

**AC Attendance - 36 Members**

Alberto Soto  
Alexander Schubert  
Alfredo Calderon  
Anne Aikman-Scalese  
Avri Doria  
Cheryl Langdon-Orr (CLO PDP Co Chair)  
Christa Taylor  
Christopher Niemi  
Christopher Wilkinson  
Donna Austin, Neustar & Council Liaison  
Gemma Keegan - Neustar  
Gg Levine (NABP)  
Greg Shatan  
Jeff Neuman  
Jess Hooper  
Jim Prendergast  
Judy Song - neustar  
Karen Bernstein  
Karen Day

Martin Sutton  
Maxim Alzoba (FAITID)  
Michael Casadevall  
Nathalie Coupet  
Olga Cavalli  
Phil Buckingham  
Phil Marano  
Philip Corwin  
Robin Gross  
Roger Carney  
Rubens Kuhl  
Sara Bockey  
Sarah Langstone  
Sophie Hey  
Vanda Scartezini

**Audio only:** Jamie Baxter, Harold Arcos

**Apologies:** Kristina Rosette, Susan Payne, Annebeth Lange, Katrin Ohlmer, Kavouss Arasteh, Malgorzata Pek

**Staff:** Emily Barabas, Julie Hedlund, Steve Chan, Julie Bisland

**AC Chat:**

Julie Bisland:Welcome to the New gTLD Subsequent Procedures Working Group call on Monday, 24 September 2018 at 20:00 UTC

Julie Bisland:Agenda Wiki: <https://community.icann.org/x/axhpBQ>

Michael Casadevall:Afternoon all

Alfredo Calderon:Hello to all!

Christopher Wilkinson:Bon soir CW

Phil Buckingham:Good evening from a cold wet London

Cheryl Langdon-Orr (CLO PDP Co-Chair):Hi Phil Good morning from sunrise in Spring here in AU

Michael Casadevall:It's a fairly dreary day here in NYC

Maxim Alzoba (FAITID):Hello All, I will use chat only - bit late here

Jeff Neuman:Well start at :02 after the hour

Cheryl Langdon-Orr (CLO PDP Co-Chair):Welcome Maxum

Cheryl Langdon-Orr (CLO PDP Co-Chair):Maxim (Soory the letters \*are next to each other \* ;-)

Greg Shatan:@CLO, Are you typosquatting Maxim?

Maxim Alzoba (FAITID):@Greg, just not being able to use mic  
Vanda Scartezini:sorry to be little late  
Julie Bisland:welcome, Vanda!  
Maxim Alzoba (FAITID):congrats , Greg!  
Vanda Scartezini:congrats Greg!  
Alexander.berlin backup:Congrats!  
Greg Shatan:Thanks x3!  
Anne Aikman-Scalse:Kudos Greg! Less sleep - more emails...good luck!  
Steve Chan:Section 1.5 starts on page 19 and the document is unsynced.  
Steve Chan:And thanks @Christopher for continually reminding staff to include page numbers.  
Rubens Kuhl:Actually, one of the ideas has already been informally discussed with registrars, and the numbers mentioned are actually based on their feedback.  
Jim Prendergast:thanks  
Greg Shatan:@Anne, exactly.  
Rubens Kuhl:That mention above is about the phrase "Working Group members suggested a new limit of 5,000 or 10,000".  
Maxim Alzoba (FAITID):Are we supposed to replace anti-monopoly agency?  
Maxim Alzoba (FAITID):@Cristopher, could you clarify the reference to geo domains?  
Maxim Alzoba (FAITID):without the support of the respective government - there will be no geo application approval.  
Cheryl Langdon-Orr (CLO PDP Co-Chair):Christopher, when you respond to Maxim's questions etc., Please do so here in Chat... Thanks  
Greg Shatan:Vertical Integration was a policy(non)making morass the last time around....  
Cheryl Langdon-Orr (CLO PDP Co-Chair):Indeed @Greg  
Rubens Kuhl:"Market Research" is my suggestion.  
Greg Shatan:It would be cleaner if some of the registrars were not also competing registries....  
Maxim Alzoba (FAITID):@Greg, is it a reference to some particular strategy?  
Maxim Alzoba (FAITID):I am not sure that following marketing strategies is limited  
Rubens Kuhl:A registrar that is not a registry could still apply to being a registry in a subsequent procedure... so even not asking VI-registrars, that doesn't prevent that from happening.  
Cheryl Langdon-Orr (CLO PDP Co-Chair):Yes Rubens it can become quite complex...  
Christopher Wilkinson:@Maxim: 1. ICANN IS the competition regulator for the DNS.  
Vanda Scartezini:+ 1 Chris. we need to go further with these points...  
Christopher Wilkinson:2. Suppose that non-geo use is permitted, then a large Registrar  
Michael Casadevall:The question is how far must a registry and registrar be seperated. It's possible for a parent organization to own both. Would that count as vertical intergration or the cases where companies merge and such. There's a lot of complexity here that would need defined and worked out.  
Rubens Kuhl:CW, as you can in RSEP procedures, ICANN is not a competition regulator... otherwise it wouldn't refer a new service to competition authorities, it would just make a call.  
Greg Shatan:Christopher, on number 1, not de June but de facto.  
Greg Shatan:de June = de jure  
Maxim Alzoba (FAITID):the same for monopoly (ICANN is a "historical phenomena", and not one - formally)  
Christopher Wilkinson:@Michaeel: See my point on structural separation. Who is doing the auditing?  
Maxim Alzoba (FAITID):or for example - a Registry accepts only local currency, and Registrars do not think it is a good idea to get involved into having this kind of accounts with banks ...

Greg Shatan:ICANN is more a market maker than a competition regulator, which in a sense is worse. A governmental competition regulator can allow or prohibit activity, levy fines, etc., without liability (though it is subject to review). ICANN is not privileged in that way....

Christopher Wilkinson:WE

Rubens Kuhl:Donna, a "must-carry" obligation was discussed, but it was ruled out since that was seen as only having merit if there was a clear channel defect, backed by economic studies.

Jim Prendergast:i have a similar recollection as Rubens

Christopher Wilkinson:Well, not de jure but de facto. See my comments from 2010.

Donna Austin, Neustar & Council Liaison:Thanks Jeff, and to Rubens and Jim

Steve Chan:@Jeff, see paragraph 3 in section (f)

Rubens Kuhl>Note that must-carry obligation usually applies to market participants above a certain size.

Rubens Kuhl:Although there are cases where it applies to all participants.

Steve Chan:Typo...

Cheryl Langdon-Orr (CLO PDP Co-Chair):Good catch

Donna Austin, Neustar & Council Liaison:Thank you, will review.

Steve Chan:The latter

Steve Chan:this is cumulative

Greg Shatan:@Jeff, piece of cake.

Cheryl Langdon-Orr (CLO PDP Co Chair):Apologies I keep loosing my AC connection today (unstable internet connection it seems - SIGH)

Jim Prendergast:so propose the draw as a way to eliminate both types of auctions?

Phil Buckingham:If we are to still have an ( ICANN ) auction of last resort we need clear recommendation of what to do with the proceeds

Maxim Alzoba (FAITID):chain of P2P negotiations will used even if all auctions are forbidden (so I am not sure if it is wise to try )

Phil Buckingham:thanks Jeff

Christopher Wilkinson:If must carry is necessary, it is because cross-ownership results in the Registrar having incentive to prioritise its 'own' registries. Not about the size of the entities.

Rubens Kuhl:CW, the most mentioned registrar people would like having "must carry" is GoDaddy, which aside from .godaddy Brand TLD is not vertically-integrated.

Jeff Neuman:Good idea Jim. That will be an action item for me and Cheryl (Cheryl and I?)

Cheryl Langdon-Orr (CLO PDP Co Chair):Noted Jeff

Rubens Kuhl:In 2012 GoDaddy applied to some TLDs and withdrawn all exactly to reassure registries they are not in competition with them.

Rubens Kuhl:So VI doesn't seem to be the issue in play.

Christopher Wilkinson:@Rubens Ok Godaddy. Donuts didn't. I ask for detailed data as to who owns what.

Maxim Alzoba (FAITID):and registrars are businesses , and limiting their own ability to sell what they believe is going to work this time in favour of their own TLD looks like playing politics instead of earning

Michael Casadevall:Is there a mechanism in place in case of multiple contested strings to prevent one company from essentially ending up in a de-facto monopoly on gTLDs strings (within a given sphere)

Rubens Kuhl:<Still about registrars> Donuts wasn't vertically integrated until the Rightside acquisition brought Name.com with it. So the first years they were still a pure-play registry.

Maxim Alzoba (FAITID):with the choice of >1000TLDs I am not sure how monopoly can be formed

Christopher Wilkinson:@Maxim: I know that certain ccTLDs who work with Registrars have lost confidence in the neutrality of Registrars that own competing Registries.

Vanda Scartezini:Christopher.. last meeting I also commnet on the situation here in LAC region

Maxim Alzoba (FAITID):@Cristopher, ccTLDs are quite different, lots of local orientation instead of global with TLDs

Rubens Kuhl:Strings of the same sector, perhaps ?

Christa Taylor:That theory was kinda mentioned - auctions where an applicant was applying for TLDs to 'lose' in auction and receive a financial windfall and how that might vary from an applicant with numerous different application and related or different industries

Rubens Kuhl:.CAR, .AUTO, .AUTOMOBILE ...

Christa Taylor:#industries

Rubens Kuhl:BTW, those strings were individual registries, which then formed a consortium to operate them together.

Steve Chan:@Michael, the issue you are talking about seems to be potentially present whether or not there is string contention?

Phil Buckingham:@ Michael - there is nothing to stop a big pocketed company at the moment acquiring other TLD Registries within a specific sector . Do you think we should limit this ?

Rubens Kuhl:"Be a dominant player"

Greg Shatan:Agree with @Steve.

Christa Taylor:Oligopoly

Alberto Soto:Sorry, I confused the time ....

Steve Chan:@all, I mention that only because it's being discussed that this topic/concept be included in section 1.1 or 1.2 and might be more applicable somewhere else

Alexander.berlin backup:Another reason we need to keep the application fees HIGH!

Greg Shatan:High fees favor the deep pockets, just in a different way.

Michael Casadevall:I think string contention is the case here; if no one is contending a string, then either you grant it to the solo applicant or deny it

Christa Taylor:Raising the application fees when you have the option of auction is very tough to justify as the fees would have to be significant - also to the detriment of legitimate applicants

Phil Buckingham:Exactly Alexander . We need different application fee entry levels

Greg Shatan:@Michael, on what basis would you deny it?

Michael Casadevall:Greg: I won't; I'm just saying that would be the only alternative.

Rubens Kuhl:High fees is also anti-competitive, since it favors incumbents.

Christa Taylor:Neat idea...

Alexander.berlin backup:The "draw" method will enable bad actors to force good actors to "buy them out".

Christopher Wilkinson:@ Replies: The chat is scrolling so fast and the chat window is so small that it is not possible to respond in real time.

Maxim Alzoba (FAITID):will that prevent bunches of "5 TLD" applicants to be bought after the process is finished?

Greg Shatan:@Alexander, only if you think bad actors have the "luck of the draw."

Alexander.berlin backup:No Greg: The good actors won't wait for the draw - they will pay to prevent the draw.

Christopher Wilkinson:@Steve - that needs to be commented upon. If only to exclude WT5 .

Rubens Kuhl:High fees are also selective against TLDs targeted at niche or low-GDP target markets, including but not limited to communities.

Phil Buckingham:Wow this is complex - so many integrated moving parts !

Greg Shatan:@Alexander, thanks for explaining your theory.

Michael Casadevall:This is probably a separate topic and possibly off-topic for subpro, but there's an argument of what happens during the life cycle of gTLDs; i.e., buyouts/transfers, or registrar ceases to exist.

Greg Shatan:We could have bidding for contended strings at the time of application. That would be fun!

Maxim Alzoba (FAITID):@Greg, do you refer to gamblig?

Maxim Alzoba (FAITID):\*gambling

Greg Shatan:@Maxim, I'm shocked — shocked! — to find that gambling is going on here!

Olga Cavalli:Hi apologies I must leave to a meeting now regards to all

Anne Aikman-Scalese:Thank you.

Steve Chan:WT5 is 09:00-13:15 and the full WG is 13:30-18:30 local time

Jim Prendergast:EPDP is going to be wrapped up by then anyway, right?

Maxim Alzoba (FAITID):are we sure it makes into the schedule without last time changes?

Jim Prendergast:On public comment period closing in less than 27 hours - I know this is a deadline driven community but is anyone concerned that as of now, there are only a small handful of comments submitted to the comment period? like less than 5 comments?

Steve Chan:@Maxim, we are as sure as we can be that these session times are fixed. I've not heard of any issues or requests otherwise.

Maxim Alzoba (FAITID):good

Christopher Wilkinson:@Jim I am also concerned. If I post a comment, it will be short in bullets and telegraph language. Not good enough

Gg Levine (NABP):Any update on the anticipated time commitment for participation in the subgroups?

Greg Shatan:@Jim, there are always a number of at (or after) the wire submissions.

Rubens Kuhl:Jim, I know one SG with lots of comments just discussing the final ones where there is divergence.

Jim Prendergast:oh really - which one??? ;)

Cheryl Langdon-Orr (CLO PDP Co Chair):It also depends on the amount of PC input each has to work through

Rubens Kuhl:It's too hard to guess. ;-)

Steve Chan:@Jeff, you skipped an agenda item! We can't get into details of course, given the time left, but maybe an introduction about the CCT-RT Final Report?

Cheryl Langdon-Orr (CLO PDP Co Chair):I suspect some may still trickle in through to the end of week as well ;-)

Vanda Scartezini:sorry I need to attend another call. thank you all

Cheryl Langdon-Orr (CLO PDP Co Chair):Bye Vanda thx for attending

Rubens Kuhl:But it's a likely indication of a few comments from non-ICANN groups.

Cheryl Langdon-Orr (CLO PDP Co Chair)::-) Jim

Jim Prendergast:It can't hurt -- not everyone one is as active in here as others

Alfredo Calderon:Moving on to another meeting. Til next week to all!

Cheryl Langdon-Orr (CLO PDP Co Chair):From WG members was the desire I thought we were not trying to be too formal in this lower case liaison point persons... But we can formalise Sure

Jeff Neuman:Good point on SSAC.

Anne Aikman-Scalese:Agree with Jim on this.

Rubens Kuhl:John Levine from SSAC joined a good number of WT4 calls.

Jim Prendergast:but not since there was this liaison concept

Greg Shatan:An engraved invitation is always appreciated.

Christopher Wilkinson:@Maxim: A large ccTLD uses Registrars, and has been worried about the neutrality of VI Registrars.

Michael Casadevall:I've got to hop on another call, so I got to go

Christopher Wilkinson:Good night Thanks, CW

Alexander.berlin backup:Bye

Cheryl Langdon-Orr (CLO PDP Co Chair):Thanks everyone... Again we are indeed pregressing!

Alberto Soto:Thanks, bye bye!!

Maxim Alzoba (FAITID):@Cristopher, some Registrars are worried about neutrality of ccTLDs, so it might not be a case

Cheryl Langdon-Orr (CLO PDP Co Chair):Bye

Phil Buckingham: thanks Jeff .

Greg Shatan:@CLO combo of progressing and regressing?