

## Adobe Connect chat transcript for 11 April 2017

Terri Agnew:Welcome to the New gTLD Subsequent Procedures Sub Team – Track 1 - Overall Process/Support/Outreach Issue on Tuesday, 11 April 2017 at 20:00 UTC

Terri Agnew:agenda wiki page: [https://urldefense.proofpoint.com/v2/url?u=https-3A\\_community.icann.org\\_x-5FbDRAW&d=DwIFaQ&c=FmY1u3PJp6wrcrwl3mSVzgfkbPSS6sJms7xcl4I5cM&r=DRa2dXAvSFpCIgmkXhFzL7ar9Qfqa0AIn-H4xR2EBk&m=I5Bnfz4eCTwQIZg0cmhHrPnjsMOBgW56GDRTDUa6VYs&s=CKFrLDO4Z-gpbMKhYP32mEYbFHmfgBc369Gcb9AkPX0&e=](https://urldefense.proofpoint.com/v2/url?u=https-3A_community.icann.org_x-5FbDRAW&d=DwIFaQ&c=FmY1u3PJp6wrcrwl3mSVzgfkbPSS6sJms7xcl4I5cM&r=DRa2dXAvSFpCIgmkXhFzL7ar9Qfqa0AIn-H4xR2EBk&m=I5Bnfz4eCTwQIZg0cmhHrPnjsMOBgW56GDRTDUa6VYs&s=CKFrLDO4Z-gpbMKhYP32mEYbFHmfgBc369Gcb9AkPX0&e=)

Vanda Scartezini:hi everyone

Christa Taylor:Hello Vanda

Vanda Scartezini:listen mode since I am in a road with traffic and high noise

Terri Agnew:thank you for this information Vanda

Emily Barabas:we can advance the slides

Donna Austin, Neustar:Is the audio choppy or is it just me?

Steve Chan:@Donna, I'm on phone and it's clear for me.

Donna Austin, Neustar:thanks Steve, must just be me.

Terri Agnew:@Donna, if needed I can always dial out on the telephone.

Terri Agnew:sometimes rejoining on the adobe connect using a differernt browser helps as well

Donna Austin, Neustar:@Terri, that's what you told me last night :-)

Christa Taylor:can you hear me?

Julie Hedlund:@Christa: We can't hear you.

Christa Taylor:one sec

Christa Taylor:one sec

Christa Taylor:can you let me know

Christa Taylor:can you let me in the room

Terri Agnew:@Christa , we are still unable to hear you

Terri Agnew:We are not seeing you join on a second connection via adobe connect

Terri Agnew:@Christa, second Adobe Connect has joined for you

Cheryl Langdon-Orr (CLO):yeah!

Cheryl Langdon-Orr (CLO):Darn gremlins

Alan Greenberg:Sorry, that was me. Forgot to mute.

Cheryl Langdon-Orr (CLO):yes Steve that needs clarification

Jim Prendergast:ill call in

Vanda Scartezini:last year we did a survey in LAC region and price was not the problem justifying interested organization did not enter into the process. lack of information was the main issue

Ashley Roberts:May I suggest an alternate model: instead of spreading the application cost across different rounds, how about spreading it across the annual registry operator fees? So you could have a lower application fee, offset against slightly higher annual fees. It gets over the difficulty of predicting timing of further rounds.

Terri Agnew:@Jim, if assistance is needed dialing in, please let me know

Donna Austin, Neustar:The cost recovery is really difficult because there are too many unknown variables. If we knew the costs associated with developing systems and evaluating applications and how many applicants, it would be an easier proposition.

Cheryl Langdon-Orr (CLO):yes @Avri the differential fees discussion is not yet finish at all... as seen in other WG's

Jim Prendergast:im dialed in

Cheryl Langdon-Orr (CLO):that's my assumption @Alan

Vanda Scartezini: share cost as Ashley suggested looks interesting in my view  
avri doria:in a cyclical application period, there will be steady state costs and it may be challenging to budget just per single application cycle. I also assume there would be efficiencies in terms of process that would drive costs down over time.

Alexander Schubert:Lets put it this way: There needs to be a substantial "hurdle" to apply for a new gTLD. Otherwise we will have hobby gTLD makers entering the arena - without any intent and ability to actually really operate their TLD. A financial hurdle is the easiest to create!

Cheryl Langdon-Orr (CLO):good question re staffing / re staffing

Jim Prendergast:Im also in agreement wth CLO that cost+ is not the way to go.

Jim Prendergast:And agree with Alexander - there need to be some financial barrier here to demonstrate financial wherewithal.

avri doria:are we suggesting high costs to keep people out?

Jim Prendergast:Good point donna

Cheryl Langdon-Orr (CLO):yes indeed we should @Donna

Alexander Schubert:If the costs are low we need another hurdle: Say some proof that the applicant WILL manage their TLD and know what they walk into.

avri doria:I can just imagine the press that would great a price meant to keep people out of the market.

Alexander Schubert:I agree Avri.

Alexander Schubert:But I can tell you Domainers all over the world are already licking their fingers - they think they spend US \$200k and then lean back and cash in.... "Hobby-TLDlers"

Jim Prendergast:the \$185 was just the beginning of the costs associated with TLD ownership.

Cheryl Langdon-Orr (CLO):agreed

Donna Austin, Neustar:@Jim, but some paid much more than \$185k for the TLD, so how do we factor that into the value of a TLD.

Kurt Pritz:This is a pretty darned complex economics question. What is the effect of application cost on demand? What is the effect of application cost on developing area applications? What is the effect on gaming, i.e., how many applicants will enter the field to profit on private auctions? How will low cost increase the likelihood of applications that don't have the financial wherewithal to sustain a viable registry? How will increased demand increase the number of contention sets? Different types of applications multiplies the complexity. I don't see how anyone here can answer this question. One approach (that we very well likely to hate) is to get a competent economics analysis of these issues. I don't think taking the time would interfere with a 2019 launch date. It would have to be carefully crafted and sophisticated

Jim Prendergast:@Donna - thats the market determining value, not ICANN.

Donna Austin, Neustar:@Alexander, i think the financial questions and the COI were intended to understand the applicants ability to manage the TLD into the longer term.

Cheryl Langdon-Orr (CLO):I am ok with that

Steve Coates:Hard to discuss a ceiling without discussing a floor.

Cheryl Langdon-Orr (CLO):yup

Jim Prendergast:ICANN cant go into debt on this so no celing

Cheryl Langdon-Orr (CLO):yup

Vanda Scartezini:I agree with Jim about no celing

avri doria:personally (not as WG co-chair) I am uncomfortable with some of the assumption behind a floor.

Jim Prendergast:it might help

avri doria:i think it is a good idea to do so

Christa Taylor 2:It was sent with the agenda in case it helps in viewing the document

Vanda Scartezini:back end list of certified companies was one of demands in our survey in LAC region

Katrin Ohlmer, DOTZON:Could the PDF docs be made downloadable, please? Thanks in advance.

Katrin Ohlmer, DOTZON:ah, ok.

Katrin Ohlmer, DOTZON:thanks.

Emily Barabas:The slides are also available on the wiki here:

[https://urldefense.proofpoint.com/v2/url?u=https-3A\\_community.icann.org\\_display\\_NGSP\\_4.2.8-2BAccreditation-2BPrograms&d=DwIFaQ&c=FmY1u3PJp6wrcrwl3mSVzgfkbPSS6sJms7xcl4I5cM&r=DRa2dXAvSFpClgmkXhFzL7ar9Qfqa0AIn-H4xR2EBk&m=I5Bnfz4eCTwQIZg0cmhHrPnjsMOBgW56GDRTDUa6VYs&s=ZhXiqecCREatHc2UvDIUADfUHxp9tSlztsfBjg7P0Y&e=](https://urldefense.proofpoint.com/v2/url?u=https-3A_community.icann.org_display_NGSP_4.2.8-2BAccreditation-2BPrograms&d=DwIFaQ&c=FmY1u3PJp6wrcrwl3mSVzgfkbPSS6sJms7xcl4I5cM&r=DRa2dXAvSFpClgmkXhFzL7ar9Qfqa0AIn-H4xR2EBk&m=I5Bnfz4eCTwQIZg0cmhHrPnjsMOBgW56GDRTDUa6VYs&s=ZhXiqecCREatHc2UvDIUADfUHxp9tSlztsfBjg7P0Y&e=)

Steve Coates:Apologies - I agree with Avri's point on the floor. I think there need to be fundamentals behind a floor that do not take into account competitive hurdles (e.g. cost recovery, ensuring financial viability).

Steve Chan:I would note that Ashley Roberts circulated a summary of Donna's proposed options. Provided Donna agrees with that summation, that might serve as a good high level reminder of what the three options/proposals are.

Donna Austin, Neustar:@Steve, no objection

Laura Watkins:I'm not sure I follow the logic of removing PDT. The RSP offering could differ depending on the type of TLD and TLD can be actually seen to reduce costs as it removes the obligation for the RSP to do their own testing and incur costs for that. If one of the reasons that we're citing for having a fee level is to prevent failure - how can we justify delegation without testing? The Pre-certified providers concerns me that it creates tiers of RSPs and could stifle competition and innovation in the market.

Donna Austin, Neustar:@Laura, regardless of the type of TLD, the PDT was always the same.

Laura Watkins:I appreciate it was the same - I know our tech team actually found it quite useful!

Samantha Demetriou:My understanding is that PDT also didn't account for scalability, which could be an important factor if a single provider is running the back-end for large numbers of TLDs

Donna Austin, Neustar:@Laura, ours didn't after they'd been through it many, many times.

Donna Austin, Neustar:that's correct Sam.

Kurt Pritz:One problem that we are trying to solve is to ensure that proven providers continue to be successful. An RSP program might also include forward looking criteria in addition to past looking. Forward looking requirements for RSPs might include statistical process controls to determine whether an RSP is degrading in performance before they fall outside the performance limits. Another requirement might be that there be a threat identification process so that new security threats are identified as they arise and RSPs would be obligated to act in some ways.

Jim Prendergast:What happens and brand X selects an ICANN accredited RSP and there is a technical failure that results in a breach. Who does Brand X pursue? the RSP, ICANN? IS ICANN ready and will to shoulder the burden/liability that comes with accrediting RSPs?

Jim Prendergast:We already have a situation where RSPs are failing an ICANN is coaching them back into compliance

Samantha Demetriou:Thanks for confirming, Donna. So in that case, if applicants go with a "proven provider," then instead of just answering questions and going through a redundant PDT process, testing could focus on whether the RSP can scale appropriately - which in theory would be ensuring ongoing stability rather than just checking the box

Samantha Demetriou:Basically, all of this is to say that I think having an RSP program presents an opportunity to improve the testing process

Kurt Pritz:@ Jim: isn't that a reason that there be a direct relationship between ICANN and the RSP rather than creating stability through a third party?

Jim Prendergast:Sam - I think there are ways to solve testing program issues without going down the accreditation path

Ashley Roberts:Jim, Brand X would take it up with their RSP, as current 2012 registries would. They would have a contractual relationship with SLAs with the RSP.

Laura Watkins:Is a new process needed for this? Could it be covered by the current material sub-contracting agreement for example?

Samantha Demetriou:@Jim, sure, I can see that. Just putting a thought out there about a potential added benefit if such a program was put in place.

Jim Prendergast:Ashley - But if ICANN accredits someone - there comes that ICANN seal of approval. And if ICANN approved them, and that was the basis of my decision to go with RSP1 over RSP 2 - I'm not going to be happy

Laura Watkins:+1 Jim

Ashley Roberts:Jim, I don't think this proposal is talking about "accreditation" as such. I view it as essentially doing exactly what was done in the 2012 round - ICANN is simply saying that an RSP meets the technical requirements set out in the AGB. The only difference between this proposal and the 2012 evaluations is that in this case ICANN only performs the evaluation and PDT once per RSP, rather than repeating the process over and over.

Kurt Pritz:I remember in the first round discussion that Chuck from Verisign came to the microphone and said that the technical criteria for a new TLD should be stringent. The Guidebook questions were written with that in mind. Now the marketplace has markedly changed where there are a few RSPs that are separated from direct obligation to the ICANN community. Wouldn't a direct relationship between ICANN and RSPs (who control critical Internet infrastructure) comply with ICANN's missions?

Jim Prendergast:So that's a helpful clarification Donna - this is not an accreditation program - just problem solving the testing issues.\

Terri Agnew:Next call: New gTLD Subsequent Procedures Sub Team – Track 1 - Overall Process/Support/Outreach Issue will take place on Tuesday, 25 April 2017 at 3:00 UTC

Cheryl Langdon-Orr (CLO):bye for now then... thanks everyone good progress today more to come of course

Vanda Scartezini:nice meeting tks to all good ideas.

Katrin Ohlmer, DOTZON:thanks & bye, everybody.

Vanda Scartezini:happy Easter and Pesach to everyone