

Adobe Connect chat transcript for 14 February 2017

Terri Agnew:Welcome to the New gTLD Subsequent Procedures Sub Team – Track 1 - Overall Process/Support/Outreach Issue call on Tuesday, 14 February 2017 at 3:00 UTC.

Terri Agnew:agenda wiki page: https://urldefense.proofpoint.com/v2/url?u=https-3A_community.icann.org_x_ILPDaw&d=DwIFaQ&c=FmY1u3PjP6wrcrwl3mSVzgfkbPSS6sJms7xcl4I5cM&r=DRa2dXAvSFpClgmKXhFzL7ar9Qfqa0AIGN-H4xR2EBk&m=2eOaQ07_Kb95YLhe9ICSG1k9KbrAxObE4aEn_FT-zBU&s=2iBCrg1wslR7ZTBc16Al2zmlacRbI9ADFppJvSghYM&e=

Cheryl Langdon-Orr (CLO):3rd time was the charm

Jeff Neuman:Hello all

Terri Agnew:Welcome to AC portion Cheryl, glad it worked on third time

Vanda Scartezini:hi all, good meeting this evening.

Trang Nguyen:626 676 9458 is Trang

Rubens Kuhl:Allan, it seems that typing sounds is coming from your line...

Alan Greenberg:Sorry, forgot to mute. Now ok.

Steve Chan:CC2 questions here: https://urldefense.proofpoint.com/v2/url?u=https-3A_docs.google.com_document_d_1iZBCVEAJPBEDg7jLsMHKkNczR-5Fb6-2DjH2WI5eVH-2DWWM_edit-3Fusp-3Dsharing&d=DwIFaQ&c=FmY1u3PjP6wrcrwl3mSVzgfkbPSS6sJms7xcl4I5cM&r=DRa2dXAvSFpClgmKXhFzL7ar9Qfqa0AIGN-H4xR2EBk&m=2eOaQ07_Kb95YLhe9ICSG1k9KbrAxObE4aEn_FT-zBU&s=s2EnsOWyGee1FHml7Fwx-JZzp60IIIUgqEDxviQn6Gg&e=

Jeff Neuman:Donna, Rubens, Jon, if I missstated anything, let me know

Rubens Kuhl:Jeff, nothing sounded weird to me.

Donna Austin, Neustar:@Jeff, I think there is still some confusion around this topic. Hopefully, we will have more clarity once the RySG group makes some progress.

Jeff Neuman:Thanks Donna.

Rubens Kuhl:I note though that it should be optional.

Michael Flemming:I pray for this every 3 months.

Alan Greenberg:If some people need invoices, what would be the reason for not doing it?

Rubens Kuhl:Alan, tax regulations in some countries are more bizarre that the old English colonies habitants can think of... ;-)

Michael Flemming:Alan, the issue is that the invoices are not sent timely, have a lot of mistakes, and some invoices don't even make it to us.

Jeff Neuman:I think ICANN staff on this call cant really vote (Trang being one of them)

Jeff Neuman:Not that we believe they cant vote

Jeff Neuman:But they may not be comfortable voting

Alan Greenberg:Apparently we need to not only ask for an invoicing system but a TIMELY one...

Jon Nevelt:do we need to justify the difference?

Trang Nguyen:@Jeff: I'm happy to give my personal opinion if asked, but don't think it's appropriate for me to vote on consensus calls. I view my role here as providing information to help inform deliberations.

Rubens Kuhl:We could offset the fixed fees of all registries that come out of a procedure. If 1 million was raised, 900 thousand spent, 100 thousand divided by 1000 aplicants, 100 dollars discount for everyone.

Donna Austin, Neustar:I think my point was that the application fee needs to take into account that the applicant is acquiring a unique piece of internet real estate. In this context i don't think it's unreasonable to have the floor set at \$185,000.

Michael Flemming:But the problem comes back at two points.

Michael Flemming:1. The cost recovery is too high

Michael Flemming:and 2. What do you do with the extra?

Michael Flemming:That is from a Brand perspective, of course.

Jon Nevett:unlike in the 2012 Round, we need to indicate what happens to excess application fees -- the 2012 AGB said what happens to auction proceeds, but not excess application fees

Donna Austin, Neustar:Agree with Jon

Michael Flemming:I agree with Jon there. I wasn't even aware of the cost recovery until they talked about offsetting the fees.

Michael Flemming:So make it clear for cost recovery and if nothing happens, it turns into a deposit, or like Rubens said, it comes back as a discount.

Cheryl Langdon-Orr (CLO):that makes sense to me Jeff

Jeff Neuman:I agree with Jon and Donna on that. I think we do ask that in CC2

Jon Nevett:depends on how long we take -- ICANN charges back for historical costs -- \$185 might not be enough :-)

Rubens Kuhl:\$185k is not small cash for some world regions. So even for organisations that don't qualify for applicant support, and shouldn't, would be disinfranchised by such a large fee.

Jeff Neuman:So, how can we word this as a policy concept without indicating an exact figure?

Donna Austin, Neustar:@Rubens, I accept that is the case but running a TLD is also not small cash.

Cheryl Langdon-Orr (CLO):agree Rubens

Jeff Neuman:So let ICANN figure out what the figure should be, but indicate we really mean cost recovery this time, but having a floor to reflect this is a piece of Internet real estate, but that we do not necessarily need such a large contingency fund.....and perhaps the "pre-approval" of RSPs could cover their own costs

Rubens Kuhl:@Donna, iwhat multiple of yearly recurring costs would you find applicable for the application fee ?

Cheryl Langdon-Orr (CLO):as we explored in the old Applicant Support work though Donna, getting funding for ongoing costs is often easier in some communities and economies, than raising funds for a 'blue sky' project....

Donna Austin, Neustar:@Rubens, I don't understand your question.

Rubens Kuhl:@Donna, let's say that running a registry costs USD 100k a year. So 2 times for application fee would be enough ?

Justine Chew:I agree with Jeff's approach. Also can some portion of the excess application fees from 2012 be designated as financial support for the next round of applicants which fall under Ruben's group of "some world region" - based on some set criteria of course?

Jon Nevett:so maybe the fee shouldn't be cost recovery -- it should be a fixed amount -- but any excess amounts collected should go to Y

Jon Nevett:i definitely don't agree that excess fees of one round should go to the next -- might be ok for auction proceeds, but not excess app fees

Donna Austin, Neustar:@CLO, perhaps the Applicant Support aspect should be expanded to cover Ruben's point.

Jon Nevett:@Donna -- and that would be a good use of auction proceeds

Rubens Kuhl:Justine, I'm not advocating for lesser fees for all organisations from underserved regions... even in underserved there are some "large pockets". But a large pocket in those regions mean one thing, in others, another.

Trang Nguyen:There's some program cost in the FY17 CANN budget here (page 32)

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Trang Nguyen:Page 33 of that budget has a break-down of eval cost per eval panel.

Justine Chew:@Rubens, sure, I don't mean in blanket. Any such an applicant ought to be deserving, based on some set criteria.

Justine Chew:@Jon, what is Y?

Rubens Kuhl:The deserving applicants are of concern for applicant support... but by establishing a fee that is not based on cost recovery, but from economic power of usual orgs in large markets, this automatically cuts in a different level for underserved regions.

Michael Flemming:But does everyone want to contribute to applicant support?

Michael Flemming:Do our fees make up for applicant support?

Rubens Kuhl:And there is the warning that's usually repeated that defining fees per region leads to gaming by setting up shell corporations in those regions.

Michael Flemming:I think that goes back to a point that was made at the Hyderabad APAC space in regards to this subject that if the applicant fees are too low for underserved regions, then it undermines the actual costs of the variable fees that they need to undertake to run the TLD.

Trang Nguyen:And this is the new gTLD Program budget memo from 2010:

https://urldefense.proofpoint.com/v2/url?u=https-3A_archive.icann.org_en_topics_new-2Dgltlds_explanatory-2Dmemo-2Dnew-2Dgltld-2Dprogram-2Dbudget-2D22oct10-2Den.pdf&d=DwIFaQ&c=FmY1u3PJp6wrcrwl3mSVzgfkbPSS6sJms7xcl4I5cM&r=DRa2dXAvSFpClgmKXhFzL7ar9Qfqa0Algn-H4xR2EBk&m=2eOaQ07_Kb95YLhe9ICSG1k9KbrAxObE4aEn_FT-zBU&s=4NPRkP3a_iGpp7p8orEnSiRv8jpg23SzVUBqTQi4n4o&e=

Michael Flemming:The special piece of internet real estate is not just the application fee, but the cost that goes into running it, too.

Jeff Neuman:Trang, its hard to read that slide 32 without knowing how many evaluations we conducted

Rubens Kuhl:Jeff, 1930 ?

Jon Nevelt:Some review pre-eval, but not too many

Jeff Neuman:CC2 asks some questions on this as well (namely, how should surpluses be spent), et.

Justine Chew:+1 Jeff

Jon Nevelt:review=withdrew

Trang Nguyen:@Jeff, it's difficult to break down the eval cost per app because some apps were withdrawn after initial eval, some required re-evaluation due to change requests. What the FY17 budget tells us is the total eval cost.

Christa Taylor:Will combine and come up with a high level questions to consider for the next call

Michael Flemming:I think an important question to ask here is how many signed a Registry Agreement after evaluation ended?

Michael Flemming:oh

Michael Flemming:that is the data on here

Michael Flemming:oops

Rubens Kuhl:Automatically assigned

Michael Flemming:Thank you

Rubens Kuhl:(For IDNs)

Jon Nevelt:we had to pay \$100 per app

Jon Nevelt:to be in the draw

Jeff Neuman:That went to charity :)

Rubens Kuhl:But the non-paying IDNs were given better priority numbers than the paying ASCII, I believe.

Jeff Neuman:All I remember is that .xmas brought in a Santa Claus to entertain us during the draw

Sara Bockey:yes
Steve Chan:Non-paying IDNs were after paying ASCII, but before non-paying ASCII I believe?
Jeff Neuman:correct Steve
Rubens Kuhl:Smaller fees for IDN TLDs... ;-)
Justine Chew:So if nothing at all, could it be implied that a large number of IDN applicants believed that it was a good idea to participate in the prioritization, no?
Jeff Neuman:I think the benefits of having IDNs go before ASCII is inconclusive
Christa Taylor:They may not have participated in the draw
Sara Bockey:Michael, we lost you
Terri Agnew:@Micheal, we are no longer able to hear you
Jeff Neuman:But there were a number of external factors as well....namely the technology to support IDNs was not there to support launches
Jeff Neuman:Also Registrars were not there to support the early IDN launches
Kurt Pritz:To promote IDNs and diversity
Cheryl Langdon-Orr (CLO):that is my recollection of rational as well Kurt
Jon Nevett:political decision -- we all went along with it to get the process to move forward
Rubens Kuhl:I think IDN priority was more tied to a moral imperative of the community than to actual planning. Kinda like a feeling of guilt.
Kurt Pritz:it made the reffle (which seemed mercenary) more attractive to those promoting diversity
Kurt Pritz:raffle
Jeff Neuman:CLO - I think the Business Constituency and IPC may have agreed with that as well, but it was not a policy decision
Jeff Neuman:from the GNSO
Steve Chan:Could a CC2 question be added to ask if ASCII applicants were substantally impacted by having IDNs evaluated first?
Michael Flemming:Ande what kind of priority of course
Jeff Neuman:@Steve - Was thinking the same thing
Rubens Kuhl:We could ask applicants for () prefer to move faster () prefer to move slower ; active proponents would prefer faster, defensive, slower.
Cheryl Langdon-Orr (CLO):understood Jeff and yes later in the process / iterations of AGB some constituencies of GNSO also made the case for IDNS
Jeff Neuman:But also asking whether priority should still be given to IDN applications?
Donna Austin, Neustar:@Steve - IDNs were a small percentage of the applications, so I think that needs to be factored into the equation.
Cheryl Langdon-Orr (CLO):yes to asking
Jon Nevett:some folks were concerned that IDN brands went before ASCI brands and that IDN- equivalents of .com went before those TLDs that were trying to compete with .com
Jeff Neuman:I remember having to fend off US Congressional inquiries based on lobbying from the Association of National Advertisers (ANA) and this being a point to show them that we did want to promote diversity
Jon Nevett:@jeff yep -- hence a political decision
Jeff Neuman:That was 5 years ago now.....where is the ANA today?
Rubens Kuhl:@Jeff - waiting for the next procedure, when they will show up at the last moment saying the sky will fall.
Christa Taylor:Another 'set' ;-)
Donna Austin, Neustar:Agree with Jeff, I don't think a total revamping is required.
Rubens Kuhl:Two cuts, which end up four pieces: rules x rationales, application x after contract signing

Terri Agnew:The next call: New gTLD Subsequent Procedures Sub Team – Track 1 - Overall Process/Support/Outreach Issue will take place on Tuesday, 28 February 2017 at 20:00 UTC.

Justine Chew:I was looking at the CC2 earlier - Jeff was still editing it !

Jeff Neuman:@Rubens - Yes, I think we can cut some of the background and rationales out and put them in Appendices for those that want to read :)

Jon Nevelt:Thanks all!

Cheryl Langdon-Orr (CLO):thanks everyone.... bye for now...

Jeff Neuman:But we should create a practical guide to applying for everyone else

Christopher Niemi:Thanks

Trang Nguyen:Thank you! Bye!