

---

RECORDED VOICE: This meeting is now being recorded.

DAVID TAYLOR: Hi everybody, David here. We've got Jordyn and Waudu and myself as the core of Navacore subteam. What I thought I'd run through on this call -- thanks for joining -- is an update concerning Nielsen reports and a Nielsen meeting, and where we've got to on that. And then really getting to the point where we've got the responses from Nielsen to the takeaways and clarifications, which I'm not sure you all have had time to read yet. But we can start tuning through them and then go away with some homework hopefully.

But, from our call yesterday, and as I'm sure you know, we're supposed to have the updated text and recommendations by the 14<sup>th</sup> of September, which is very shortly, so I thought it was still worth doing a call now so at least we can see where we're at, and I can let you know where we've got to; including quite a bit of work over the summer despite the silence.

Firstly, the takeaways and clarifications paper which we were doing, which we put together, which were very short before we remembered there was four or five takeaways and two or three clarifications in there. So we didn't have much in the way of takeaways and clarifications, but we all agreed on the ones which we got in there. So what I did in the end of July, and early part of August was trying to pull out some more comments, discussions on the takeaways I'd put there.

---

*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.*

---

So you can see number one there: the bit while the goal of the gTLD program is to increase choice for brands etc. Try and throw out some more comments and discussion points which we could then have a discussion on ourselves. So you've got the first three there, which we can run through these. And you've got one in blue which was additionally that one from memory. So that was a page for which I put together. It's a fairly lengthy paper now. And then also had a call with INTA and we combined some INTA input into there as well to further takeaways and further comments discussions. So we got together that whole paper.

Now, it's quite lengthy so I've proposed to go through it. More questionably we can all have that and look at it and set in seeds we know where we are. But based on that, and the pressure to get things going, we're trying to get a call arranged with Nielsen to discuss takeaway slide B. The INTA input came together quite quickly and basically asked to do a call the next day, which is what we did. So, we did a call on the 11<sup>th</sup> of August, which we're going to run through now so that you know what we covered on that call.

And then we left the takeaways and clarifications with Nielsen so that they could provide input to the comments which were there and the takeaways and clarifications and just confirm from an objective viewpoint whether they thought these were accurate or not. These are the takeaways we're trying to get from the data. And then they've come back—which is what I circulated yesterday—with a slightly revised deck of slides, which also has an additional slide at the very back, which we'll definitely come to. And that's what I received a couple of days ago and I sent it out the other day to see if you've got that to hand.

---

---

So what I'll do is I'll run through the meeting with Nielsen, which was back on the 11<sup>th</sup> of August. And that was a fairly lengthy call, it was about an hour and 32 minutes with Nielsen, David Dickinson, and Lori Robb from INTA. Nobody else was on the call from the INTA. Brandon is our internet committee. And the goal was to work through the takeaways and clarification seat. But we ended up delving in pretty deep into the slides 10 and 27.

Could you bring up slide 27 of that if you've got it to hand? On the INTA report. While we're looking for that, that was the one concerning the defensive actions and costs to brand owners and it had that title of 150,000 a year was the terrible cost to brand owners. And I was having quite a few issues with that slide in particular. As I'm trying to get away which is justifiable and valid, and I wasn't able to come away with something that I was happy with in that.

So, one of the things there was the difficulty having, what was meant by trademark related. Everything was coming out of the slide. You're saying there's 150,000 a year on defensive actions, but that's not—this one's for you, Jordyn—that's not including defensive registrations, that's just enforcement. We need to be very specific in what we're saying.

Then we have this catty with the trademark related 22,636. What does that mean? And I couldn't figure it out, what the trademark related meant. And the monitoring and diversion 228,000 is massive, and what did that mean? That was the call to have a look at that with them. And we went through that slide and basically Nielsen indicated that the

---

trademark related costs was what was spent across all TLDs, so not just new gTLDs.

And they said it was including the trademark clearing house, registration costs, proof of use filings, claim notice investigations, claim notice warnings, claim notice URPs, but I think they meant URSs, and other. So that was pretty much all the trademark costs. And then we discussed the monitoring and diversion that was internet—

WAUDO SIGANGA: Hello David, can I ask a question?

DAVID TAYLOR: Yes, sure.

WAUDO SIGANGA: Sorry about the airport. Okay, first of all, I apologize, I missed a number of calls for this subject, so I think [inaudible] with my question: but I'm looking at this slide 27, the one that you mentioned which has the title of public struggle defensive costs per company. Hello? Hello?

DAVID TAYLOR: Yes.

WAUDO SIGANGA: Am I online? Hello?

---

DAVID TAYLOR: Hello. I can hear you fine, Waudo. I'm hearing you perfectly, just carry on.

WAUDO SIGANGA: Yes, my question I had will pass for a basic question. When David was talking with Nielsen, I thought there was injured as well. The first line of this page talks of the public. Interest members spent \$160,000. That statement, I've seen a bit of [inaudible] from other stakeholders within ICANN when we talk about this report. These statements like that one, because for one thing this reports, the sample size was very small. So, compared to the numbers of INTA, the sample size was very small.

So, I think people that are voicing some concerns with some of the conclusions that are coming up with the, because you have to go with a small sample size. Another: INTA members spend \$150,000: I don't know how accurate that is. Or whether it should be saying on average spent \$150,000. Did you have any discussion with Nielsen with regards to the conclusions in terms of having [inaudible] to the INTA members or the respondents? I don't know if my question is clear?

DAVID TAYLOR: Yes. It is Waudo. Thanks very much. I fully agree with you. That's the point of this slide, that's why we probably spent an hour and a half on this one slide with Nielsen and Lori. Because as it stood then, you could take many things away from it, and I don't think you could justify many of them. Because on the one hand you could be saying INTA members generally spend \$150,000 on defensive actions, but it's a small sample

---

size, so the sample members of INTA are spending that; not obviously, INTA members in total. So I fully agree with you on that one.

It's not one I'm comfortable saying in a report on CCT review to be sitting there saying that's what the spend is. But it goes a lot deeper than that, because that's the spend, of \$150,000. So if we accept that for now that that's the average spend of the members which have been surveyed, that is fine as a number, but it's actually the entire cost that they spend, not just on new gTLDs, on all TLDs.

So it doesn't give us much of a showing of itself as a fact as to what the cost, what the burden of new gTLDs are. That's just showing that there is a burden. And this is the value of what it is assessed at for all TLDs. So, that's where I'm looking at it and trying to take it away. That \$150,000 that people have spent, quoting that—because I've heard it several times, that this is the spend on new gTLDs. And it's incorrect. It's not the spend on new gTLDs at all because the internet monitoring side of it, the blue in that graph is across everything.

So it's not just new gTLDs. And I think that's a crucial point. And it's also when in querying Nielsen on that, they didn't have the data to be able to drill down and separate which was new gTLD and which was legacy gTLD. So, as far as I'm concerned, that \$150,000 isn't a number I'd be keen on putting in the report. Is that okay, Waudu? Did you want to say anything else on that or do you want to try and say any more?

WAUDO SIGANGA:

David, it's me. David. Hello? Hello?

---

DAVID TAYLOR: Yes, I can hear you, Waudo.

WAUDO SIGANGA: David, just go ahead. [inaudible]. I think there's lots of latency on my line. Just go ahead, David. I'll come back to it later.

DAVID TAYLOR: All right. Okay. So that was a question there as to what was it including in the monitoring and diversion. I can circulate something on this, because I've got my notes from that call. Was the internet monitoring what they termed Web graphic diversion, counter confusion efforts and education? So again, this is quite nebulous. But that's what in that figure. I was also confused, as I'm sure you may be, as what exactly was meant by the orange: Actions versus owner. Exactly what that was. So they confirmed that was UDRPs, URSs, cease and desist letters.

So we've got a better idea of what that is, at least. And basically that's where I was drilling down, and the orange amount—again, trying to get a takeaway on this orange amount, the \$40,228, which is approximately 14% of that \$150,000 is the average spend of actions against a domain name owner, registrar or registry. And hence that is specific to new GTLDs. So we're looking—as far as I understand it, and I'm still clarifying some of this because I'm not 100% sure if you add on some of the mention, this 14% of all money spent is in relation to new gTLDs, based on this survey size. So I think that's a conclusion which speaks to me at least.

---

It would be better if we would have had 60 responses as opposed to 30, but of the surveyed people, we're looking at that specific cost. So it doesn't really matter whether it's \$150,000 or \$1.5 million, it's the split or the percentage. What I did do then, I had a bit of an issue with the trademark related costs of \$22,636 because that was included in the blue which is supposedly the overall cost and the overall spend. But when you look at what it included, it was including clearing house, registration costs, and claim notices, etc. So, that to me was a new gTLD cost. So that should be in with that 14%. So that would raise the 14% up a little bit.

So part of that, that was a request for them to drill down and come up a little bit clearer with what that was. And also again, tying in with the fact that I've been looking at enforcement and Jordyn, you've been looking at more of the defensive registration costs. There's no defensive registration costs in here. So again, even the title of the slide, as I mention there, we can't call this average total defense costs per company, because there's no defensive registration costs in there whatsoever. It's the reinforcement costs.

So that, in effect, is trying to summarize a very detailed one and a half hour conversation—close to two hours—on this slide. But I'm happy to take any questions specifically on this slide because that's what we can do now if you wish. Then we can carry on a little bit more talking about the rest of the takeaways and clarifications.



---

JORDYN BUCHANAN: David, it's Jordyn. I'm on my phone so I don't have the Adobe powers. But I think the clarifications were mostly helpful, so I'm not sure I have a lot of questions. It is helpful to figure out the headlining numbers on here are for all gTLDs, which makes sense. There's possibly even for all TLDs, David. It's not even gTLDs versus ccTLDs, presumably. Is that correct?

DAVID TAYLOR: I think so. All TLDs, yes.

JORDYN BUCHANAN: Right. So, in any case, I think that's a helpful clarification. And then, I think we should go back and look at the various numbers we do have in terms of what fraction of registrations overall we think are attributable to trademark holders. I think we tried to figure that number at some point. I don't remember exactly what it is. But, it feels to be generally like that number whatever it is—that number that's somewhere between 14% or maybe a little higher is attributable to new gTLDs seems to be roughly in line with the population, right?

So we've looked at the fraction of registrations of new gTLDs, I think it's about the same fraction. So this just means that your essentially occurring costs is in line with the distribution of registrations globally, it looks like. Which I guess is mostly a surprising observation.

DAVID TAYLOR: Yes. You're right there Jordyn. I think the slight difference is extruded in that slide you've got that comment. Not in the slide we've got, but

---

the – oh sorry, 27. You have got it in that slide there that we got. Since these costs is the conclusion Nielsen worked within early years of the new TLD program, it is reasonable to expect proportions specific to new TLDs to rise in the future. I think that's worth discussion. I'm not sure how reasonable it is to expect them to rise in the future, but perhaps that's the case.

But it's also worth noting that while the new TLDs account for a simpler cost, they do not yet represent a seventh of domains. So it's pretty much in line with what you're saying. I think there's a slight extra cost, potentially, when you look at the numbers and you compare them across. But they're substantially in the same area. It's not ten times or a hundred times the cost.

JORDYN BUCHANAN:

Yes. And it would be helpful to call out that comparison. But yes, I'm sure that's true. I'm sure that it's easier to engage in protection services with a smaller number of TLDs than a broader one, so it wouldn't surprise me that there's some super linear costs, such as the number of domains.

DAVID TAYLOR:

Yes. Thanks, Jordyn. Anybody else? Carlton? Any comments or thoughts or we'll carry on a little bit where we're going.

---

JORDYN BUCHANAN: No, I think that's how [inaudible] all over the numbers and try to put stuff together. But generally I think they're helpful clarifications. Thanks.

DAVID TAYLOR: Thanks. Go ahead, Carlton. I think you were going to say something?

WAUDO SIGANGA: I have something to say. This is Waudu.

DAVID TAYLOR: Go ahead, Waudu.

WAUDO SIGANGA: Hello. Okay. I would like to know when you discussed with the Nielsen and INTA. There are a number of figures that have been given to us, including the CCTs. So I'm wondering we have some idea there is so close to 50 caller might be some error and statistical considerable levels. They've given us cause to go with this figure and this staging with my idea question about the law. The small number of the respondents good. Do they give a good statistical figures for the considered double and for the margin of error?

DAVID TAYLOR: All right Waudu. Thanks. I didn't discuss that with them this time. I think what we heard originally—but it's worth going back to check. And I will check that; it's a good point. Is that it was on the outer edge of

---

being consistent or statistically acceptable, so it was just within it to be providing some statistical data. So it's not ideal, but I still think it's okay. But as to actual confidence level, I'll ask them that specifically, because it's probably useful for us to have that.

DAVID TAYLOR:

Okay, should I move on? Hearing no nays, I shall do so. So really what I wanted to do today, I'm presuming—shout out if somebody has read all these takeaways and clarifications that the new more detailed because you're looking at something like twelve pages whereas previously, when we last spoke at the end of July, we had two pages; so there's a lot more discussion in there. I'm assuming you haven't managed to read all of this, but if you have, then do correct me.

But what I think would be good to do is to go through these takeaways and the clarifications, and when you look at them, you'll see on the left the takeaway. And then you've got my name after the one I was highlighting, and then you've got the comments and discussion, which were the additional ones I've put in there. And then the very right hand column is Nielsen's comments.

So, for instance, about the new gTLD programming piece in choice, except they're one of the things I was putting was few respondents considered legacy or ccTLD domain names to be an alternative to new TLD domain name. This suggests transition from these new gTLDs, at least among larger scale commercial registrants is limited. In effect, when you look at that, which is now upon the screen, Nielsen had just confirmed accurate.

---

So again, this was me just asking them: Can you look at what we're drawing from your slides as potential conclusions or comments, and can you say whether this was right, because you've got the data? And that we're not going off on a wild goose chase. So on some they put accurate. Some on others they've put no comment. So read that for an idea. This just helps us to know the strength of any of these comments or not.

So what I'd suggest is perhaps add in another column. I will send this round to everybody. And add in another column at the end and then that can be any INTA subteam people's comments on any of these. So if you'd like it, you just say accurate, fine. And if you disagree strongly with it for whatever reason, then please say and say why. So that some of these are the ones we can bring in to the drafting exercise which we need to be doing quite quickly. Because we've got the deadline of the 14<sup>th</sup>.

Again, my idea when I advance on some of these was really just throwing out some ideas. I'm reading through it, I'm concluding this. And then as I read it a bit further, I've discarded it thinking I've got that wrong. And then I finally came up with something which I thought I was getting the right interpretation. And as I said, Nielsen said some of it has been accurate, so we're very happy with those. So that would be the way I propose we work forward on it. And any comments.

I can see Jordyn saying that makes sense. Thanks, Jordyn. I'm happy to take any comments in the chat or on the phone if you think that makes sense as well. And if it does, we will try and proceed and do that and get something together in the next few days. Probably we'll have to say

---

---

Monday or Tuesday. I think we've got a call on Tuesday, haven't we? So we're going to have to have this by Monday if you could get that to me by Monday if that works. Any comments? Thoughts?

WAUDO SIGANGA: Yes. Hello?

DAVID TAYLOR: We can hear you.

WAUDO SIGANGA: Hello? I'm wondering, David. Maybe a small correction somewhere. On the second row, the column, the writing there is somewhere in the middle it says that this additional collection from this new gTLDs at least among later than—no sorry, the next slide. It appears that the general agreement to rediscuss specific new TLDs. Should that be it appears that the [inaudible] needed to register in specific new TLDs.

DAVID TAYLOR: Yes.

WAUDO SIGANGA: Maybe just a small correction there. Radio static.

DAVID TAYLOR: Yes, I think you're correct, Waudu.

---

WAUDO SIGANGA:

Okay.

DAVID TAYLOR:

Okay, then. Hearing no nays on that. What I'll do then, when we're off this call, I'll add in an extra column onto there and send that round to everybody so you can start looking at all of these, and then please do put in any comments you've got, thoughts. And if no comments or thought, then just say no comment or thoughts. Agree with everything or disagree with everything or whatever. Just so we can start picking some of these ones out.

And if you could get that to me—Jordyn just said he would try to get that to me on Friday, which is brilliant, Jordyn, thanks. I'll try and do these on Monday. So if you could before the end of the weekend, try and to it before the end of the weekend, that would be brilliant. I will try my best on Monday to start pulling in some of these into the text, which we've got. Or I may just wait.

We've got a call on Tuesday, so we'll run through the ones which I'm going to highlight as the key ones we're going to put in and changes. And then I'll have to do a massive draft on Wednesday and take the day off. And try and pull these together I think so we've got the right text as our deadline's the 14<sup>th</sup>; that's Thursday. Very, very tight. So if you confirm that I'm going on the right track, please do. It gives me a bit more time to dabble. Any comments? Are we good?

Presuming we're all good, otherwise shout out. And otherwise, is there any other business? Nothing on my side, apart from that. So shout out if you've got anything. Good. Well that's a wrap. I will send that

---

around, and I'll mention it so that Carlos as well can see that and we can get input from him and [inaudible] as well. Okay. Thank you very much everybody. Appreciate you being on the call. All right. Bye-bye.

**[END OF TRANSCRIPTION]**