

# Report of Public Comments

<b>Title:</b>	<b>gTLD Registries Stakeholder Group (RySG) Charter Amendments</b>		
<b>Publication Date:</b>	15 July 2015		
<b>Prepared By:</b>	Robert Hoggarth, Senior Director - Policy and Community Engagement		
<b>Comment Period:</b>		<b>Important Information Links</b>	
Comment Open Date:	8 May 2015		
Comment Close Date:	16 June 2015		
Reply Close Date:	N/A		
Time (UTC):	23:59		
<b>Staff Contact:</b>	Robert Hoggarth	<b>Email:</b>	policy-staff@icann.org
<b>Section I: General Overview and Next Steps</b>			
<p>In March 2015, the gTLD Registries Stakeholder Group (RySG) of the GNSO submitted a set of Charter revisions to the ICANN Staff for processing in compliance with Phase I of the <a href="#">Process For Amending GNSO Stakeholder Group and Constituency Charters</a>. The RySG Charter changes included amendments designed to adjust to an evolving composition of membership and to enable the Stakeholder Group to more effectively undertake its policy development responsibilities. Among a number of amendments, the most substantial charter changes are in the following areas:</p> <ul style="list-style-type: none"><li>• Changes to the classifications of "active" and "inactive" RySG members;</li><li>• Adding the concept of "staggered" terms for RySG officers;</li><li>• Creation of a "Vice Chair of Policy" officer position;</li><li>• Creation of a "Vice Chair of Administration" officer position;</li><li>• Adjustments to the formula for calculating an RySG meeting quorum;</li><li>• Adding a new election nomination procedure; and</li><li>• Other minor format and non-substantive editorial changes.</li></ul> <p>As part of its Process Phase II assessment responsibilities, Staff determined and reported to the Board's Structural Improvements Committee (SIC) that the proposed changes did not present any fiscal or liability concerns for the ICANN organization.</p> <p>The ICANN Bylaws provide that "each GNSO Stakeholder Group ... and each of its associated Constituencies shall maintain recognition with the ICANN Board." To assist with its own review and analysis, the SIC subsequently directed Staff to open a Public Comment Forum to solicit community input concerning the RySG Charter amendments.</p> <p>The Public Comment reply period closed on 16 June 2015 and Staff has prepared this summary of the community's input.</p> <p>Next Steps:</p>			

This report will be forwarded to the Structural Improvements Committee (SIC), which will provide a recommendation to the Board concerning the RySG Charter amendments. This report will also be published for the community's review at the above link (see Important Information Links).

## Section II: Contributors

*At the time this report was prepared, a total of 2 community submissions had been posted to the Forum. The contributors are listed below in chronological order by posting date with initials noted. To the extent that quotations are used in the foregoing narrative (Section III), such citations will reference the contributor's initials.*

### Organizations and Groups:

Name	Submitted by	Initials
Brand Registry Group	Philip Sheppard	BRG
GNSO Business Constituency	Steve DelBianco	BC

### Individuals:

Name	Affiliation (if provided)	Initials
N/A		

## Section III: Summary of Comments

*General Disclaimer: This section is intended to broadly and comprehensively summarize the comments submitted to this Forum, but not to address every specific position stated by each contributor. Staff recommends that readers interested in specific aspects of any of the summarized comments, or the full context of others, refer directly to the specific contributions at the link referenced above (View Comments Submitted).*

For this Summary of Comments, the commenters' feedback is divided into: **Issue 1** – General but qualified support expressed by the commenters regarding the proposed charter revisions, and **Issue 2** – enumerated reservations and concerns expressed by the commenters about the scope of the proposed charter changes and recommendations for additional areas of improvements.

### **Issue 1 – General Support For Proposed Charter Changes.**

The brief comments submitted by the two community groups offer qualified support for the charter changes presented by the RySG, The BRG asserts that the charter changes “reflect the growth in the size of the RySG” and says it “supports the proposed changes”.

Noting that it has reservations about the proposed amendments, the BC states that it “supports the proposed revisions.” The BC notes that in the proposed amendments, the RySG is making several adjustments to its Charter in order to increase the efficiency of operating the group. The BC says it believes that the amendments will assist the RySG in “avoiding delays in its decision-making process.”

### **Issue 2 – Reservations about the scope of the proposed changes and recommendations for**

## **additional improvements**

Both commenters express reservations about the scope of the presented charter changes and, notwithstanding their overall support, ask the Board to encourage the RySG to pursue additional charter development work on weighted voting and stakeholder group structure and membership matters.

### **Weighted Voting –**

The BRG asserts “that there are two fundamental changes required to the RySG charter that are not covered by the current proposal” – “reform of the system of weighted voting” and the need “to allow membership of the RySG by associations of registries.”

The BRG says, “the reason that the RySG has weighted voting (as a function of second-level registrations) was identified in the RySG Evolution 1 working group. The BRG quotes that working group as stating, ‘Currently, the number of second-level registrations is a proxy measure for the economic and operational impact of policy outcomes.’ The BRG notes that the same RySG working group identified the limitations on this rationale in the future: “Registrations are not a proxy measure for the economic and operational impact of policy outcomes for some new types of registries such as .brands.” Following these observations, the BRG “calls on the ICANN Board to recognise the above and ask the RySG to bring forward proposals to reform weighted voting.”

Similarly, the BC states, that the RySG should have taken a serious look at eliminating the weighted voting procedure outlined in the current RySG Charter. The BC is mindful that one of the primary purposes of ICANN and the new gTLD program itself was to provide more choice for consumers as a benefit for the greater public interest.”

### **Membership and Structural Issues -**

The BRG says that “unlike the BC, IPC and NCSG, the RySG has no facility for association members.” The BRG notes, “this is another historic legacy issue. Yesterday there were no such associations. Today there are. The BRG is one such association”. The BRG says its members “tell us they want to join the BRG and expect focused .brand–relevant services filtering the complexity and customising information for them”. The BRG also notes that in addition to expanding participation of registries in ICANN, association membership will give the BRG “a home within the GNSO.” Specifically, the BRG “calls on the ICANN Board to recognise the above and ask the RySG to bring forward proposals to allow membership by associations representing registries.”

The BC notes that “the proposed amendments clarify the Observer status and the purpose of Interest Groups within the RySG.” However, the BC is concerned that “the RySG continues to ignore recognition of non-retail registries as a separate constituency from the retail registries. “

The BC believes “that a failure to allow for the formation of voting constituencies and the weighted voting provisions (even if only optional) will continue to allow RySG policy positions to be dominated by those registries with a for-profit, retail registry business model, to the disadvantage of smaller, non-retail oriented registries.”

The BC asserts, “the failure to create a system that puts all registry business models on parity with the legacy registry business models is a serious flaw in the proposed amendments.”

## **Section IV: Analysis of Comments**

*General Disclaimer: This section is intended to provide an analysis and evaluation of the comments received along with explanations regarding the basis for any recommendations provided within the analysis.*

This Analysis of Comments is separated into **Topic 1** – General community reaction to the RySG Charter amendments as presented, and **Topic 2** – Specific community reservations and thoughts about expanding the scope of further RySG Charter improvements.

### **Topic 1: RySG Charter Amendments**

Both commenters express qualified support for the RySG Charter amendments. The BRG notes that the amendments “reflect the growth in the size of the RySG” and states, “the BRG supports the proposed changes.” The BC states that notwithstanding reservations explained in its comments, “the BC supports the proposed revisions, but it strongly urges the Board to request that the RySG consider further revisions to address these serious issues in the very near future.”

### **Topic 2: Supplementary Concerns**

Despite their qualified support, both commenters state they have concerns about the scope of the amendments and suggest additional areas for improvements to the RySG charter. Additional matters raised by the BRG and BC focus on the topics of weighted voting, as well as structure and membership issues – specifically the treatment of associations and the relative recognition and stature of non-retail registry operators who have joined the RySG.

#### **Weighted Voting –**

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The BRG says, “the reason that the RySG has weighted voting (as a function of second-level registrations) was identified in the RySG Evolution 1 working group. The BRG quotes that working group as stating, ‘Currently, the number of second-level registrations is a proxy measure for the economic and operational impact of policy outcomes.’” The BRG notes that the same RySG working group identified the limitations on this rationale in the future: “Registrations are not a proxy measure for the economic and operational impact of policy outcomes for some new types of registries such as .brands.” Following these observations, the BRG “calls on the ICANN Board to recognise the above and ask the RySG to bring forward proposals to reform weighted voting.”

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voting procedure outlined in the RySG Charter. The BC is mindful that one of the primary purposes of ICANN and the new gTLD program itself was to provide more choice for consumers as a benefit for the greater public interest.”

#### Membership and Structure Issues -

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The BC states that “the proposed amendments clarify the Observer status and the purpose of Interest Groups within the RySG.” However, the BC is concerned that “the RySG continues to ignore recognition of non-retail registries as a separate constituency from the retail registries. “

The BC believes “a failure to allow for the formation of voting constituencies and the weighted voting provisions (even if only optional) will continue to allow RySG policy positions to be dominated by those registries with a for-profit, retail registry business model, to the disadvantage of smaller, non-retail oriented registries.”

The BC asserts, “the failure to create a system that puts all registry business models on parity with the legacy registry business models is a serious flaw in the proposed amendments.”

#### Recommendations –

In light of the comments received, the Board seems to have the option available to it (among others) to approve the proposed amendments and to consider recommending further future charter changes (or examination of those ideas) consistent with the recommendations of the community commenters in this proceeding. Staff is aware that the RySG is continuing its evolution working group efforts/discussions within its community and that further amendments are or will be under consideration as part of those efforts. Board guidance – if thought appropriate by the SIC or the full Board – could have influence on those activities.

Staff also hopes to approach the SIC with an assessment of the time it takes to conduct the review of community governance document amendments. This proceeding reflects the third time this process has been utilized (once prior to formal process approval). Evidenced by the community input in this proceeding, community review and comment is a valuable resource for collecting input on changes proposed for community governance documents. Implementation experience also reveals that there may be opportunities to adjust or streamline the process in a way that maintains the important reviews aspects of the process while improving the “time to market” of community amendments.