competition section but in the consumer choice part. We do have a project that's specifically targeting [end users].

STAN BESEN: I'm sorry, I'm confused with the answer. I agree with Eleeza that we can't get that information from the Nielsen Survey. So the question now went back to Dejan. How is he going to fill in his matrix row about ease of registering [a] column? How is [inaudible].

JORDYN BUCHANAN: There shouldn't be one.

ELEEZA AGOPIAN: He shouldn't be asking that question in his paper. His paper is asking about when a registrant goes to register a name, when they see all of the various policies available in different TLDs would you perhaps be more interested in this TLD – TLD A over TLD B – because they have a better privacy policy, for example.

STAN BESEN: Exactly. But he can't answer the question: It's really easy in A and really hard in B and semi-hard in C.

ELEEZA AGOPIAN: It's not a value judgement.

STAN BESEN: He doesn't have that information at all.

ELEEZA AGOPIAN: Exactly.

STAN BESEN: So you can't, as far as I can see, you can't really analyze that as part of your analysis because you can't rely on the Nielsen Survey for that information.

JORDYN BUCHANAN: Yeah, but we will be separately answering that question, Dejan. It's slightly separate from your document.

Alright, so then if I can converge with ICANN on the data, we will also know whether people are registering in new TLDs despite the fact they could have registered their name in .com. And that's all we'll know. So that's all the things we will know about non-price competition if we complete our current work. Hopefully that's satisfying to everyone because we don't have any other projects in the field. We're not gathering any other data.

STAN BESEN: Just as a qualifier, people might have registered in a new gTLD for price reasons. You won't be able to tell, even though the name might have

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been available in .com, they registered somewhere else, that could have been for price reasons.

JORDYN BUCHANAN:

Correct. I think, like I said before, Stan I think we're going to have to have a general roll-up of general statements about competition and then where possible we'll also break it down into price and non-price. And we'll probably have more general statements than price and non-price statements. Because those we'll talk about tomorrow. It will be very hard to figure out when price competition is actually happening.

Alright, so that's what we will know and hopefully we're going to know it all pretty soon. I think actually I'm hoping – we'll have to figure out the sequence – but on our next series of Subteam calls I think for each of these calls between now and Hyderabad I want to concentrate on one of these topics that we're going to talk about here and actually talk through our findings and start to document those. We'll have all the data and then we'll say what does it mean, and we'll actually have to have that discussion. And so non-price will be one of the calls that we'll have between now and Hyderabad.

And I don't have anything else to talk about this topic. So maybe we're done five minutes early. Anyone else have thoughts about non-price competition? Waudo.

WAUDO SIGANGA:

The non-price analysis that we're doing just now is for registries only.

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JORDYN BUCHANAN: Correct. Alright, we have five minutes back. What are we supposed to do now, staff people?

ELEEZA AGOPIAN: We're going to reconvene in here at 4:00 p.m. to resume the discussion about the application evaluation process, and you're going to get a briefing from Andrew Mack on the research that his firm has done so far.

JORDYN BUCHANAN: Right, so you have 20 minutes. Be back here exactly at 4:00.

**[END OF TRANSCRIPTION]**