

2011-08-17-CEO-Report

PRESIDENT & CEO'S REPORT – 18 August 2011:

HUMAN RESOURCES:

Chris LaHatte has joined ICANN as the Ombudsman. His onboarding will be taking place in MdR during the weeks of 15 August and 22 August.

COMMUNICATIONS:

On August 12, we launched an interim refresh of ICANN.ORG. This is the first publicly visible sign of a process that will result in a complete redesign of the site by the end of this year. Industry blogs and Twitter responded positively to the refreshed look. The overall program is currently on time and on budget.

The new gTLDs team expects to launch a purpose-built new gTLDs “microsite” in September, designed to better accommodate visitors who hear of new gTLDs for the first time this year, and for the applicants we anticipate arriving soon. The new design will be both friendlier to newcomers, and easier on users of the TLD Application System (TAS).

SECURITY:

John Crain and Rick Lamb attended the IETF meeting in Quebec. John participated in a root ops table top exercise focused on communications. The participants are interested in doing this again at another meeting in FY12.

John and Dave Piscitello are on the planning committee finalizing presenters and topics for the DNS-EASY Symposium in Rome prior to the Dakar meeting in October.

Patrick Jones has been added to the IDN variant team and is providing support as Cyrillic case study liaison. The Cyrillic team will be meeting face-to-face at UNESCO's headquarters in Paris 20-21 Sept to finalize the Cyrillic report. This will be the first meeting supported under the MOU signed with UNESCO.

Geoff Bickers has been providing logistic support for the upcoming ICANN meeting in Dakar, and finalizing plans for meeting security for participants.

Geoff, John, Dave and Patrick have been working on plans to facilitate DNS training with Francopol for regional law enforcement, and on DNS capability training for ccTLD managers prior to the start of the ICANN meeting in Dakar. Other law enforcement reps will also conduct a workshop with select ICANN Security, Compliance and Policy staff on the Monday of the ICANN meeting. This has been well received.

The Security team has set up incidents@ icann.org mailing address for better tracking of internal incidents and metrics.

REGISTRARS:

- ICANN published the New Registrar Accreditation Application process incorporating background checks - a higher level of scrutiny to obtain accreditation.

- Pending Negotiation
- After beta-testing: ICANN is completing the Registrar Training Program and creating translations

IDN VARIANT PROJECT:

In July 2011, the six case study teams (Arabic, Chinese, Cyrillic, Devangari, Greek and Latin) continued its work through weekly/biweekly teleconference calls. In this month, ICANN staff supported a total of twenty-six teleconferences and one face-to-face meeting. Three of the six teams (Arabic, Chinese and Devanagari) have begun drafting their reports.

CONTRACTUAL COMPLIANCE:

Organization structure is complete and rolled out to the team with well-defined roles and responsibilities, clear career path, succession plan and backup and support plan.

Update re 3 Open Positions:

- Management approved the requisitions and positions were posted on ICANN website
- Positions are for a Compliance Manager, Compliance Analyst and a Compliance Performance Measure and Reporting
- Currently reviewing submitted resumes
- Posted the Compliance Manager on the Singapore Monster.com site [Employment Information](#)

AOC Whois Review:

- Visit by members of “WHOIS Review Compliance Subteam” to ICANN’s Marina del Rey office on 21 July 2011 was a great success.
- Staff provided comprehensive responses to “Questions for ICANN Staff about Whois Compliance”.

Registrar Data Escrow Audits:

- Pending Negotiation
- 10 registrars whose deposits failed in June 2011 audits were followed up and, as result, each of those registrars took corrective actions and passed the subsequent audit in July - representing 100% success rate.

Consumer complaints in July 2011: 1,663 were received and 1,231 were processed.

RAA Compliance notices: A total of 796 compliance notices were sent to registrars in July 2011 based on various compliance issues: transfer, data escrow, UDRP, Whois and financial.

RAA non-renewal notice - sent to Mister Name SARL (IANA ID #1319) for failure to pay accreditation fees and failure to provide Whois service.

AOC REVIEWS:

WHOIS Policy Review Team – The Team still plans to have a first draft of their report posted for public comment and discussion at the ICANN meeting in Dakar, and a final report shortly thereafter for submission to the Board. Team members will be in MdR next month to work on their draft. They plan to incorporate information gathered from (among other sources) a Staff questionnaire and a day-long meeting between a subset of members and ICANN Compliance Staff earlier this month. The Team also is assessing the application received in response to their RFP for a study on WHOIS consumer trust aspects, and they hope to launch that work soon. Staff continues to provide the Team support, including briefings, research and information sharing, as well as meeting organization and administrative assistance.

Security, Stability & Resiliency Review Team – The Team plans to develop an outline for their draft report for public discussion in Dakar, finalize the outline after the ICANN meeting, and commence initial report drafting. They expect to have a draft report for community discussion and review before the end of this calendar year, and to provide the Board with their final report early in 2012. A subgroup of the Team met in Washington D.C. this month and drafted a proposed framework for interviews, additional information gathering, and the report outline. This document is under review by the full Team. Staff continues to provide the Team support, including briefings, research and information sharing, as well as meeting organization and administrative assistance.

ATRT Implementation – Implementation of the Accountability & Transparency Review Team's recommendations (including supporting Board, GAC, NomCom and community work on ATRT implementation) is an ongoing priority. With the Board's action on the ATRT Recommendations in Singapore (including new guidance from Board Committees on various Recommendations) Staff is updating implementation plans, moving forward with implementation projects, applying new approaches to communicating about the ATRT, and related efforts to the community, and is developing proposed metrics for Board Committee consideration. A new "[Accountability & Transparency](#)" webpage providing easy access to key information, including most recent activities, is linked on ICANN's homepage, a new (more user friendly) webpage tracking ICANN's [Affirmation of Commitments'](#) responsibilities has been launched, and a public webinar has been scheduled for 31 August to discuss ATRT implementation activities with the community.

PROJECT OFFICE:

As part of 2012-2015 Strategic Plan development, this year we opened public comment to assist with an assessment of the organization's **S**trengths, **W**eaknesses, **O**pportunities and

Threats (SWOT). This is commonly called a SWOT analysis.

The seven key areas that ICANN leadership has highlighted and are requesting input on are:

1. Policy development process (including, for example, Whois and IDNs)
2. Multi-stakeholder model (including new stakeholders, balancing of input)
3. Globalization/Internationalization of ICANN (including the role of governments)
4. Underdeveloped nation participation (including how to increase participation)
5. DNS stability, security and resiliency (including DNNSEC adoption and RPKI deployment)
6. Introducing more competition, building consumer trust and choice (including the stable launch of a timely, predictable, reliable new gTLD process)
7. Strategic metrics (to measure performance and ensure project goals are aligned with strategic objectives)
8. General comments on Strategic Plan.

POLICY DEVELOPMENT:

At Large - Developments

- Policy Statements – The ALAC produced several statements in July and early August. They are:
 - ALAC Statement on the Preliminary Issue Report on the Current State of the UDRP
 - ALAC Statement on the WHOIS Policy Review Team Discussion
 - ALAC Statement on the IANA Further Notice of Inquiry (FNOI)
 - Joint Statement of the GAC and the ALAC on the Second Milestone Report of the Joint Applicant Support Cross-Community Working Group (JAS-WG)
- ALAC and ExCom Meetings – An ALAC meeting was held on July 26 and one will be held August 23. Two ExCom meetings were held in July and two are being planned for August. Details of the ExCom meetings are available on the ExCom workspace.
- ALS Applications – Currently three At-Large Structure Applications are being reviewed. The applications are: Ageia Densi Colombia (LACRALO), Association pour Linux et les logiciels libres au Burkina Faso/Association for Linux and free software in Burkina Faso (AFRALO), and Urdu Internet Society (APRALO). When these applications are accepted, the total number of ALSes will increase from 134 to 137.
- At-Large Elections – At-Large 2011 elections are underway for the positions of ALAC representatives, At-Large regional officers and At-Large representatives to the NomCom. The newly elected representatives, including the three NomCom selectees

to the ALAC, will take up their positions at the end of the AGM in Dakar. An At-Large 2011 Election Workspace has been created.

- At-Large Improvements – The Final Report will be presented to the SIC and the Board for approval in Dakar.
- At-Large Communication Platform - The first phase of increasing the At-Large presence on social media has commenced. At-Large friends on Facebook have increased by over 100%; At-Large followers on Twitter have increased by over 300%.
- AFRALO Dakar Events – Upon the request of the ALAC, ICANN FY12 funding for At-Large, totaling \$75,000, is being pooled in order to hold a series of capacity building meetings and an AFRALO General Assembly during the ICANN meeting in Dakar in which one representative from each AFRALO ALS will participate. These events are to focus on in-reach and outreach in the AFRALO region. In order to organize the series of meetings, a number of AFRALO WGs have been formed. Representatives from staff, including from the At-Large secretariat, Global Partnerships, and Finance have been invited to join these WGs. Two calls have so far taken place with more scheduled. An AFRALO Dakar Events Workspace has been set up by staff.

Participation & Engagement - Developments

- Remote Participation Tools/Systems at Dakar - Apart from the usual setup and preparation for the Remote Participation services at ICANN 42, Dakar is presenting its own specific challenges, such as possible power cuts and connection issues. Staff is working on early awareness for the issues to be able to make the necessary recommendations to ICANN Staff and organizations.
- ATRT Recommendations Implementations - Implementing the recommendation numbers 15/16/17/21 that are about Public Comment Processes after Board approval. They require webpage design changes, an internal clearance process (if resourcing is provided), a staff template for collecting necessary information to open a public comment and then to summarize and analyze them in a standardized format, a staff guideline outlining practices to open and to close a public comment period, stratification and prioritization of public comments, structural and technical changes in public comment processes enabling a Comment/Reply-Comment structure, and a process for compiling and publishing of a list about upcoming issues.
- The Staff achieved a notable success on June 30 when it launched a revised Public Comment portal designed to make comment forums easier to track and follow – see <http://www.icann.org/en/public-comment/>.
- This ongoing effort continues. Staff is currently:

- Working with the Focus Group collecting initial feedback on Stratification/Prioritization and Comment/Reply Comment constructs.
 - Working on a new technical forum based on wiki interface for participants to submit comments
 - After Focus Grp feedback, will work on a Public Comment period be opened for wider community feedback on these topics.
 - Progress of the project can be followed at:
 - <https://wiki.icann.org/display/policy/ATRT+Project-Public+Comments>
- ICANN Academy Program - ALAC/At Large representatives has developed some preliminary ideas on establishing an ICANN Academy program to provide a better and more streamlined training program for prospective or current ICANN stakeholders who would like to or takes active roles in their constituencies.
 - Meetings for the Next Decade - The PPC decided to have this discussion re-opened and investigate what improvements in the ICANN meeting format and structure can be made in terms of content, substance and efficiency in the format enabling faster progress in work issues. A summary report of previous work on the issue is to be discussed by the PPC at their meeting on 18th August. Following the discussions in that meeting, the work may be started sometime in 3Q-4Q 2011.

GNSO - Developments:

- GNSO Council proceeding on efforts to complete PDP re-write. Work team is completing final review of its Final Report. Council action by Dakar.
- For IRTP B -- completed the final public comment forum and it will be on the agenda for the next Board meeting.
- For PEDNR -- posted the PEDNR recommendations for final public comment before board consideration, which will likely be in Dakar.
- Policy Staff is working with the new Not-for-Profit Operational Concerns Constituency to provide it with administrative support services from the GNSO Toolkit of services.
- Policy Staff is supporting the development of a Draft Charter for a new GNSO Outreach Task Force that is being formed based on the recommendations approved by the GNSO Council at its meeting in Singapore. The goal of the Outreach Task Force is to survey current GNSO outreach efforts and use the results to develop a comprehensive GNSO Outreach Strategy that will compliment existing outreach efforts in the GNSO community and in ICANN.
- Policy Staff has supported revisions to the GNSO Council Operating Procedures to simplify and clarify procedures relating to proxy voting.

Security & Stability Advisory Committee (SSAC) - Developments:

- Developed and published the SSAC's third quarter 2011 Activity Report: <http://www.icann.org/en/committees/security/ssac-activity-report-jun11-en.pdf>, which includes updates to its Work Plan for 2011 and work completed this year.
- Supporting the development of an SSAC report on WHOIS Taxonomy to provide valuable input to the recommendations currently being developed by the WHOIS Review Team. The goal is to publish the report in early September.
- Supporting work on measuring effectiveness and reach of SSAC reports, advisories, and comments.
- Planning DNSSEC sessions for the ICANN meeting in Dakar, Senegal that will include key challenges and benefits for deployment of DNSSEC in the African region, as well as a popular session on DNSSEC for beginners.
- Planning the SSAC Annual Retreat to be held in the DC area 06-08 September. The annual retreat was established in 2009. The purpose of the retreat is to enable SSAC members to collaborate via in-depth, in-person meetings on complex security issues. In particular, during the retreat the SSAC will develop its annual work plan, discuss new security issues that may need to be addressed, and review the status of ongoing actions. This is a key activity of the SSAC and one that has greatly enhanced the effectiveness of the Committee.

Cross-Community Working Groups - Developments:

- Internationalized Registration Data Working Group (IRD-WG): The IRD-WG is developing a Final Report. This Report follows the IRD-WG review of the comments received on its Interim Report published for Public Comment in November 2010. See: <http://www.icann.org/en/public-comment/public-comment-201101-en.htm#ird>. The WG has concluded discussion of the draft outline of the Final Report, members are contributing material to Steve Sheng, and he is preparing a report for WG consideration. The goal of the IRD-WG is to present a draft Final Report for consideration at the ICANN meeting in Dakar, Senegal in October 2011. In its Final Report, the IRD-WG will address the Board's request as two issues:
 Suitability: Is it suitable or desirable to have internationalized registration data?
 Feasibility: Is it feasible to introduce submission and display specifications to deal with IRD?
 The Final Report will include background questions such as 1) What is domain name registration data? 2) Where are different registration data elements collected, stored and displayed? 3) What are the current practices of registrars, registries, and ccTLDs to support the display of internationalized data? And 4) What is the WHOIS protocol? The Final Report also will include findings and recommendations concerning the two issues identified above.
- DNS Security & Stability Analysis Working Group (DSSA-WG): The DSSA-WG is moving forward on the issues it identified at its meeting in Singapore. The DSSA-WG

is finalizing a framework for handling third-party information and is moving forward on the issues identified at its meeting in Singapore, including developing a set of criteria to evaluate the current state of DNS security and stability.

- IDN Variant Project (VIP): Supported the work of the Chinese (Steve Sheng) and Greek (Julie Hedlund) Case Study Teams, including managing weekly meetings, developing draft documents, and assisting in the identification of variants, character sets, and work plans. The goal is to produce initial reports by 30 September.
- Joint Applicant Support Working Group (JAS WG): Additional Staff has been brought on to help the WG complete its Final Report.

CEOMonthlyOnepageMetrics



CEO Monthly One - Page Metrics Report (Staff)

Report date: 15 August 2011

(millions)

Actual Financial Data*4	30 June 2011 (pre-audit)	Budget Variance
Operating Revenues	\$ 69.3	4 83%
Operating Expenses	\$ 60.0	-0 92%
Contribution from Operations	\$ 15.4	45 87%

Actual Financial Data	As of 30 June 2011 (pre-audit)
Assets	\$ 99.8
Liabilities	\$ 19.7
Cash	\$ 29.1
Reserve Fund	\$ 51.7

IDN Fast Track Billing Activity*5	ITD
Requests processed	20
IDN fees billed	\$728k
IDN fees collected	\$132K

Staffing *6 (as of 31 July)	Now
# of Staff	125
Open Positions	22
Retained Searches	5

Hires/Terminations*6	Month	FYTD
New Hires	1	17
Voluntary Terminations	0	15
Total Terminations	0	15

Participation ICANN Meetings	Singapore - 41st ICANN Meeting	% of Attendees
Participants	1,346	100%
Staff (w/Contractors and Vendors)	117	8.70%
Supported Travelers	126	9.40%

Support Services at Meetings	Singapore - 41st ICANN Meeting	% of Sessions
Sessions Conducted	168	100.0%
Live Audio Streaming	118	70.2%
Telephone Conferencing	102	60.7%
Interpretation	38	22.6%
Live Scribing	41	24.4%
Audio Transcription	125	74.4%
Web Chat Rooms	72	42.9%

Documents Produced	Trimester 3	FYTD Translations	Cost per word (in USD)
Public Comment Periods Opened	15		
Produced Documents	37		
Translation Requests	164	4 346 m words	\$0.10

Policy Development *1	T3 - Initiated	In Progress	Completed
ASO global policy proposals *c	0	1	0
ccNSO work groups *a	0	12	0
GNSO work groups *a	1	19	0
SSAC projects	1	3	4
At-Large statements *b	14	2	12

Growing Community Interest	Now
Number of ccNSO Members	117
Number of At Large Structures	134

Deployment IPv6 *10	Percentage of Total
IPv6 traffic to ICANN Sites	0 98%

IANA Services*7	Month Open	Month New	Month Closed	Outstanding
Root Zone Requests	21	46	45	22
IETF Requests	79	401	421	59
RIR Requests	0	0	0	0

Domain name registrations in gTLD's *2 (as of April 2011)	New Registrations YTD	Net Change in Registrations	Total Registrations
gTLD Total	35,932,477	9,633,200	132,173,462

IDN FastTrack Requests *3	Month	Total
Total Requests	0	34
Number of countries/territories with IDNs in the RZ	0	20

ccTLD commitments*9	Trimester 3	Signed Total	% of Signed Total
New ccTLD Accountability Frameworks	0	64	27%

Registrar Data Escrow	Now	% of gTLD Registrations Protected
No. registrars enrolled	870	99 50%

Involuntary Terminated or Non-Renewed Registrars *8	YTD	% of Total Registrars
Terminated	4	0.41%

"L" Root Service	Month	YTD
Uptime	100%	100%
Requests Served	32 Billion	130 Billion
Average Requests per second	12,000	12,000

*** Footnotes:**

- 1) Data is FY 11 Trimester 3 - ending 26 June 2011
 - a) Includes community working groups, work teams, committees, task forces only
 - b) Includes At-Large advisories and statements to Board and SOs only
 - c) ASO global policy proposals "in progress" are those being tracked by ICANN staff
- 2) Based on ICANN confidentiality restrictions, there is a 90 day lag of data available
- 3) Data as of 30 June 2011; Identifies the Number of unique IDN Fast Track applications received to date.
- 4) FY11 Data through 30 June 2011, year end audit is currently in progress
- 5) From inception January 2010 through 30 June 2011
- 6) Data as of 31 July 2011; Key Hires – Chris LaHatte (Ombudsman); Key Departures – none; Key promotions – none; Key Searches – VP Europe (filled – Thomas Spiller starts 29 August 2011), Chief of Staff, CFO, VP Africa, VP Asia
- 7) Data as of 30 June 2011, identifies the number of IANA Services requests during a given month
- 8) Data is from 1 January 2011 through 31 March 2011
- 9) This statistic is now calculated against the full ISO 3166-1 alpha 2 list of a total of 241 delegatd ccTLDs.
- 10) No change from last month. However, there was a significant increase in the overall amount of both IPv4 and IPv6 traffic to our web sites. So IPv6 traffic is increasing in proportion with IPv4 traffic

2011-08-25-01-Annex Reconsideration-Request-11-1

ANNEX TO ICANN BOARD SUBMISSION NO. 2011-08-25-01

TITLE: BGC Recommendation on Reconsideration 11-1

Reconsideration Request 11-1:

From: Contact Information

Subject: [reconsideration request] Request for Reconsideration. Please help!

Date: June 15, 2011 6:59:04 PM PDT

To: Reconsider@ICANN reconsider@icann.org

Hello,

My name is Mike Gende; I'm the president of the new Zeta Music Systems, LLC. I need ICANN's help in a matter concerning a domain.

Per your website, I have copied the requirements of a reconsideration request below and will fill in the details. I hope that is acceptable.

The information follows:

From 3 February 2009, Reconsideration Requests Are the Responsibility of the Board Governance Committee.

How to file a request for reconsideration. Requests for reconsideration must contain at least the following information:

a. name, address, and contact information for the requesting party, including postal and e-mail addresses;

Michael F. Gende,

Contact Information

Redacted

b. the specific action or inaction of ICANN for which review or reconsideration is sought.

I had requested that ICANN allow our company, Zeta Music Systems, LLC, to take over the domain zetamusic.com in late 2010. No action has been taken of which I have been made aware.

This domain was registered by the "late" Zeta Music Systems, INC of Tempe, AZ. That company has ceased operations for some years now.

We have verified their "corporate status rejected" disposition with the Arizona Commerce Commission (AZCC).

I have gone to the length of setting aside their corporate name for my use. To be clear: we have taken over their very corporate name in the state where they operated to make sure they were closed.

However, the domain zetamusic.com was pre-paid to the end of 2012 with Network Solutions. We therefore seek to have this domain released to us for the following reasons:

- **zetamusic.com is not being used nor is it parked on any server. The domain is effectively abandoned.**
- **All of the registration information for this domain is out of date. ICANN will not be able to contact anyone using this information. I had thought this violation of ICANN rules itself would allow for the action we seek.**
- **Our company is attempting to legitimately engage in commerce; not having access to this domain is a serious hindrance. Customers naturally go to "our company name" with the dot com suffix. As such, they end up not being able to find anyone. A year is a long time time to wait in this market for the registration to expire. *This is a large problem.***
- **We are a "going concern", in good standing with the Illinois Commerce Commission (ICC) and the IRS.**
- **We have registered many other zetamusic domains (.net, etc). However, the .com domain is by far the most**

important to the health of our business moving forward.

In closing, ICANN would be doing no harm to the former Zeta by reassigning the domain to us now. However, ICANN's inaction with regard to this issue *is* doing harm to our company as potential customers naturally go to the zetamusic.com domain, and find nothing.

Many naturally do this in error instead of using a domain we do control, zetamusic.net.

Please release the zetamusic.com domain to Zeta Music Systems, LLC of Illinois right away.

Thank You,

**Michael F. Gende
President
Zeta Music Systems, LL**

c. the date of the action or inaction;

My initial request was made in November of 2010. I only received word that the situation was being considered. Then, nothing.

A followup via your web site was made in May or June of 2011. A response to the followup simply stated we needed to buy the domain. We'd be happy to if ICANN would release it to us.

d. the manner by which the requesting party will be affected by the action or inaction;

See my answer to item b. However, to restate, customers naturally go to "our company" dot com. They find nothing and we, at this moment, are powerless to remedy the situation.

Potential customers can not find us. Such a situation is not good in any economy, let alone this one.

Bottom line, we lose money. It is a huge issue.

e. the extent to which, in the opinion of the party submitting the

Request for Reconsideration, the action or inaction complained of adversely affects others;

The inaction effects our customers. They can't find us. It adversely effects our company, we can't reach these potential customers or return customers. No one else would be effected in any way by our company being given control of the zetamusic.com domain. No one else is using it nor has anyone for some years now.

f. whether a temporary stay of any action complained of is requested, and if so, the harms that will result if the action is not stayed;

Not applicable to this request.

g. in the case of staff action or inaction, a detailed explanation of the facts as presented to the staff and the reasons why the staff's action or inaction was inconsistent with established ICANN policy(ies);

I do not believe this is applicable to this request either.

h. in the case of Board action or inaction, a detailed explanation of the material information not considered by the Board and, if the information was not presented to the Board, the reasons the party submitting the request did not submit it to the Board before it acted or failed to act;

I do not have enough information on the reasons why ICANN did not act on our behalf to comment.

i. what specific steps the requesting party asks ICANN to take- i.e., whether and how the action should be reversed, cancelled, or modified, or what specific action should be taken;

ICANN is requested to release the domain zetamusic.com from the long defunct Zeta Music Systems, INC to the new Zeta Music Systems, LLC, a company in good standing.

j. the grounds on which the requested action should be taken;

and

- **The registration information (via Network Solutions) for this domain is not valid nor has it been for years. That is because the company that did so is no longer running.**
- **Our company has the same name - totally above board, the former company is defunct - and not having access to this domain is a serious hindrance to our doing business.**
- **We have been able to take over the very operating name of the former Zeta in the state they operated in, as well as other intellectual assets they abandoned. This verifies that they are no longer in business and are not likely to return.**
- **Must our running company wait another year for the registration to run out? The registration info is invalid, that company is demonstrably gone, no harm would be done to them by releasing the domain to us, but harm is being done as we wait - so far in vain - for the domain to be released.**

k. any documents the requesting party wishes to submit in support of its request.

This is a link to the Arizona Commerce Commission supporting our contention concerning the corporate status of Zeta Music Systems, INC of Tempe AZ. That is, that they are closed and have been for some time:

<http://starpas.azcc.gov/scripts/cgiip.exe/WService=wsbroker1/names-detail.p?name-id=F11488861&type=CORPORATION>

This link shows that I, Mike Gende, have been able to set aside the closed company's name for myself. I have done so for most of 2011. None have contended this or approached me about using the name:

<http://starpas.azcc.gov/scripts/cgiip.exe/WService=wsbroker1/names-detail.p?name-id=N16742191&type=PENDING%20CORP.>

I have legal control of the former company's name in the state where they operated. This is completely legal and proper.

Please note they have not submitted annual reports officially since 2009. It was at about this time or earlier that the domain's use was abandoned.

If I can provide anything else, please tell me and I will make every effort to comply.

The above information must be submitted by e-mail to reconsider@icann.org. Requests" > reconsider@icann.org. Requests will be publicly posted.

2011-08-25-02-Annex IRTP Part B PDP - GNSO Council Report to the ICANN Board

GNSO Council Report to the ICANN Board

Inter-Registrar Transfer Policy Part B Policy Development Process

Executive Summary

The Generic Names Supporting Organization (GNSO) unanimously approved at its meeting on 22 June 2011 the following recommendations on the Inter-Registrar Transfer Policy (IRTP) Part B Policy Development Process (PDP):

- Requiring Registrars to provide a Transfer Emergency Action Contact (TEAC). To this end, proposed language to modify section 4 (Registrar Coordination) and Section 6 (Registry Requirements) of the Inter-Registrar Transfer Policy has been provided (see Annex for further details). The TEAC is a mechanism to facilitate urgent communications relating to transfers, with a goal to quickly establish real-time communication between registrar representatives in case of emergency (such as a transfer as a result of a domain name hijacking) so that the registrar can take steps to resolving the issue.
- Modifying section 3 of the IRTP (<http://www.icann.org/en/transfers/>) to require that the Registrar of Record/Losing Registrar be required to notify the Registered Name Holder/Registrant of the transfer out. Requiring this notification would alert the registrant at an earlier stage that a transfer has been requested, which would bring any potential conflicts to light before a transfer has been completed, potentially reducing the number of conflicts between the admin contact and registrant that would require undoing a transfer.
- Modifying Reason for Denial #6 (“Express written objection to the transfer from the Transfer Contact. (e.g. - email, fax, paper document or other processes by which the Transfer Contact has expressly and voluntarily objected through opt-in means”) to make the text clearer and reduce the potential for differing interpretations. The proposed replacement language tailors this Denial reason to explicitly address registrar-specific locks and make clear that the registrant must give some sort of informed opt-in express consent to having such a lock applied, and the registrant must be able to have the lock removed upon reasonable notice and authentication.

- Deleting denial reason #7 (“A domain name was already in “lock status” provided that the Registrar provides a readily accessible and reasonable means for the Registered Name Holder to remove the lock status.”) as a valid reason for denial under section 3 of the IRTP, as it is technically not possible to initiate a transfer for a domain name that is locked, making this denial reason obsolete.

Under the ICANN Bylaws, the Council’s unanimous (supermajority) support for the motion obligates the Board to adopt the recommendation unless by a vote of more than 66%, the Board determines that the policy is not in the best interests of the ICANN community or ICANN.

The policy recommendations above, if approved by the Board, will impose new obligations on certain contracted parties. The GNSO Council’s unanimous vote in favor of these items exceeds the voting threshold required at Article X, Section 3.9.f of the ICANN Bylaws regarding the formation of consensus policies.

Furthermore, the GNSO Council requested staff support for additional work on two other recommendations: one relating to standardizing and clarifying WHOIS status messages regarding Registrar Lock status, and; a second one relating to a new provision for the IRTP on when and how domains may be locked or unlocked. In addition, GNSO Council recommended the promotion by ALAC and other ICANN structures of the measures outlined in the recent report of the Security and Stability Advisory Committee on A Registrant's Guide to Protecting Domain Name Registration Accounts (SAC 044).

a. A clear statement of any Successful GNSO Vote recommendation of the Council

The Generic Names Supporting Organization (GNSO) unanimously approved at its meeting on 22 June 2011 the following recommendations on the Inter-Registrar Transfer Policy (IRTP) Part B Policy Development Process (PDP):

- 1) Requiring Registrars to provide a Transfer Emergency Action Contact (TEAC). To this end proposed language to modify section 4 (Registrar Coordination) and Section 6 (Registry Requirements) of the Inter-Registrar Transfer Policy has been provided (see Annex for further details). The Transfer Emergency Action Contact (TEAC) is a mechanism to facilitate

urgent communications relating to transfers. The goal of the TEAC is to quickly establish real time communication between registrar representatives in case of emergency such as a transfer as a result of a domain name hijacking so that the registrar can take steps to resolving the issue. The TEAC only addresses establishing that communication not resolving any disputes that may arise for which other policies and procedures apply.

- 2) Modifying section 3 of the IRTP to require that the Registrar of Record/Losing Registrar be required to notify the Registered Name Holder/Registrant of the transfer out. The Registrar of Record has access to the contact information for the Registrant and could modify their systems to automatically send out the Standardized Form for Losing Registrars ("Confirmation FOA") to the Registrant. Requiring this notification would alert the registrant at an earlier stage that a transfer has been requested, which as a result would bring any potential conflicts to light before a transfer has been completed and therefore might reduce the number of conflicts between the admin contact and registrant that would require undoing a transfer.
- 3) Modifying Reason for Denial #6 as follows: Express objection to the transfer by the authorized Transfer Contact. Objection could take the form of specific request (either by paper or electronic means) by the authorized Transfer Contact to deny a particular transfer request, or a general objection to all transfer requests received by the Registrar, either temporarily or indefinitely. In all cases, the objection must be provided with the express and informed consent of the authorized Transfer Contact on an opt-in basis and upon request by the authorized Transfer Contact, the Registrar must remove the lock or provide a reasonably accessible method for the authorized Transfer Contact to remove the lock within five (5) calendar days. The current language of denial reason #6 is not clear and leaves room for interpretation especially in relation to the term 'voluntarily' and it is therefore recommended that this language is expanded and clarified to tailor it more to explicitly address registrar-specific (i.e. non-EPP) locks in order to make it clear that the registrant must give some sort of informed opt-in express consent to having such a lock applied, and the registrant must be able to have the lock removed upon reasonable notice and authentication.
- 4) Deleting denial reason #7 as a valid reason for denial under section 3 of the IRTP as it is technically not possible to initiate a transfer for a domain name that is locked, and hence cannot be denied, making this denial reason obsolete.

Under the ICANN Bylaws, the Council's unanimous (supermajority) support for the motion obligates the Board to adopt the recommendation unless by a vote of more than 66%, the Board determines that the policy is not in the best interests of the ICANN community or ICANN.

- b. If a Successful GNSO Vote was not reached, a clear statement of all positions held by Council members. Each statement should clearly indicate (i) the reasons underlying each position and (ii) the constituency(ies) or Stakeholder Group(s) that held the position;**

N/A

- c. An analysis of how the issue would affect each constituency or Stakeholder Group, including any financial impact on the constituency or Stakeholder Group;**

Adoption of the recommendations will require changes in processes for registrars, especially recommendation 1) and 2), but these are considered to have a minimum impact and necessary in order to address the issues that are part of this Policy Development Process. The recommendations, if implemented, would usefully clarify and enhance the IRTP, to the advantage of all parties concerned.

- d. An analysis of the period of time that would likely be necessary to implement the policy;**

There are two components to implement the IRTP revisions adopted by the Board: 1) revising Section 3 of the IRTP and "Denial Reasons" numbers six and seven which are relatively straightforward; 2) implementing the TEAC which requires making changes to RADAR, and is dependent on the IT Department's resources in terms of personnel and time.

With regard to implementing the revisions to Section 3 and the relevant Denial Reasons of the IRTP, staff believes that it would take sixty to ninety (60-90) days to complete the following necessary steps for implementation which include: drafting of and obtaining the necessary legal clearance for the new revised language; posting the new policies and announcement on the ICANN website; setting up and providing appropriate separate notice processes to all accredited

Registrars under the 2009 RAA (electronic) and under the 2001 RAA (written notice); providing a “reasonable” period of time (usually 30-60 days) as required by the RAA for Registrars to comply with the new policies.

Ideally, implementation of the TEAC would take place within the above 60–90 day timeframe, as this then would require only one notification to Registrars. However, due to the necessary changes to RADAR, the timeframe is dependent on the IT Department, which at this point can only confirm that they cannot address the necessary work on RADAR until some time in September. Registrar compliance with the TEAC requirements could be considered more complex and therefore may warrant a slightly longer implementation timeframe (the RAA requires that "Registrar shall be afforded a reasonable period of time after notice of the establishment of a specification or policy... to comply with that specification or policy, taking into account any urgency involved.")

Therefore, the earliest implementation of the policy would be 60-90 days after being directed by the Board to do so, however, if staff decides for efficiency and cost reasons (i.e., written notifications to 103 Registrars under the 2001 RAA) to complete the implementation of all policy changes at one time with one notification to Registrars, then the possible additional time to prepare and implement the TEAC must be taken into account.

- e. The advice of any outside advisors relied upon, which should be accompanied by a detailed statement of the advisor's (i) qualifications and relevant experience; and (ii) potential conflicts of interest;**

N/A

- f. The Final Report submitted to the Council**

The IRTP Part B PDP Final Report can be found here: <http://gnso.icann.org/issues/transfers/irtp-b-final-report-30may11-en.pdf>. Translations of the Final Report are also available (see <http://www.icann.org/en/announcements/announcement-30may11-en.htm>).

- g. A copy of the minutes of the Council deliberation on the policy issue, including the all opinions expressed during such deliberation, accompanied by a description of who expressed such opinions.**

Item 3: Inter-Registrar Transfer Policy Part B Working Group

Marika Konings provided a brief update to the Council on the Final Report on the Inter-Registrar Transfer Policy – Part B Policy Development Process

<http://gns0.icann.org/issues/transfers/council-briefing-irtp-b-14jun11-en.pdf>

Tim Ruiz, seconded by **Jonathan Robinson** proposed a motion that was amended by **Adrian Kinderis** and **Kristina Rosette** on the adoption of the IRTP Part B Final Report and Recommendations

(Each resolved clause required a different voting threshold and was voted on separately.)

WHEREAS on 24 June 2009, the GNSO Council launched a Policy Development Process (PDP) on IRTP Part B addressing the following five charter questions:

- a. Whether a process for urgent return/resolution of a domain name should be developed, as discussed within the SSAC hijacking report (<http://www.icann.org/announcements/hijacking-report-12jul05.pdf>); see also (<http://www.icann.org/correspondence/cole-to-tonkin-14mar05.htm>);
- b. Whether additional provisions on undoing inappropriate transfers are needed, especially with regard to disputes between a Registrant and Admin Contact (AC). The policy is clear that the Registrant can overrule the AC, but how this is implemented is currently at the discretion of the registrar;
- c. Whether special provisions are needed for a change of registrant when it occurs near the time of a change of registrar. The policy does not currently deal with change of registrant, which often figures in hijacking cases;
- d. Whether standards or best practices should be implemented regarding use of a Registrar Lock status (e.g. when it may/may not, should/should not be applied);
- e. Whether, and if so, how best to clarify denial reason #7: A domain name was already in 'lock status' provided that the Registrar provides a readily

accessible and reasonable means for the Registered Name Holder to remove the lock status.

WHEREAS this PDP has followed the prescribed PDP steps as stated in the Bylaws, resulting in a Final Report delivered on 30 May 2011;

WHEREAS the IRTP Part B WG has reached full consensus on the recommendations in relation to each of the five issues outlined above;

WHEREAS the GNSO Council has reviewed and discussed these recommendations.

Resolved

RESOLVED (A), the GNSO Council recommends to the ICANN Board of Directors:

1. Requiring Registrars to provide a Transfer Emergency Action Contact (TEAC). To this end the language of section 4 (Registrar Coordination) and Section 6 (Registry Requirements of the Inter-Registrar Transfer Policy should be updated as follows:

Transfer Emergency Action Contact (Append to Section 4)

Registrars will establish a Transfer Emergency Action Contact (TEAC) for urgent communications relating to transfers. The goal of the TEAC is to quickly establish a real-time conversation between registrars (in a language that both parties can understand) in an emergency. Further actions can then be taken towards a resolution, including initiating existing (or future) transfer dispute or undo processes.

Communications to TEACs will be reserved for use by ICANN-Accredited Registrars, gTLD Registry Operators and ICANN Staff. The TEAC point of contact may be designated as a telephone number or some other real-time communication channel and will be recorded in, and protected by, the ICANN RADAR system.

Communications to a TEAC must be initiated in a timely manner, within a reasonable period of time following the alleged unauthorized loss of a domain.

Messages sent via the TEAC communication channel must generate a non-automated response by a human representative of the gaining Registrar. The person or team responding must be capable and authorized to investigate and address urgent transfer issues. Responses are required within 4 hours of the initial request, although final resolution of the incident may take longer.

The losing registrar will report failures to respond to a TEAC communication to ICANN Compliance and the registry operator. Failure to respond to a TEAC communication may result in a transfer-undo in accordance with Section 6 of this policy and may also result in further action by ICANN, up to and including non-renewal or termination of accreditation.

Both parties will retain correspondence in written or electronic form of any TEAC communication and responses, and share copies of this documentation with ICANN and the registry operator upon request. This documentation will be retained in accordance with Section 3.4 of the Registrar Accreditation Agreement (RAA). Users of the TEAC communication channel should report non-responsive Registrars to ICANN. Additionally, ICANN may conduct periodic tests of the Registrar TEAC communication channel in situations and a manner deemed appropriate to ensure that registrars are indeed responding to TEAC messages.

(Append to Section 6) 6 iv. Documentation provided by the Registrar of Record prior to transfer that the Gaining Registrar has not responded to a message via the TEAC within the timeframe specified in Section 4.

In addition, update section 6 to reflect that the registry, in case of a transfer undo, will reverse the transfer and reset the registrar of record filed to its original state ('In such case, the transfer will be reversed and the Registrar of Record field reset to its original state'). (IRTP Part B Recommendation #1)

2. Modifying section 3 of the IRTP to require that the Registrar of Record/Losing Registrar be required to notify the Registered Name Holder/Registrant of the transfer out. The Registrar of Record has access to the contact information for the Registrant and could modify their systems to automatically send out the Standardized Form for Losing Registrars ("Confirmation FOA") to the Registrant. (IRTP Part B Recommendation #5)
3. Modifying Reason for Denial #6 as follows: Express objection to the transfer by the authorized Transfer Contact. Objection could take the form of specific request (either by paper or electronic means) by the authorized Transfer Contact to deny a particular transfer request, or a general objection to all transfer requests received by the Registrar, either temporarily or indefinitely. In all cases, the objection must be provided with the express and informed consent of the authorized Transfer Contact on an opt-in basis and upon request by the authorized Transfer Contact, the Registrar must remove

the lock or provide a reasonably accessible method for the authorized Transfer Contact to remove the lock within five (5) calendar days. (IRTP Part B Recommendation #6)

4. Deleting denial reason #7 as a valid reason for denial under section 3 of the IRTP as it is technically not possible to initiate a transfer for a domain name that is locked, and hence cannot be denied, making this denial reason obsolete. (IRTP Part B Recommendation #9 – part 1)

The motion carried unanimously.

RESOLVED (B), the GNSO Council recommends the promotion by ALAC and other ICANN structures of the measures outlined in the recent report of the Security and Stability Advisory Committee on A Registrant's Guide to Protecting Domain Name Registration Accounts (SAC 044). In particular, the GNSO Council recommends that registrants consider the measures to protect domain registrar accounts against compromise and misuse described in SAC044, Section 5. These include practical measures that registrants can implement "in house", such as ways to protect account credentials and how to incorporate domain name registrations into employee or resource management programs typically found in medium and large businesses. It suggests ways that registrants can use renewal and change notifications from registrars as part of an early warning or alerting system for possible account compromise. The GNSO Council Chair will reach out to the ALAC and other ICANN structures to inform them of this recommendation and discuss how the GNSO may contribute to this promotion. (IRTP Part B Recommendation #2)

The motion carried unanimously.

RESOLVED (C), the GNSO Council acknowledges receipt of IRTP Part B Recommendation #7 and will consider this recommendation when it considers the Final Issue Report on the Current State of the UDRP.

The motion carried unanimously.

RESOLVED (D), prior to the consideration of approval of the recommendation which states: "denial reason #7 should be replaced by adding a new provision in a different section of the IRTP on when and how domains may be locked or unlocked", the GNSO Council requests ICANN Staff to provide a proposal for such a new provision, taking into account the IRTP Part B WG deliberations in relation to this issue (see IRTP Part B Final Report – (Recommendation #9 – part

2). Upon review of the proposal, the GNSO Council will consider whether to approve the recommendation.

The motion carried unanimously.

RESOLVED (E), prior to the consideration of approval of the recommendation regarding the standardizing and clarifying WHOIS status messages regarding Registrar Lock status, the GNSO Council requests ICANN staff to provide a proposal designed to ensure a technically feasible approach can be developed to meet this recommendation. Staff should take into account the IRTP Part B WG deliberations in relation to this issue (see IRTP Part B Final Report). (IRTP Part B Recommendation #8). The goal of these changes is to clarify why the Lock has been applied and how it can be changed. Upon review of the proposed plan, the GNSO Council will consider whether to approve the recommendation.

The motion carried unanimously.

RESOLVED (F), the GNSO Council will consider IRTP Part B Recommendation #3 concerning the request of an Issue Report on the requirement of 'thick' WHOIS for all incumbent gTLDs at its next meeting on 21 July.

The motion carried unanimously.

RESOLVED (G), the GNSO Council requests an Issue Report on IRTP Part C, which should include:

- "Change of Control" function, including an investigation of how this function is currently achieved, if there are any applicable models in the country-code name space that can be used as a best practice for the gTLD space, and any associated security concerns. It should also include a review of locking procedures, as described in Reasons for Denial #8 and #9, with an aim to balance legitimate transfer activity and security. (IRTP Part B Recommendation #4)
- Whether provisions on time-limiting Form Of Authorization (FOA)s should be implemented to avoid fraudulent transfers out. For example, if a Gaining Registrar sends and receives an FOA back from a transfer contact, but the name is locked, the registrar may hold the FOA pending adjustment to the domain name status, during which time the registrant or other registration information may have changed.

- Whether the process could be streamlined by a requirement that registries use IANA IDs for registrars rather than proprietary IDs.

The motion carried unanimously.

ADDITIONAL INFORMATION

h. Consultations undertaken

External

Public comment forums were held on the initiation of the PDP, the Initial Report, the proposed Final Report and the recommendations subject to Board Consideration, in addition to regular updates to the GNSO Council as well as workshops to inform and solicit the input from the ICANN Community at ICANN meetings (see for example, Brussels Meeting and San Francisco Meeting). Constituency / Stakeholder Group Statements were submitted (see <https://community.icann.org/display/gnsoirtpb/IRTP+Part+B>). All comments received have been reviewed and considered by the IRTP Part B PDP WG (see section 6 of the IRTP Part B Final Report).

Internal

Regular input was received from the ICANN Compliance as well as the Legal Department in relation to the recommendations under consideration and potential issues raised with the IRTP Part B PDP Working.

i. Summary and Analysis of Public Comment Forum to provide input on the IRTP Part B Recommendations adopted by the GNSO Council prior to ICANN Board consideration

A public comment forum was held from 8 July to 8 August 2011. Three comments were received: one from Andreas Bartels (Deutsche Telekom AG), one from David Maher on behalf of the gTLD Registries Stakeholder Group (RySG) and one from Steve DelBianco on behalf of the Business Constituency (BC). The RySG and BC both express their support for the recommendations and encourage their adoption by the ICANN Board. Andreas Bartels expresses his concern with regard to the four hour response time required as part of the Transfer

Emergency Action Contact (TEAC) recommendation and notes that it would put ‘too much burden on small and medium sized registrars’. However, the commenter seems to assume that a resolution is required within four hours (‘A final solution/ settlement can take place also after 1 or 2 days’) instead of an initial response, which is the only requirement under the proposed TEAC. As the IRTP Part B PDP Working Group explained it in its Final Report ‘the goal of the TEAC is to quickly establish real time communication between registrar representatives who can take steps to resolving the issue, but this policy only addresses establishing that communication not resolving any disputes that may arise’. With regard to the four hour response time, the IRTP Part B PDP Working Group noted that ‘even the smallest of registrars can simply rotate this function among operational staff, just as they rotate other “emergency” aspects of their business. The number of TEAC requests is likely to be very small and quite infrequent, but when they occur there is a genuine emergency that needs to be dealt with quickly’. It should be noted that both small as well as big registrars participated in the deliberations of the IRTP Part B Working Group and supported the recommendations.

j. Implementation Recommendations for Recommendation #1 as developed by the IRTP Part B PDP Working Group

- In the first phase of implementation, the IRTP Part B WG recommends that the ICANN Registrar Application and Database Access Resource (RADAR) system is used to record the TEAC point of contact.
- In order to avoid potential abuse of the TEAC for non-emergency issues or claims that TEAC messages did not receive a timely response, the WG recommends that the RADAR system is adapted, as part of a second phase implementation, so that registrars log in to send or respond to a TEAC, with both transactions time stamped with copy to ICANN and the Registry.
- The IRTP Part B Working Group recommends that the GNSO perform a follow-up review of the TEAC 12 to 24 months after the policy is implemented to identify any issues that may have arisen and propose modifications to address them. This review should specifically address whether the TEAC is working as intended (to establish contact between registrars in case of emergency), whether the TEAC is not abused (used for issues that are not

considered an emergency) and whether the option to ‘undo’ a transfer in case of failure to respond to a TEAC should be made mandatory.

- See also Annex C – TEAC FAQ in the IRTP Part B Final Report for further details concerning the intent and objective of the TEAC.

k. Impact / Implementation Considerations from ICANN Staff

- Transfer related issues are the # 1 area of complaint according to data from ICANN Compliance. Improvements to the IRTP have the potential to reduce the number of complaints, in addition to providing clarity and predictability to registrants as well as registrars.
- In relation to recommendation 1 (TEAC), some non-WG participants have claimed that this might result in registrant’s reclaiming names as a result of ‘seller-remorse’. It should be pointed out that only registrars can use the TEAC, not registrants. Also, the obligation as part of the TEAC is fulfilled as soon as the registrar that is contacted by using the TEAC responds (note, no resolution of issue required to fulfill the obligations under this new proposed policy). Only if a TEAC is not responded to, the transfer may be undone.
- Some have argued that the 4 hour response time in relation to the TEAC is too short and does not accommodate different time zones (see for example public comments submitted), but registrar representatives on the WG were the main proponents for having this short timeframe noting that a short response time is essential in emergency situations and that most registrars already work with a 24/7 on call system, even smaller ones (and if not, cost-efficient solutions are available to provide such a service). In the WG’s own words: *“The policy requires a four-hour response time. Isn’t that going to be hard for smaller registrars to cover, especially at night or on the weekends? No. Even the smallest of registrars can simply rotate this function among operational staff, just as they rotate other “emergency” aspects of their business. The number of TEAC requests is likely to be very small and quite infrequent, but when they occur there is a genuine emergency that needs to be dealt with quickly”* (See Annex C of the IRTP Part B Final Report).
- During the WGs deliberations on the TEAC, discussions were held with ICANN Staff to investigate whether the TEAC could be incorporated as part of the existing RADAR system, and ICANN Staff confirmed that this would be a feasible and recommendable approach.

2011-08-25-04-Annex Board-Remuneration

ANNEX TO ICANN BOARD SUBMISSION NO. 2011-08-25-04

TITLE: **Next Steps in Considering Board member Remuneration**

1. Attachment A hereto is a redline showing proposed revisions to the Conflicts of Interest Policy.
2. Attachment B hereto is a redline showing proposed revisions to the ICANN Bylaws.

Submitted by: John O. Jeffrey; Amy A. Stathos

Positions: General Counsel and Secretary; Deputy General Counsel

Date Noted: 17 August 2011

Emails and Phone Numbers: john.jeffery@icann.org; **Contact**
amy.stathos@icann.org; **Contact**

2011-08-25-04-Annex Exhibit-A-Board-Remuneration

EXHIBIT A

Conflicts of Interest Policy Effective 30 July 2009

ARTICLE I -- PURPOSE AND ADMINISTRATION

Section 1.1 The purpose of the Conflicts of Interest Policy (the "COI Policy") is to ensure that the deliberations and decisions of ICANN are made in the interests of the global Internet community as a whole and to protect the interests of ICANN when ICANN is contemplating entering into a transaction, contract, or arrangement that might benefit the private interest of a Covered Person.

Section 1.2 A Covered Person (see Section VII below for definitions of all defined terms that can be identified throughout this Policy with initial capital letters) may not use his or her position with respect to ICANN, or confidential corporate information obtained by him or her relating to ICANN, in order to achieve a financial benefit for himself or herself or for a third person, including another nonprofit or charitable organization.

Section 1.3 This COI Policy is intended to supplement but not to replace any applicable laws governing conflicts of interest in nonprofit and charitable corporations.

Section 1.4 ICANN will encourage ICANN Supporting Organization and Advisory Committees and other ICANN bodies, as appropriate, to consider implementing the principles and practices of this COI Policy as relevant.

Section 1.5 The Board Governance Committee shall administer and monitor compliance with the COI Policy.

Section 1.6 Certain Capitalized Terms used in this COI Policy shall have the meanings set forth in Article VII of this COI Policy.

ARTICLE II -- PROCEDURES REGARDING CONFLICTS OF INTEREST

Section 2.1 **Duty to Disclose.**

(a) In connection with any proposed transaction, contract, or arrangement being considered by ICANN, a Covered Person shall promptly disclose to the Board Governance Committee the existence of any Potential Conflicts that may give rise to a Conflict of Interest with respect to the proposed transaction, contract, or arrangement.

(b) The disclosure to the Board Governance Committee of a Potential Conflict shall be made pursuant to such procedures as the Board Governance Committee may establish from time to time. The Covered Person making such disclosure is referred to herein as an Interested Person.

Section 2.2 **Determining Whether a Conflict of Interest Exists.**

(a) After disclosure of a Potential Conflict by an Interested Person, the Board Governance Committee shall have a discussion with the Interested Person regarding the material facts with respect to the Potential Conflict.

(b) Thereafter, in the absence of the Interested Person, Disinterested members of the Board Governance Committee shall determine whether or not the circumstances disclosed by the Interested Person regarding the Potential Conflict constitute a Conflict of Interest, and, subject to a contrary finding by the Disinterested Board members, the determination by the Disinterested members in this regard is conclusive and may not be challenged by the Interested Person. If the Interested Person is a Director, such determination shall be reported to the Disinterested Board members at the next Board meeting and shall be subject to Board ratification.

Section 2.3 Procedures for Addressing a Conflict of Interest.

(a) If the Board Governance Committee determines that a Conflict of Interest exists, the Conflicted Person may make a presentation to the Board Governance Committee regarding the transaction, contract, or arrangement. After any such presentation, the Conflicted Person shall leave the meeting and shall not be present during any discussion of the Conflict of Interest.

(b) The Chair of the Board Governance Committee shall, if appropriate, appoint a Disinterested person or committee to investigate alternatives to the proposed transaction, contract, or arrangement. If the Conflicted Person is a Board member, the findings shall be reported to the Board.

(c) After exercising due diligence, the Board Governance Committee shall determine whether ICANN can obtain with reasonable efforts a more advantageous transaction, contract, or arrangement in a manner that would not give rise to a Conflict of Interest. If the Conflicted person is a Board member, such determination shall be reported to the Board.

(d) If a more advantageous transaction, contract, or arrangement is not reasonably possible under circumstances not producing a Conflict of Interest, the Board Governance Committee, and where the Conflicted Person is a Board member, the Board, shall determine by a majority vote of the Disinterested members whether the transaction, contract, or arrangement is in ICANN's best interest, for its own benefit, and whether it is fair and reasonable to ICANN. In conformity with those determinations, the Board Governance Committee or the Board, as applicable, shall make its decision as to whether ICANN should enter into the transaction, contract or arrangement.

Section 2.4. Duty to Abstain

(a) No Director ~~may vote on, and must abstain from voting on,~~ on any matter in which ~~the Director has~~ a material Financial Interest that will be affected by the outcome of the vote, ~~except that a Director need not abstain from, and may vote on, whether to accept or to reject a recommendation to the Board by an Independent Valuation Expert contained~~

Author
Deleted: shall
Author
Deleted: he or she has

in a Reasoned Written Opinion from such Independent Valuation Expert regarding a compensation arrangement for services provided by the Director to ICANN in the Director's capacity as member of the Board of ICANN.

(b) In the event of such an abstention, the abstaining Director shall state the reason for the abstention, which shall be noted in the notes of the meeting in which the abstention occurred.

(c) Except as otherwise provided in Section 2.4(a), above, regarding a compensation arrangement for services provided by the Director to ICANN in the Director's capacity as member of the Board of ICANN, no Director may participate in Committee or Board deliberations on any matter in which he or she has a material Financial Interest without first disclosing the conflict and until a majority of Disinterested Committee or Board members present agree on whether and in what manner the Board member may participate.

Author
Deleted: No Director shall

Section 2.5 **Violations of the Conflicts of Interest Policy.**

(a) If the Board Governance Committee has reasonable cause to believe a Covered Person has failed to disclose an actual or Potential Conflict of Interest, the Board Governance Committee shall inform the Covered Person, and initiate the procedures described in Section 2.2 and 2.3.

ARTICLE III-- RECORDS OF PROCEEDINGS

Section 3.1 The written or electronic records of the Board and the Board Governance Committee relating to Conflicts of Interest shall contain:

- (a) The names of Covered Persons who disclosed or otherwise were found to have a Potential Conflict in connection with a proposed transaction, contract, or arrangement;
- (b) The nature of the Potential Conflict;
- (c) Any action taken to determine whether a Conflict of Interest was present;
- (d) The Board's or Board Governance Committee's, as applicable, decision as to whether a Conflict of Interest in fact existed;
- (e) The names of the persons who were present for discussions and votes relating to the transaction, contract, or arrangement;
- (f) The content of the discussion, including any alternatives to the proposed transaction, contract, or arrangement; and
- (g) A record of any votes taken in connection therewith.

ARTICLE IV -- COMPENSATION

Section 4.1 A Covered Person who receives compensation, directly or indirectly, from ICANN for services may not vote on matters pertaining to the Covered Person's compensation.

Section 4.2 A Covered Person may not vote on matters pertaining to compensation received, directly or indirectly from ICANN by a member of the Covered Person's Family or by an individual with whom a Covered Person has a close personal relationship, including, but not limited to, any relationship other than kinship, spousal or spousal equivalent that establishes a significant personal bond between the Covered Person and such other individual that in the judgment of the Board Governance Committee could impair the Covered Person's ability to act fairly and independently and in a manner that furthers, or is not opposed to, the best interests of ICANN.

Section 4.3 No Covered Person who receives compensation, directly or indirectly, from ICANN, either individually or collectively, is prohibited from providing information to the Board or to any Committee regarding the Covered Person's compensation.

ARTICLE V -- ANNUAL STATEMENTS

Section 5.1 Each Covered Person shall annually sign a statement which affirms such Covered Person: (i) has received a copy of the COI Policy; (ii) has read and understands the COI Policy; (iii) has agreed to comply with the COI Policy; and (iv) understands ICANN is a tax-exempt organization described in § 501(c)(3) of the Internal Revenue Code and that in order to maintain its federal tax exemption, ICANN must engage primarily in activities which accomplish one or more of ICANN's tax-exempt purposes.

ARTICLE VI -- PERIODIC REVIEWS

Section 6.1 To ensure ICANN operates in a manner consistent with its tax-exempt purposes and does not engage in activities that could jeopardize its tax-exempt status, ICANN's Office of the General Counsel and Finance Department shall conduct periodic reviews of its purposes and activities.

Section 6.2 These periodic reviews shall, at a minimum, include the following subjects:

- (a) Whether activities carried on by ICANN are consistent with and in furtherance of one or more of ICANN's tax-exempt purposes;
- (b) Whether ICANN follows policies and procedures reasonably calculated to prevent private inurement more than incidental private benefit, excess benefit transactions, substantial lobbying, and participation or intervention in any political campaign on behalf of or in opposition to any candidate for public office; and
- (c) Whether compensation arrangements and benefits are reasonable, are based on appropriate data as to comparability, and are the result of arm's length bargaining.
- (d) Whether partnerships, joint ventures, and arrangements with organizations that

provide management personnel or management services conform to ICANN's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further tax-exempt purposes, and do not result in private Inurement more than incidental private benefit, or in an excess benefit transaction.

Section 6.3 When conducting the periodic reviews, ICANN may, but need not, use outside experts and/or advisors. If outside experts and/or advisors are used, their use shall not relieve the Board of ICANN of its responsibility for ensuring periodic reviews are conducted in the manner prescribed in this Article.

ARTICLE VII -- DEFINITIONS

Section 7.1 As used in this COI Policy, the following terms shall have the meanings set forth below.

- (a) "Board Liaison" shall mean those liaisons to the ICANN Board of Directors appointed in accordance with ICANN's Bylaws.
- (b) "Compensation" includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.
- (c) "COI Policy" means this Conflict of Interest Policy as adopted by the Board of ICANN on 30 July 2009.
- (d) A "Conflict of Interest" arises when the Board or Board Governance Committee, as applicable, following the procedures set forth in Articles II and III of this COI Policy, determines that a Covered Person has disclosed a Potential Conflict that may in the judgment of a majority of the Disinterested members of the Board or Board Governance Committee, as applicable, adversely impact the Covered Person's ability to act fairly and independently and in a manner that furthers, or is not opposed to, the best interests of ICANN.
- (e) "Conflicted Person" means a Person that has been determined by the Board Governance Committee to have a Conflict of Interest.
- (f) "Covered Person" shall mean an Officer, Director, Board Liaison, or Key Employee of ICANN.
- (g) A "Director" is any voting member of the Board of ICANN.
- (h) "Disinterested" means not having a Potential Conflict with respect to a transaction, contract, or arrangement being considered by ICANN.
- (i) "Domestic Partner" shall mean an individual who resides at the same residence as the Covered Person as his or her spousal equivalent.
- (j) A "Duality of Interest" arises when with respect to a transaction, contract, or

arrangement, a Covered Person or a member of a Covered Person’s Family has a fiduciary relationship with another party to a proposed transaction, contract, or arrangement which gives rise to a circumstance in which the fiduciary duties of the Covered Person to ICANN and the fiduciary duties of the Covered Person, or the fiduciary duties of the Family Member of the Covered Person, to the other party may be in conflict. A Duality of Interest does not constitute a Conflict of Interest if ICANN and all other parties to the transaction, contract, or arrangement, being in possession of all material facts, waive the conflict in writing.

(k) The “Family” of any Covered Person shall include the Covered Person’s spouse; Domestic Partner; siblings and their spouses or Domestic Partners; ancestors and their spouses or Domestic Partners; and descendants and their spouses or Domestic Partners.

(l) A “Financial Interest” exists whenever a Covered Person has, directly or indirectly, through business, investment, or Family: (i) an ownership or investment interest in any entity with which ICANN has a transaction, contract, or other arrangement; (ii) a compensation arrangement with any entity or individual with which ICANN has a transaction, contract, or other arrangement; and (iii) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which ICANN is negotiating a transaction, contract, or other arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. Transactions, contracts, and arrangements include grants or other donations as well as business arrangements. A Financial Interest is a Potential Conflict but is not necessarily a Conflict of Interest. A Financial Interest does not become a Conflict of Interest until the Board Governance Committee, following the procedures set forth in Articles II and III of this COI Policy, determines that the Financial Interest constitutes a Conflict of Interest.

(m) An “Independent Valuation Expert” means a Person retained by ICANN to value compensation arrangements that: (i) holds itself out to the public as a compensation consultant; (ii) performs valuations regarding compensation arrangements on a regular basis, with a majority of its compensation consulting services performed for Persons other than ICANN; (iii) is qualified to make valuations of the type of services involved in any engagement by and for ICANN; (iv) issues to ICANN a Reasoned Written Opinion regarding a particular compensation arrangement; and (v) includes in its Reasoned Written Opinion a certification that it meets the requirements set forth in (i) through (iv) of this definition.

(n) An “Interested Person” is a Covered Person who has a Potential Conflict of Interest with respect to a particular transaction, contract, or arrangement under consideration by the Board or Board Governance Committee, as applicable.

(o) “Internal Revenue Code” shall mean the United States Internal Revenue Code of 1986, as amended, or any future revenue statute replacing the 1986 Code.

(p) “Inurement,” as used in this COI Policy, shall mean: (i) a transaction in which ICANN provides an economic benefit, directly or indirectly, to or for the use of any

Author
Deleted: n

Author
Deleted: o

Covered Person where the value of that economic benefit exceeds the value of the consideration (including the performance of services) that ICANN receives in exchange; or (ii) any transaction or arrangement by or through which a Covered Person receives a direct or indirect distribution of ICANN's net earnings (other than payment of fair market value for property or the right to use property and reasonable compensation for services).

(q) A "Key Employee" is an employee of ICANN designated as a member of the Executive Management team of ICANN, but who is not an Officer or Director.

Author
Deleted: p

(r) An "Officer" is an individual holding a position designated as an Officer by ICANN's Bylaws or by resolution of the Board and includes, without limitation, the President of ICANN.

Author
Deleted: q

(s) A "Person" includes an individual, corporation, limited liability company, partnership, trust, unincorporated association, or other entity.

Author
Deleted: r

(t) A "Potential Conflict" means any one or more of the following: (i) a direct or indirect Financial Interest in a transaction, contract or arrangement being considered by ICANN by a Covered Person or a member of a Covered Person's Family; (ii) a Duality of Interest by a Covered Person or a member of a Covered Person's Family with respect to another party to a transaction, contract, or arrangement being considered by ICANN that has not been waived in writing by all parties to the transaction, contract, or arrangement; or (iii) a close personal relationship between the Covered Person, or a member of a Covered Person's Family, with an individual who is, directly or indirectly through business, investment, or Family, a party to a transaction, contract, or arrangement being considered by ICANN.

Author
Deleted: s

(u) "Reasoned Written Opinion" means a written opinion of a valuation expert who meets the requirements of Section 7.1(m) (i) through (iv) of this Policy. To be reasoned, the opinion must be based upon a full disclosure by ICANN to the valuation expert of the factual situation regarding the compensation arrangement that is the subject of the opinion, the opinion must articulate the applicable valuation standards relevant in valuing such compensation arrangement, the opinion must apply those standards to such compensation arrangement, and the opinion must arrive at a conclusion regarding whether the compensation arrangement is within the range of Reasonable Compensation for the services covered by the arrangement. A written opinion is reasoned even though it reaches a conclusion that is subsequently determined to be incorrect so long as the opinion addresses itself to the facts and the applicable standards. However, a written opinion is not reasoned if it does nothing more than recite the facts and express a conclusion.

Section 7.2 Where terms used in this COI Policy, such as Reasonable Compensation (which shall have the meaning set forth in §53.4958-4(b)(1)(ii) of the Regulations), have a particular meaning under the Internal Revenue Code and/or any Regulations issued thereunder, this COI Policy shall be construed to incorporate that meaning as the context requires.

Section 7.3 All other terms used in this COI Policy shall be given their ordinary, everyday meaning.

2011-08-25-04-Annex-Exhibit-B-Board-Remuneration

Exhibit B

Section 22. COMPENSATION

1. Except for the President of ICANN, who serves ex officio as a voting member of the Board, each of the Directors shall be entitled to receive compensation for his/her services as a Director. The President shall receive only his/her compensation for service as President and shall not receive additional compensation for service as a Director.

2. If the Board determines to offer a compensation arrangement to one or more Directors other than the President and CEO of ICANN for services to ICANN as Directors, the Board shall follow a process that is calculated to pay an amount for service as a Director that is in its entirety Reasonable Compensation for such service under the standards set forth in §53.4958-4(b) of the Treasury Regulations.

3. As part of the process, the Board shall retain an Independent Valuation Expert to consult with and to advise the Board regarding Director compensation arrangements and to issue to the Board a Reasoned Written Opinion from such expert regarding the ranges of Reasonable Compensation for any such services by a Director. The expert's opinion shall address all relevant factors affecting the level of compensation to be paid a Director, including offices held on the Board, attendance at Board and Committee meetings, the nature of service on the Board and on Board Committees, and appropriate data as to comparability regarding director compensation arrangements for U.S.-based, nonprofit, tax-exempt organizations possessing a global employee base.

4. After having reviewed the expert's written opinion, the Board shall meet with the expert to discuss the expert's opinion and to ask questions of the expert regarding the expert's opinion, the comparability data obtained and relied upon, and the conclusions reached by the expert.

5. The Board shall adequately document the basis for any determination the Board makes regarding a Director compensation arrangement concurrently with making that determination.

6. In addition to authorizing payment of compensation for services as Directors as set forth in this Section 22, the Board may also authorize the reimbursement of actual and necessary reasonable expenses incurred by any Director, and by non-voting liaisons performing their duties as Directors or non-voting liaisons.

Author

Deleted: The Chair of the ICANN Board shall be entitled to receive reasonable compensation for his/her services as a Director. The compensation committee shall be responsible for recommending a reasonable level of compensation for the Board Chair. Only those members of the Compensation Committee that are free from conflicts of interest with respect to the party for whom compensation is under consideration shall participate in the deliberations or voting on the recommendation to the Board. Only those members of the Board that are free from conflicts of interest with respect to the party for whom compensation is under consideration shall participate in the deliberations or voting on the approval of compensation for the Board Chair. At no time shall the Board Chair participate in deliberations or voting on compensation for the Board Chair. The Compensation Committee and the Board shall follow appropriate processes set forth in the United States Internal Revenue Code and applicable Treasury Regulations to ensure that there is a rebuttable presumption of reasonable compensation established for the Board Chair.

Author

Deleted: All Directors other than the Board Chair shall receive no

Author

Deleted: their

Author

Deleted: . The

Author

Deleted: , however,

Author

Deleted: s

7. As used in this Section 22, the following terms shall have the following meanings:

(a) An “Independent Valuation Expert” means a person retained by ICANN to value compensation arrangements that: (i) holds itself out to the public as a compensation consultant; (ii) performs valuations regarding compensation arrangements on a regular basis, with a majority of its compensation consulting services performed for persons other than ICANN; (iii) is qualified to make valuations of the type of services involved in any engagement by and for ICANN; (iv) issues to ICANN a Reasoned Written Opinion regarding a particular compensation arrangement; and (v) includes in its Reasoned Written Opinion a certification that it meets the requirements set forth in (i) through (iv) of this definition.

(b) A “Reasoned Written Opinion” means a written opinion of a valuation expert who meets the requirements of subparagraph 7(a) (i) through (iv) of this Section. To be reasoned, the opinion must be based upon a full disclosure by ICANN to the valuation expert of the factual situation regarding the compensation arrangement that is the subject of the opinion, the opinion must articulate the applicable valuation standards relevant in valuing such compensation arrangement, the opinion must apply those standards to such compensation arrangement, and the opinion must arrive at a conclusion regarding the whether the compensation arrangement is within the range of Reasonable Compensation for the services covered by the arrangement. A written opinion is reasoned even though it reaches a conclusion that is subsequently determined to be incorrect so long as the opinion addresses itself to the facts and the applicable standards. However, a written opinion is not reasoned if it does nothing more than recite the facts and express a conclusion.

(c) “Reasonable Compensation” shall have the meaning set forth in §53.4958-4(b)(1)(ii) of the Regulations issued under §4958 of the Code.

2011-08-12 News Clip Compilation



A Sampling of ICANN News Media Clips

Date Range:

18 July 2011 – 13 August 2011

Peter Dengate Thrush Switches from ICANN to TLDH

07|18|2011 10:51 am EDT
by Frank Michlick

As [announced yesterday](#) Peter Dengate Thrush, former Chairman of the Board of Directors of ICANN has been appointed Executive Chairman of Top Level Domain Holdings, the parent company of Minds+Machines. Thrush led the ICANN board when it approved the new gTLD program during its board meeting in June 2011. His term ended in June 2011.

Antony Van Couvering, CEO of TLDH, said:

“Peter will be an outstanding asset to TLDH. Peter and I have worked together as ICANN participants since its inception, and I am very pleased to welcome him as our Executive Chairman. Peter championed successfully the approval of the new gTLD programme at the highest levels and with Peter on board I have every confidence we will achieve the same success at TLDH. I can’t think of a better addition to our team – Peter is a superstar in our field, and we are delighted to have him at the helm.”

Mr Dengate Thrush has been actively involved in international policy development and governance of the Internet since 1995 and is a regular media commentator on Internet issues. Peter is a past Chairman of InternetNZ and past Chairman of the Asia Pacific Top Level Domain Association. A barrister and registered patent attorney specialising in intellectual property matters, Peter is Vice Chairman of the New Zealand Electricity Rulings Panel and a member of the New Zealand Copyright Tribunal.

Following these Board changes the composition of the Board of the Company is as follows:

- Peter Dengate Thrush, Executive Chairman
- Antony Van Couvering, Chief Executive Officer
- Fred Krueger, Chief Strategy Officer and Deputy Chairman
- Guy Elliott, Chief Investment Officer
- David de Jongh Weill, Chief Financial Officer
- Clark Landry, Non-executive Director
- Michael Mendelson, Non-executive Director

Companies Buy Up .XXX Domains To Protect Brands

July 19, 2011
by Sophie Curtis

Businesses will have until 28 October to buy a .xxx domain for their trademark or opt out altogether

Brand managers from outside the porn industry are rushing to register .xxx domains – created to flag sexually explicit material on the Internet – as the deadline for safeguarding their trademarks within the .xxx registry draws near.

ICM Registry, the company behind the .xxx top-level domain, has extended its so-called “Sunrise” period from 30 days to 50 days, during which time it will receive and process applications from existing domain name and trademark owners who have applied for control of their brand within the .xxx registry.

“We believe the Sunrise period offers businesses a comprehensive rights protection mechanism where they can protect their brands and trademarks,” said Stuart Lawley, CEO of ICM Registry. “We are advising businesses to either opt-in or opt-out and want to give them the best opportunity to do so at the launch of our new TLD. Given the high level of interest in the domain, we see that many businesses wish to be proactive in avoiding any brand conflicts.”
Extended Sunrise before Land Rush

The Sunrise period will commence on 7 September 2011 and finish on 28 October 2011. ICM Registry said it had been extended due to the volume of interest; the company reportedly received nearly 900,000 expressions of interest for .xxx domain names during its pre-reservation process.

Brand managers also have the option during the Sunrise period to pay a one-off fee, which will ensure that their brand is never used within the .xxx registry. After that, a “Land Rush” period will run for 18 days, where businesses from the adult entertainment industry will have premium access to remaining .xxx web addresses.

General availability opens on 7 December 2011, and will allow members of the sponsored community to acquire .xxx domains on a “first come, first served” basis.

Under an agreement between the Internet Corporation for Assigned Names and Numbers (ICANN) and ICM Registry, ICM will use a portion of the fees collected to fund efforts designed to keep children away from online pornography.

“We wanted to take an innovative approach to the launch of .xxx and show best practice at all stages including investing in a global awareness campaign,” said Lawley. “While we believe the .xxx will satisfy the needs of the sponsored community, we recognise there is also an audience who would like to opt-out and safeguard their IP prior to the domain going live.”

Contentious issue

The .xxx domain was given the green light by ICANN earlier this year – in spite of warnings that it would become “the red light district of the Internet”.

The TLD’s activation drew the support of 16 of ICANN’s board members, but none of the governments participating in ICANN’s policy process supported the plan. The issue has also divided those in the sexually explicit media industry, with some fearing the domain will make it easier for sites to be censored.

“This decision represents a difficult, careful balance, weighing the extensive community advice both for and against,” ICANN stated at the time.

Download

Jeff Moss

By KATE MURPHY

Published: July 23, 2011

We asked Jeff Moss, aka Dark Tangent, how he is spending his free time these days. He's an Internet security expert and geek hero because of his founding of the Black Hat and Def Con hacker and security conferences.



He is also a member of the president's Homeland Security Advisory Council, and as of April, chief security officer at the Internet Corporation for Assigned Names and Numbers, or Icann.

READING I recently read "The Undercover Economist" by Tim Harford. It starts at the beginning and walks you through the dynamics of economics.

He uses the example of a coffee shop near an Underground station in London so you learn why things happen the way they do. I love books that pull back the curtain. It's like taking a college course but more enjoyable.

I have also always enjoyed Japanese Manga, and in high school discovered the translated "Appleseed" series by Masamune Shirow.

The blending of tech, society design, combat and intrigue was much more complex than any American comic books.

FOLLOWING I have an aversion to news nuggets, so I find myself looking for sites that offer more analysis. I like cfr.org, which is the site for the Council on Foreign Relations. And I like stratfor.com. It has a lot of geopolitical strategic forecasting. For generic tech news, I look at slashdot.org. I also read Bruce Schneier's blog (schneier.com). He's a prolific writer on tech security, and he's very logical.

WATCHING "A Nero Wolfe Mystery." I have the DVD set of the television series that ran from 2001 to 2002 on A&E. It takes place in 1940s New York and the private detective, Nero Wolfe, never leaves the house. He sends out his assistant, Archie Goodwin, to gather all the facts, and Wolfe, through his pure mental abilities, figures everything out.

PLAYING My wife and I play LittleBigPlanet on PlayStation 3, smiling the whole time even when we're getting blown up. It was developed as a children's game, and it has sock puppet creatures called poppets that collaboratively solve puzzles to get a prize.

TOTING I am really enjoying my Samsung Galaxy Tab. Smaller than an iPad, I can slip it in my suit pocket or the back pocket of my jeans. It is a tablet, a phone, a movie player and all that. But I find myself using paper and pencil to keep my calendar straight. Too many conflicting calendars in my life, Google calendar, BlackBerry, this phone, that phone. So I do it the old-fashioned way. Also, it is more secure.

CONSUMING Mr. Bean. It's a franchise that serves fresh-pressed soy milk and tofu in Singapore, where my wife is from. Warm with a little sugar, it's really yummy.

Will you grow giant money-trees?

By: Naseem Javed
25 Jul 2011 13:24

On 20 June 2011, the Internet Corporation of Assigned Names and Numbers (ICANN), created a global shockwave with its announcement to a packed meeting in Singapore. A thousand delegates witnessed, a long-awaited gTLD program released, creating new types of domain names with unlimited potential.

The application fee per name starts at US\$185 000, and can cost up to US\$500,000 to integrate. Still, this investment is no more than what large single highway signage costs over a 10-year lease. This one is more about thousands of such luminous cyber structures over high-density, information highways.

Create, nurture, grow

Once a unique idea with the right name identity has been decided, the challenge will be to create, nurture and grow it with a successful sub-name brand-hierarchy. This way, the master gTLD root takes to grow like a tree with strong branches and gets ready to blossom, with successful layers of multiple sub-name-brands into a giant money-tree.

When all you have is a hammer, everything will appear to be a nail. The gTLDs are not just about trademark filing and battle posturing or cyber-squatting but more of creating unusual global intellectual properties that offer multiple opportunities for rapid image expansion and, most importantly, achieving market domination via name identity.

The ICANN gTLDs are also not just about mass domain name registrations but rather creating massive customer acquisition and intricate layers of providing customer access.

Most of the current debate is focused on the grind of one of the single key aspects while ignoring all the other interlaced facets and, therefore, missing out the reflective shine and brilliance of the idea.

Interdisciplinary approach is a must

An interdisciplinary approach to all gTLD matters is a must, as with early cinema, which incorporated dozens of diverse and non-related issues; when combined, a full-fledged industry erupted. The integrated approach to gTLD is the fastest way to get the attention in the boardroom. Otherwise, it becomes a splintered discussion on separate floors, from technology and legal to domain name registration and webmasters.

If we place the entire gTLD process in a hierarchy forming a pyramid:

- the base would consist of all the big picture concepts and specific ideas
- the middle part is where all the procedures of application, funding, financial modelling and legally guided long-term application processes reside

- on the very pointed top of the pyramid will the proposed name with full consensus and analysis as, without its absolute winning surety, not only the entire exercise would simply be futile but the pyramid would also collapse.

All stakeholders need guidance and deeper understanding to play this global game of market domination via name identity, and senior executive must learn to tackle the unusual questions of today:

- How to make bold and intelligent arguments in the boardroom and ask for a million dollars to create a billion-dollar money-tree?
- How much real power a gTLD can yield on global name identity expansion?
- What special skills are needed to steer this new vehicle towards market domination?
- What should be the new game for marketing management on mass-customer-acquisition models based on a new type of naming architecture?
- What surprise challenges will cascade into marketing branding and trademark areas on global name identity issues?
- What are your options if your current name identity is incompatible with ICANN procedures?

The challenge will always be on how to articulate some of the following issues:

- How to assess practicality, profitability and competitive advantage and related options before the prescribed deadline?
- How to create billion-dollar domain-babies?

The latter is the bigger challenge. Once this game is properly understood, it certainly allows the creation of billion-dollar domain-babies, where superpower naming ideas become billion-dollar intellectual properties for their holders.

This will be an amazing game to play and equally to watch. The legal firms and image-branding agencies seeking new clients have three tasks: how to identify their top clients and offer them world-class recommendations with full confidence to play this game; how to create backup and supportive plans to capture special name identities for targeted markets; and how to attract new clients by providing leadership on exclusive options on generic and destination brands.

Key points

A gTLD under the right name identity combinations offers the following:

- The fastest way to create hyper visibility and global presence
- The most intricate device for attracting massive customer acquisition
- The game changer from the old school of traditional marketing and branding

A gTLD offers corporate management opportunities to energise marketing:

- Fast-track evaluations of current name portfolios to determine long-term action plans
- Realignment of naming architectures to accommodate too many or too few identities
- Reassessment of current name-ownership strategies in light of this new age frontier

A gTLD process has hidden naming challenges in the programme:

- How to differentiate power and evaluate a proposed name, eg, ,car .auto .motor?
- How to select a winning combination, eg, .locomoto, automoto, .udrive, idrive, .ucar/mycar?
- How to price and sub-brand naming architecture for a winning master candidate?

A gTLD race will create spectacular opportunity or a catastrophic failure:

- Any gTLD application without a highly appropriate proposed name will fail
- Any gTLD without a strategic branding and global image expansion model will fail
- Any gTLD without a wide usage sub-brand creation methodology will fail
- Any gTLD misrepresenting sub brands name evaluation will fail
- Any gTLD without commanding knowledge of global corporate nomenclature will fail

Take precaution with .XXX suffix

With the approval of the .xxx domain extension for sexually explicit websites, brand owners are encouraged to block their trademark names to prevent cybersquatters. - AsiaOne

Wed, Jul 27, 2011
AsiaOne

With the approval of the .xxx domain extension for sexually explicit websites, brand owners are encouraged to block their trademark names to prevent cybersquatters from trying to profit from their names in cyberspace.

.XXX, which is a top-level domain (TLD) that is designed for the adult entertainment industry, has been approved by non-profit group called the Internet Corporation for Assigned Names and Numbers (Icann), which proponents believe will protect children from online porn.

But for business which have nothing to do with adult entertainment, do you know that you may also be affected by this new TLD? IP Mirror, the only Domain Name Registrar which provides direct registration to .XXX for brand owners, provides this list of questions and answers on what brand owners should do to protect their trademarks and brand names in cyberspace.

Q Who can register a .XXX domain?

Individuals, business, entities, and organizations that provide online, sexually-oriented adult entertainment (“Online Adult Entertainment”) intended for consenting adults or for other community members (“Providers”); Represent Providers (“Representatives”); or Provide products or services to Providers and Representatives (“Service Providers”) are eligible to register .XXX domain names.

Q: Why should I, a Trademark Owner block my names? I am not in the adult industry.

As with any current domain name registry, once the landrush and general availability phases are running, the registry will be run on a first come first served basis and there is no pre-emptive rights protection in place. Although there will be post launch rights protection mechanisms in place, we believe that many rights owners will take a prevention is better than cure approach. Especially the only way of recovery is filing UDRP Dispute Complaint which is both costly and tedious.

Trademark holders will need to apply in Sunrise B starting September 7, 2011 for 52 days. IP Mirror, with immediate effect, is collecting pre-order of Trademark Owners registration for submission on Sunrise launch date of September 7, 2011. The registered trademark shall be a trade or service mark registration of any country or international standard issued prior to 1 September 2011.

Q: What if there are contesting applications?

In the event that there is more than one qualified applicant under Sunrise B, the domain name will be reserved in exactly the same way as if there were only a single applicant and there will be no refund or apportionment of fees among such applicants.

If both Sunrise A (from community members) and Sunrise B applicants want the same domain name, priority will be given to the qualified Sunrise A applicant to register the domain name. The Sunrise A applicant will have received notice of Sunrise B applicant's interest in the domain name and cannot claim lack of notice in any subsequent dispute between Sunrise A and Sunrise B applicants.

Q: When it comes to sunrise, does the trademark need to be an exact match or can it be a substantial match?

An exact match is required with reasonable rules for special character transcription. An icon mark can also be used based on its corresponding complete textual component of a graphical or compound registered trademark.

Q: Under Sunrise, are non ASCII characters allowed for Trademark claims?

No. Only A-Z , 0-9 and hyphens. Some other characters are allowed to be transcribed, IP Mirror can be consulted in the exact interpretation of such trademarks. The minimum number of characters allowed is 3 and the max is 64 . Single character names will be allocated later by special arrangement.

Q: What happens if I don't have a registered trademark?

Having a registered mark is the only way to secure an opt-out from .XXX in Sunrise. For members of the sponsored community, having a corresponding domain name will be sufficient to qualify under the Sunrise rules.

Q : How do future brands protect themselves?

As long as the name has not already been registered future brand holders can register "non-resolving" or blocked names during and after General Launch.

Q: For a trademark of ABCD XYZ, do I have to submit 2 applications (meaning one for ABCDXYZ.xxx and another for ABCD-XYZ.xxx) or protect the words ABCD XYZ that corresponds to the name of the trademark?

Yes, both domain names should be registered.

Trademark Holders Eye New Domains

Trademark Holders Concerned About New ICANN Domains

Amy Miller
The Recorder
July 27, 2011

When the agency that oversees the Internet address system announced a plan last month to dramatically increase the number of domain name endings, companies balked.

While entrepreneurs can come up with clever endings for new websites, trademark holders worry the change will help cybersquatters proliferate and cost them time and money.

But until it's clear if the new addresses take off or fizzle out, trademark lawyers in the Bay Area are urging clients not to overreact.

"I don't know if it's a 'Chicken Little' situation," said Neil Smith, an IP attorney at Ropers Majeski Kohn & Bentley in San Jose. "Corporate counsel are trying to figure out whether it's a real problem so they can do something defensively."

On June 20, ICANN—the Internet Corporation for Assigned Names and Numbers—said that beginning in late 2012 it would let users create and register their own extensions like .com or .net. The first application round, for up to 500 new domain names, will begin in January 2012 and last for three months.

It won't be cheap. In an effort to thwart cybersquatters, ICANN attached a price tag of \$185,000 per new extension, with another \$25,000 annual fee to maintain them.

Lawyers say trademark holders first have to decide if they want to spend that kind of money. It could be a good investment if they're concerned about a competitor creating an address that infringes their trademark, says Marlene Williams, an IP partner at Nixon Peabody in San Francisco.

"But we try to discourage overreaction," Williams said. "There's a lot we still don't know."

Trademark holders with distinctive marks won't have much trouble fending off squatters—someone who tries to register ".google" wouldn't get far. But for less unique marks—think Sun, Delta, United—it could get complicated.

Companies may not be interested in a new domain, said Andrew Bridges, an IP partner at Winston & Strawn in San Francisco. But if they want to stay out of litigation, it might be worth \$185,000.

"That's cheaper than a big cybersquatting suit," Bridges said. "It's protection money to avoid mischief."

And lawyers are also advising clients to closely watch which domain names are being approved and registered and be ready to stake their claims. ICANN has put several processes in place to ease trademark owners' concerns.

Applications will be examined for trademark violations, and ICANN has set up a dispute resolution process for clear cases of cybersquatting. A "clearinghouse" will let brand owners block third parties from registering their marks under any new domain name.

But J. Scott Evans, who is president of the Intellectual Property Constituency, says members are concerned that the steps ICANN is taking aren't strong enough.

"Most brand owners feel the mechanisms they've been given are better than nothing," said Evans, who is senior legal director of global brands and trademarks at Yahoo. "But they may not be adequate to stem the tide of what is seen as an onslaught of abuse."

Still, not all trademark attorneys say clients are worried. Sally Abel, a partner at Fenwick & West, says the change isn't a huge concern for her tech clients. They tend to be more worried about what's going on in the keyword space.

"There's a bit of confusion, but in some respects it's a nonevent," Abel said. "We've had the domain name system for over a decade, and for the most part, trademark owners have made their peace with the system."

See also: "Is The Dot Future Now? The ABC's of the New gTLDs," CorpCounsel.com, May 2011.



Does ICANN Need to Evolve Its Code of Conduct?

Jul 28, 2011 7:06 AM PDT
By Byron Holland

If you follow the Internet governance world like I do, you've no doubt had time to ponder the news of former ICANN Board Chair Peter Dengate Thrush's appointment as Executive Chairman of Top Level Domain Holdings Limited (TLDH). This was a seemingly fast jump from the body that coordinates the Internet (whose most recent milestone was to approve the creation of new gTLDs) to one of the key companies that stands to actively benefit from this burgeoning part of the domain name industry. Further, he's taken up a position that, according to reports, will allow him to benefit substantially as well.

I'm not sure I could sum up the situation better than Antony Van Couvering, CEO of TLDH, who said on the company's website:

"Peter championed successfully the approval of the new gTLD programme at the highest levels and with Peter on board I have every confidence we will achieve the same success at TLDH."

Peter seems to have made a shrewd decision in taking on his new role with TLDH. And, it would seem that Antony made an excellent choice in securing someone with the depth of experience and knowledge that Peter has. And frankly, who among us would pass up such an opportunity? Likely not I.

Let me state upfront that there's nothing in the ICANN rules that precludes Board members from advancing their career in any way they choose once they have left ICANN's Board.

What we have here are rational actors acting rationally under the existing rules.

That said, the time has come in the evolution of the Internet to more closely scrutinize the free flow of key industry influencers. They can currently move from organization to organization without the constraints of non-compete and governance rules regarding employment in the industry after leaving ICANN. In my opinion, what may have been fine for a young, immature sector surely cannot continue. We are talking about increasingly large flows of money changing hands and with that comes the possibility of material conflict.

Perhaps we can take some important lessons from the private sector, government and regulatory bodies, and I would argue, apply them to the ICANN model. After all, I believe it is important to create a dynamic organization where good people (and remember, ICANN's Board is largely volunteer-based) are protected from being put in harm's way leading to undue temptation.

The World Bank is an excellent example of an agency that has financial influencers coming and going all the time. The Bank sets very high standards for ethical practices for both existing and exiting Board members. Their Code of Conduct clearly spells out to a number of points, including requirements on employment once a director leaves the Bank. Here is one of the key statements that really resonated with me: "For a period of one year following the end of service as a Board Official, a Board Official shall recuse himself or herself from involvement in or influence on matters related to the Organizations' dealings with his or her future employers."

In Canada, we have seen similar rules imposed through the Conflict of Interest Act on departing federal public officer holders, Ministers of Parliament and their staff. Amongst other things, a key purpose of the Act is to, "establish clear conflict of interest and post-employment rules for public office holders." Specifically, Part 3 places a number of restrictions on public office holders once they leave office.

If you were to consider this to be the extreme end of the accountability spectrum and ICANN to be at the other end, I would argue that there is a great deal of space in which to find a more appropriate balance for the body that governs the Internet. At a bare minimum, a cooling off period is more than reasonable and a common practice in most industries. Ideally, I would like to see clear post-employment rules for ICANN Board members, as well as staff.

Interestingly, ICANN accepted the recommendations of the Accountability and Transparency Review Team (ATRT) earlier this year. Fundamentally, the ATRT is the body tasked with making sure ICANN does the job it is mandated to do, and does it in an open and consultative manner. The ATRT review is a lengthy process that takes place every three years. Unfortunately, although the ATRT examined many aspects of Board decision-making, the issue I have raised in this post was not among the many items considered in the review. I would strongly recommend that the issue of departing Board members and conflicts of interest be closely examined as part of the next round slated to begin in 2013, if not sooner.

What do you think? Does ICANN need to evolve its code of conduct?

By Byron Holland, President and CEO of CIRA. Visit the blog maintained by Byron Holland here.



Costa Rica, Venue for ICANN Public Meeting In 2012

Friday 29 July 2011

Costa Rica was chosen as the venue of the 43rd public meeting for ICANN (Internet Corporation for Assigned Names and Numbers), non-profit entity coordinator of the Domain Name System, can be found at www.icann.org.

The host of this activity will be the National Academy of Sciences through its NIC Costa Rica unit, which provides the service for the registration of domain names ".cr" to Internet users in the country.

It is estimated that between 1,200 and 1,500 of the highest authorities linked to the world of the Internet, of 100 member countries of ICANN, will participate in this meeting.

This world gathering will be held from March 11th to March 16th, 2012, and as is characteristic of the public meetings of the ICANN anyone who wishes to attend may do so freely and participate in discussions with specialists.

ICANN hold three annual meetings with the objective of facilitating the participation of individuals from all over the world.

ICANN

As a private-public association, ICANN is dedicated to preserve the operational stability of the Internet, to promote competition, ensure a broad representation of global Internet communities and the development of policies in accordance with its mission through the policy from the bottom upwards, based on the consensus of processes.

ICANN, an entity of public benefit, non-profit, is the international organization responsible for the management and oversight of the coordination of the system of Internet domain names and their unique identifiers.

NIC Costa Rica

The Internet Assigned Numbers Authority (IANA) delegated on 10 September 1990 to the National Academy of Sciences, the Top Level Domain (Top Level Domain (TLD) .cr for Costa Rica, for the coordination and administration of domain names in the hierarchy .cr.

At present, the administration of the TLD in the assignment of domain names is governed under the rules of the Internet Corporation for Assigned Names and Numbers (ICANN) and the Internet Assigned Numbers Authority (IANA) to the management of IP addresses. These rules guarantee absolute fairness and transparency in the allocation of recursive domains under .cr.

The National Academy of Sciences provides to the Internet community the service for the registration of domain names .cr through its unit NIC - Internet Costa Rica.



Fight Over .Music Domain Approvals Continue

August 02, 2011

By Antony Bruno (@AntonyNBruno), Denver

The music industry still has concerns about the potential creation of a .music top-level domain name.

This time, they're taking their case to the National Telecommunications and Information Administration, an agency of the Department of Commerce that is soliciting feedback on new proposed rules for how new top-level domains are granted. ICANN, the entity that administers the top-level domain name process, does so under a contract from the NTIA, and as such would have to follow any new requirements the agency sets, at least for the U.S. market.

The new proposed rules, among other things, would require ICANN or any other contractor of domain name functions to document how the proposed string has received consensus support from relevant stakeholders and is supported by the global public interest" before introducing new domain names like .music.

Early this year, a group of music industry entities that included the RIAA, A2IM, ASCAP and others wrote a letter to ICANN listing several concerns about the domain proposal. Their primary concern was that they wanted direct control over who could register a .music domain name. They don't want illegitimate online music services obtaining a .music domain, basically.

Last week, the same group of music industry associations reiterated these concerns to the NTIA in support of the agency's proposal to require stricter measures for measuring the support of any new domain name.

"We don't believe that ICANN has adequately addressed all of the concerns raised by relevant stakeholders in deciding to open the new [global top level domains] in the manner which was recently approved by ICANN's board," the letter reads (full text here), referring to ICANN's approval in June of a program to expand top level domains from the 22 accepted today to potentially hundreds more, including .music. The move means ICANN is formally accepting applications for the new domain names.

The RIAA and others behind the recent letters don't necessarily have a problem with the .music domain, but rather how the domain is awarded. At the heart of this issue is a debate over who "owns" the idea of music online. There are several music services operating online today that some music companies believe are operating outside the rules, but that are not necessarily illegal. It's a grey area.

Take Grooveshark. The streaming music service is licensed by EMI, yet being sued by Universal Music Group. Should it apply for a .music domain, would the music industry allow it to pass had they the control over its assignment? Good question.

ICANN Dot Branding: Half Full for Some Half Empty for Others

2011-08-03

by Mihaela Lica Butler

ICANN SingaporeNews from the Internet Corporation for Assigned Names and Numbers (ICANN) recently has a lot of business people in a stir. Intellectual property and branding attorneys to some of the world's biggest brands, the new domain naming convention for domain name endings, also known as generic top-level domains (gTLDs), will certainly change the game of naming.

ICANN Fuss

The stir is over what were 22 endings we have come to know and revel in, domain endings like .com, .net, .gov and .org – but it's not so much the endings that were and are important – but who has them. As early as next year companies like Apple, Nike, Microsoft, virtually any brand you can think of, will soon be able to register gTLDs like .apple, .realty, .shoes, .justaboutanything – for a price, that is.

An article my partner Phil Butler wrote at RealtyBizNews spoke a bit about these game changing events. As Phil noted, the playing field for Dot Branding (as experts call it) will be even more un-level. Why? Well, ICANN suggests the cost of registering these domains will exceed \$180,000, that's how. Look at any smaller online brand, buying a domain for 200 grand is an impossibility.

Let's look around the Web for some expert opinion on this Dot Brand news. Anthony Spotora, a Los Angeles trademark attorney alluded to the "potential for inclusiveness, and exclusivity" where the new gTLDs are concerned. In an article on Law Firm Newswire, Spotora had this to say:

"The new gTLDs allow businesses to make their domain names as inclusive or exclusive as they see fit. The top level domain can be a source of business and income as a company can create second level registrations and agreements with suppliers, distributors, and other partners who fit with the brand."

Of course Spotora goes ahead and recommends companies get themselves a trademark attorney (a good idea to use Spotora or?). And so the navigation for good info about ICANN goes forth, a drop here, a dribble there, and businesses that should be on the leading edge, maybe get the general idea things are changing, eventually, sooner or later – and for some later is not a good thing. Steve Jones, COO and co-founder of Domainate, dispels some of the mist surrounding the new initiative on Business Insider. Myths like "Anyone can now have their own extension" are laid to rest, and I quote Steve on this one:

"It will cost \$185,000 to apply for an extension and an additional \$25,000 per year to keep it active among other costs. Costs for a company offering public registration of domains will shoot to well over a million dollars for infrastructure. Could your business afford that? "

Which Way to Answers

Also always wanting to be in the know, Ann Smarty, resident SEO expert and editor over at Search Engine Journal, talked with another expert on Dot Branding, Nicolas van Beek of Vayton Brand Capital. Van Beek seemed to have the inside track on solutions for brands needing help

with the new gTLDs. In response to Smarty's question about small and medium sized entities, and how the new domains affect them, he responded:

"Well, for one, thanks to this law, brand owners can better protect their IP assets in several ways. One of these is obviously the exclusivity created with costs. However, for some marginally prepared businesses there are strategies for entering the game."

Vayton Brand Capital is in Luxembourg, not 50 kilometers from our offices here, interested in what Van Beek called "auto-financing" I gave the company a call. I was immediately put in touch with Van Beek. I asked him about how his company was stepping up efforts to assist clients with these new domains. Van Beek outlined the positives so:

1. The new Brand TLDs will be an opportunity for famous brand names to create a secured community as well as for combating against counterfeiting.
2. For the banking industry the new domains will become a unique way to secure their system from A to Z; with the DotBrand, the domain names could be managed internally.
3. Vayton can help a future dotbrand owner to file these application, setup the technology, and optimize the revenues generated by the new IP rights here in Luxembourg, not to mention taking advantage of applicable tax incentives.

As for Vayton, one of their more interesting marketable features, Van Beek's "auto-financing" basically uses Luxembourg tax laws to help businesses pay for the high costs of the new gTLDs. The up front cost is one thing, but the year to year \$25,000 to maintain the dotbrands has not been discussed. Luxembourg tax incentives via the new Luxembourg tax regime, gives up to an 80 percent tax break to companies with registered IP (Intellectual Property) in the country.

No Poor Man's Game

Let's take as an example apple growers of Anywhere USA. Could they afford this? Even if they could get to the counter before Steve Jobs' Apple, taking charge of .apple could be cost prohibitive. But, what if they were based in Luxembourg? Dot Apple might be possible then? Sadly though, the new ICANN initiative seems certain to leave some Internet businesses standing with their pockets out.

Many are saying that ICANN is just looking to make a ton of money off the new gTLD market, others suggest these highly targeted domain names are a necessity, whether the ICANN glass is half full or half empty, remains to be seen. It is clear though, the little guy is not going to fare as well where branding online goes.

Advertisers Pushing for ICANN to Drop New Domain Proposal

by Juliana Gruenwald
August 4, 2011 | 5:22 p.m.

Big companies don't like ICANN's new plan for registering domain names.

The group that manages the Internet's address system could be facing a major legal battle over its plan to allow the introduction of hundreds or even thousands of new Internet addresses.

The Association of National Advertisers, representing companies ranging from Apple to Bank of America to Exxon Mobil, called on the Internet Corporation for Assigned Names and Numbers to abandon its proposal for unlimited registration of new Internet domain names. The group wants ICANN, a California-based nonprofit, to work with trademark owners to come up with a more acceptable plan.



ANA General Counsel Doug Wood said in an interview that if ICANN fails to respond to the group's concerns, it may be forced to sue to block the proposal. "If they choose to ignore us, which I hope they don't, then we will have no choice but to litigate," he said, adding that this would only be a last resort.

The association argues that the domain name proposal will force trademark owners to register numerous new Internet addresses and, in some cases, to operate new domains bearing the trademark to prevent someone else from claiming it. Wood said this could cost as much as \$2 million a year per trademark. Those seeking to operate a new domain name must pay \$185,000 and go through a lengthy application process.

"The program violates simple common sense. There are no material or obvious benefits from the program that provide true, measurable advantage to major parts of the constituency ICANN is charged to protect," ANA President and CEO Robert Liodice said in a letter to ICANN President and CEO Rod Beckstrom on Tuesday. "Importantly, material gains are sorely lacking for commerce, competition, and innovation. While no doubt some industry sectors will make some money, most will suffer enormous costs that far outweigh the gains."

Wood said that while ICANN spent several years studying the proposal, it ignored its own economic analysis that found it could be costly for trademark owners. Wood also said ICANN did not follow its own mandate to enact policies based on bottom-up consensus from the Internet community. Dan Jaffe, ANA's executive vice president for government relations, said his group filed numerous comments with ICANN, but the nonprofit ignored them. "They are not listening," he said.

ICANN did not have an immediate comment on ANA's concerns. But when it approved the new domain-name proposal at its Singapore meeting in June, ICANN said the proposal would "change the way people find information on the Internet and how businesses plan and structure their online presence."

“Strong efforts were made to address the concerns of all interested parties and to ensure that the security, stability, and resiliency of the Internet are not compromised,” ICANN said at the time.

ICANN is currently set to begin accepting applications for the new domain names in January.

ICANN was chosen by the U.S. government in 1998 to take over management of the Internet's domain-name system. The United States has loosened its grip over the group in recent years in response to international pressure, but the Commerce Department still maintains a technical contract with ICANN that will be up for renewal in March 2012.

“We are committed to ICANN's multi-stakeholder process,” a spokeswoman for the Commerce Department's National Telecommunications and Information Administration said.

ICANN Defends Domain Name Process, Proposal

by Juliana Gruenwald
August 10, 2011 | 3:59 p.m.

The group that manages the Internet's domain name system is strongly defending a proposal approved in June that could lead to the introduction of hundreds or even thousands of new Internet domain names.

The Internet Corporation for Assigned Names and Numbers, a California-based nonprofit, strongly defended both its process and policy in response to a letter last week from the Association of National Advertisers expressing strong concerns the domain name proposal.

The ANA, whose members include major U.S. corporations from Apple to Home Depot to Verizon, [raised](#) several issues, most notably the expense to trademark owners of having to defend their brands with the introduction of so many new domain names. ANA argues that many companies will feel compelled to apply for Internet addresses in most, if not all, of the new top-level domains or even apply—at a cost of \$185,000 per domain name—to operate their own domain names. The ANA claims ICANN failed to follow its own rules requiring that its policies be developed and adopted through a bottom-up consensus-based process and called on ICANN to withdraw the proposal or work with trademark owners to dramatically revise it.

In its [written response](#) to the ANA sent on Tuesday, ICANN noted that Internet stakeholders such as the ANA and other trademark owners had ample time and opportunity to comment on the proposal and that many of the suggestions they made were included in the final proposal adopted in June.

“The assertions in your letter are either incorrect or problematic in several respects. Perhaps the most severe mischaracterizations concern the ICANN process,” ICANN President and CEO Rod Beckstrom wrote.

He added, “The June 2011 decision to proceed with the program followed six years of inclusive policy development and implementation planning. Significant actions have been taken to balance the concerns of all interested parties, provide protections for rights holders, registrants, and users, and to ensure that the security, stability, and resiliency of the Internet are not compromised.”

At the same time, Beckstrom indicated that ICANN is not backing down, vowing to “vigorously defend the multi-stakeholder model and the hard-fought consensus of its global stakeholder participants, its duty to act in accordance with established bottom-up processes, and its responsibility to the broad public interest of the global Internet community, rather than to the specific interests of any particular group.”

ANA Executive Vice President Dan Jaffe said ANA is “disappointed” with ICANN's response. “We do not believe it's a proposal that is representative of the broad concerns of (the trademark owner) community.” He added that his group has heard from many other groups and

associations who share the same concerns. Jaffe said that the ANA will continue to “look at all our options including regulatory, legislative, and legal.”

Among those sympathetic to the ANA’s concerns is the Coalition Against Domain Name Abuse, which includes nearly two dozen companies such as Dell, Nike, and Wells Fargo. The coalition, however, appears resigned to the fact that it is probably too late to stop the proposal. ICANN is set to begin taking applications for new domain names in January.

"CADNA agrees with many of the assertions the ANA made in its letter to ICANN, especially its challenge to ICANN’s supposed ‘bottom-up’ policy development process,” the coalition said in a statement.

But it added, “At this point, we have to focus on continuing to work to make sure new [domain names] are rolled out in a controlled, ordered way that does not introduce chaos to the domain name system and end up harming both Internet users and businesses who rely on the Internet.”

ICANN was picked in 1998 by the U.S. government to take over management of the Internet’s domain name system. The Commerce Department’s National Telecommunications and Information Administration currently oversees ICANN through a technical contract set to expire next year.

NTIA Administrator Lawrence Strickling told *National Journal* on Wednesday that while some governments may have had concerns with ICANN’s new domain name proposal, NTIA felt the process ICANN used to develop the measure was adequate and stressed that the ICANN Board was reasonably accommodating to issues raised by governments.

"Our role is not to substitute our judgment for ICANN's but rather to make sure that ICANN's decision-making process is open and provides opportunity for stakeholder input," he said.

ICANN responds to ANA criticism

By Hayley Tsukayama

Posted at 11:54 AM ET, 08/10/2011

President and chief executive of the Internet Corporation for Assigned Names and Numbers (ICANN), Rod Beckstrom, responded to advertisers' criticism of the new gTLD program. (ROSLAN RAHMAN/AFP/GETTY IMAGES) The Internet Corporation for Assigned Names and Numbers answered criticism from the Association of National Advertisers, saying that its new top-level domain program adequately protects trademarks and prevents fraud.

The ANA sent a letter to ICANN on Aug. 4, saying that the program was harmful to intellectual property holders because the wide range of new TLDs would force them to buy their brands and invest in several domain names. The association also raised questions about whether ICANN followed its own procedures before approving the program in June.

In the reply letter, ICANN President and CEO Rod Beckstrom said that the ANA's assertions "are either incorrect or problematic in several respects."

Beckstrom included documentation of collaboration ICANN had with stakeholders regarding the new program, including responses it has issued to the ANA in the past.

Addressing worries that the new program will hurt trademark holders, Beckstrom said those concerns are unfounded. In reply to the ANA's assertion that companies will have to apply for their own gTLDs (think .apple or .washpost) before other people buy them out from under their noses. Beckstrom said that the program is designed to encourage no such thing.

"Operating a gTLD means assuming a number of significant responsibilities; this is clearly not for everyone," he wrote, adding that there are trademark protections in place to make sure that rightsholders have the first opportunity to secure the domain names they want and that there is both a suspension and dispute mechanism in place in cases of infringement.

ICANN will also require a more detailed "Whois" location and demographic profile of anyone registering for a new generic top-level domain, to make sure that it's "easier to locate wrongdoers than in the current environment."

ICANN said it will continue to review the program as it evolves.

In the letter, Beckstrom said that ICANN will "vigorously defend" its program and its model, and "its responsibility to broad public interest of the global Internet community, rather than to the specific interests of any particular group."

By Hayley Tsukayama | 11:54 AM ET, 08/10/2011

Nonprofit that manages Web names responds to criticism

By Brendan Sasso
08/10/11 02:54 PM ET

The Internet Corporation for Assigned Names and Numbers, the nonprofit organization that manages the Internet's address system, pushed back Tuesday against criticisms of its plan to allow for new domain names.

The Association of National Advertisers sent a letter to ICANN last week requesting that the group reverse its plan to allow organizations to apply for new domain names in addition to traditional domains such as ".com" or ".org."

In the letter, Robert Liodice, ANA's president and CEO, said ICANN's plan would lead to "enormous financial burdens" for companies and confuse consumers.

ICANN responded to ANA's complaints in a letter sent to Liodice on Tuesday.

"Please be advised that ICANN will vigorously defend the multi-stakeholder model and the hard-fought consensus of its global stakeholder participants, its duty to act in accordance with established bottom-up processes, and its responsibility to the broad public interest of the global Internet community, rather than to the specific interests of any particular group," Rod Beckstrom, ICANN's president and CEO, wrote.

ANA claimed the plan would force companies to defensively buy up new addresses to prevent fraudulent groups from using companies' trademarks in their domain names.

But in its letter, ICANN asserted it would not approve applications that infringe on anyone's legal rights.

In particular, ICANN objected to ANA's claim that ICANN did not seek broad support for its plan.

"The entire ICANN Internet community, including businesses, [Internet service providers], intellectual property holders and experts, governments, registries and registrars, and representatives of Internet users around the world — carefully considered the implications of the New [Generic Top-Level Domain] Program at each stage of the process," Beckstrom wrote.

The ICANN letter disputed ANA's claim that the program would lead to severe economic harm, arguing that such conclusions were offered without supporting data.

“We are not surprised, but somewhat disappointed that ICANN did not take our concerns with greater seriousness,” said Dan Jaffe, ANA’s vice president of government relations.

Jaffe said his group does not want to sue ICANN or lobby for legislation to overturn the decision, but added: “If it is necessary, we will have to look at all options.”

ICANN’s program is scheduled to go into effect in January 2012.

New Internet ombudsman promises voice for developing countries

English.news.cn 2011-08-09 15:18:12

WELLINGTON, Aug. 9 (Xinhua) -- Developing countries will be fully involved in the business of Internet Corporation for Assigned Names and Numbers (ICANN), the international body that supervises the Internet and its domain names, the new ICANN ombudsman promised Tuesday.

The new ombudsman, New Zealander Chris LaHatte, said he is aware of the fact that developing countries need to know that they have a voice in important international bodies such as ICANN.

LaHatte told Xinhua Tuesday that he anticipated many of the issues concerning developing nations would involve "communications difficulties."

"We don't know exactly what the issues are going to be because we haven't seen them yet," said LaHatte, who formally took up the post as ombudsman of the U.S.-based ICANN on July 28.

"People from different cultures sometimes mean different things when they talk to each other that's one of the issues my office constantly seeks to raise awareness of," he said.

He said he would work to avoid or resolve "issues or mistakes" that hinder smooth communications.

"For example, a response that might be seen as offensive in one culture might also be seen as a standard response in another culture."

As ombudsman, LaHatte will mediate in disputes between ICANN and its stakeholders, which are the Internet organizations that exist in almost every country.

The expansion of the generic top-level domain (gTLD) space, which is intended to allow for a greater degree of innovation and choice in the domain name market," may cause some of the disputes, " said LaHatte.

The current most commonly seen TLD is ".com" and then ".org". But Internet users will be offered new domain extensions, such as ".bank" or names using major brand names, by 2013, opening the way for businesses, organizations and individuals to distinguish themselves or their products by having a personalized domain extension.

The ICANN ombudsman, who must be independent, neutral and impartial, has no powers to overturn or change official ICANN decisions, but he can investigate and initiate dispute resolution procedures.

LaHatte, who will work mostly in Wellington, said he could receive complaints from ICANN staff and directors as well as from constituent bodies in each country.

"If one party thinks that they have been excluded from one decision or another, my job is just to smooth the way so they do have a voice," he said.

Developed nations had "a sophisticated culture of use of the Internet and all the nuances of what you can do" as well as strong bodies that had the knowledge and expertise to work with the administration of the Internet, which small or developing countries often lacked.

"One of the functions of my office is to be available to someone who thinks that they have been overlooked," he said. "One of the things about ICANN is that it seeks to reach out to its constituency members domain name providers in Tonga or Senegal or wherever there is the ability for them to participate."

The ability to use non-Latin characters such as Chinese, Korean, Cyrillic and Arabic in entire domain names had been "quite an exciting development" when ICANN introduced it in May last year.

"It helps to avoid cultural difficulties," LaHatte said. "If you are Chinese, of course you'd rather see your domain name in Chinese than the Latin alphabet."

LaHatte, who has practiced as a lawyer in New Zealand and other countries for 30 years, has wide experience in litigation and dispute resolution and also acts as a mediator.

He was director of the claims team at the China's Taiwan High Speed Rail Corporation from 2003 to 2005, and has also worked in Kazakhstan on international litigation and arbitration.

The U.S. Department of Commerce established ICANN as a non-profit organization in 1998 to manage Internet addresses. It was previously carried out by the U.S. government, but it became fully independent in 2006.

LaHatte joins another high-ranking New Zealander at ICANN, chairman Peter Dengate-Thrush.