

---

LONDON – Board with Registries Stakeholder Group

Tuesday, June 24, 2014 – 13:00 to 14:00

ICANN – London, England

KEITH DRAZEK: Okay. Everybody, if we could wrap up our conversations and plan to get started.

STEVE CROCKER: I absolutely want you to lead.

On behalf of the board, it's a pleasure to be here. The room looks pretty full. This is good news.

I'll make my usual brief statement.

We come to listen, we come to engage very substantively, so we dispense with all the formalities and just dive right in.

Over to you.

KEITH DRAZEK: Okay. Thanks very much, Steve.

I'm Keith Drazek, chair of the registry stakeholder group. Thanks again to the board members and the community for being here. We always look forward to these interactions.

I don't see an agenda on the screen in front of me, so I'll just point --

Oh, there we go. Now we do.

---

*Note: The following is the output resulting from transcribing an audio file into a word/text document. Although the transcription is largely accurate, in some cases may be incomplete or inaccurate due to inaudible passages and grammatical corrections. It is posted as an aid to the original audio file, but should not be treated as an authoritative record.*

---

So there were four sort of key areas that we wanted to talk about today, and I will try to tee them up and then invite other members of the registry stakeholder group to, you know, give some remarks and then we really would like to have a dialogue, if possible.

So the first item will be the experience with the global domains division.

Second will be talking about operational accountability.

Third, ICANN's spending priorities and strategic planning.

And then finally, a discussion about the ICANN accountability and IANA transition.

So first, let's go ahead and just get right into the discussion about our experiences with the GDD. I think you all probably saw the letter that was sent recently by the registry stakeholder group and NTAG to Akram Atallah and copied to Fadi and Steve covering some areas of concern that the contracted parties and registries and applicants, in particular, have with some of the operational service delivery.

You know, as customers of the global domains division, you know, we felt it was -- it was high time for us to really put a line under some of the concerns that we have with regard to service delivery.

I can say, though -- and I'm pleased to say -- that we've actually had some very constructive dialogue with Akram and his team over the last couple of weeks. We actually shared an advance copy of the letter with Akram and Cyrus and the team, and received, you know, sort of a request for engagement and dialogue before London.

---

We took advantage of that and had a constructive engagement on the phone a few weeks ago.

And then we actually had a joint EXCOM meeting -- it was registries, registrars, and NTAG -- a joint EXCOM meeting with Akram and his team two nights ago that I think was very constructive.

And we had -- also Akram and his team joined us this morning, at the beginning of our registry stakeholder group meeting, and I -- again, I think it sort of is paving the way -- these conversations are paving the way for, you know, a lot of these specific issues to be resolved, but at a higher level, sort of trying to figure out ways that we can engage more efficiently to make sure that at the end of the day we're all in the business to serve the end user and the registrants, and we as registries and registrars and certainly new TLD applicants are dependent upon ICANN staff and the GDD to be able to provide the services that we do.

So with that, I'd like to actually hand this over to Yasmin Omer just to give a little bit of background about the process that we went through to identify the issues and the rigor with which, you know, we really -- the significance that we applied to this.

YASMIN OMER:

Great. Thanks, Keith.

Just by way of background, the -- there was a discussion in Singapore between members of the registry stakeholder group and the NTAG and the CEO requested that we write the GDD services. A score of 7 was provided and we decided to -- we agreed to provide further feedback on what may be done to improve that score.

---

So members of the NTAG and registry stakeholder group put together a working group and we conducted a survey.

So the survey was designed -- the questions were designed to elicit constructive feedback. For every problematic interaction that was identified by the respondents, a solution needed to be provided.

We -- the outcome was good, in terms of the numbers, the number of responses, which was 39, and in terms of the quality as well.

The letter, it should be emphasized, was once again focused on -- it was focused on solutions and not problems. As such, we provided a series of recommendations, implementable recommendations, and they were designed to ensure that the implementation of this was as easy as possible, that no time was wasted going back and forth trying to determine what exactly needs to be done to address the concerns.

I just want to point out that the letter is -- yes, it's quite long but it's long because it includes all of the responses and we've done so to ensure that it's complete. So the actual letter is only about 10 or so pages.

So in terms of findings, there was -- the responses indicated a general view that the level of customer service of the GDD may be improved, and the recommendations point to increasing the transparency of the GDD services, and doing so would be achieved by promoting -- sorry, they point to increasing the transparency of the GDD services to promote accountability of the GDD to the registries.

I won't go into the details of the recommendations and I encourage you to all read the letter, but some highlights include assigning an account

---

manager to every registry operator and that account manager would serve as the single point of contact for the registry operator with the GDD, and most importantly would be the need to define and publish performance metrics regarding the GDD services and providing regular reporting on the delivery of services against these metrics.

As Keith pointed out, the GDD staff, who has since been very responsive in collaborating with us to address these concerns, and we do welcome that, and in terms of the next steps, Akram did mention that we could implement a -- well, develop, sorry, a scorecard similar to that developed for GAC advice to monitor the -- to monitor the implementation of these recommendations.

So we will -- we'll continue to work with the GDD and we're -- we welcome the responsiveness so far. So thank you.

KEITH DRAZEK:

Thank you very much, Yasmin, and I would like to commend you and the team that worked on that in front of the group here because I think it was a really excellent effort of NTAG and registry that resulted, I think, in a very concrete work product. So thank you.

I think the three sort of messages to take away, or the three key areas that we're looking for on this topic, are predictability, measurement -- the ability to measure performance -- and accountability as it relates to the services provided to us by the GDD.

You know, and we've talked about SLAs, the fact that registries and registrars as contracted parties have service level agreements in place and obligations and our businesses are at risk if we don't perform. And I

---

think there's a sense in the contracted party group and the applicants that as ICANN becomes more operational and focuses on hardening operational systems and the organization, that it would be highly appropriate for ICANN also -- the GDD in particular -- to have SLAs in place with those it serves.

And so I think that's just one concrete recommendation that we can make at a fairly high level.

STEVE CROCKER:

Let me take a moment to make what amounts to a bit of a speech. I'll keep it extremely short.

The qualities that you listed -- predictability, measurability, and accountability -- are all essential but I think I want to sort of see you and raise you one and add a bit more.

I talked a while ago -- I think in Durban and following -- about this peculiar thing to say in a businesslike setting of empathy, but -- and I'm quite serious about it. It means, in this setting meaning understanding the other person's point of view and taking it into account and feeling it.

I've spent essentially all of my life dealing with bureaucracies in one way or another, either inside the bureaucracy or outside or being subjected to it and whatever.

It's generally an unlovely experience and one is always nervous, when you approach some business office, how they're going to treat you and, you know, what are you going to do if you don't get treated right and so forth.

---

One of the real important, really fundamental opportunities that we have with ICANN, which is not a government and is not a big bureaucracy, despite our best efforts to look like one, is that we have an opportunity to be -- both have the stability and certainty and transparency and all of the good things that one expects of government-like operations and at the same time to have the agility and to choose how we use our resources and what attitude that we take internally so that it feels good to work with us and so that it is a positive experience and that one comes away like you've been well-served. Even if the answer is "no," that you were well-served in that process.

Some of it is an overload -- is just a pure overload question. There's an awful lot of organizations that are so far behind in their staffing and their resources that they just can't get into the mode of prosecuting their business.

I'm speaking not just to the registry stakeholder group but also ICANN board and ICANN staff who are here.

I think that our place we need to be -- I was going to phrase it slightly different in terms of where we need to aspire to, but that makes it sound like that would be nice if we could get there but we don't really expect it.

I think the place we have to get to is where we are in enough control of ourselves and our -- and the way we think about ourselves, the way we handle ourselves, and that we have enough reserve in our capacity that we can be hitting 10 out of 10 on these things on a regular basis and know why we're doing it and feel good about it.

---

And that makes it a good place for us -- for people to work, it makes it a good place for getting the job done, and it serves the community best.

So that's my speech on this, and it's uncoordinated, it wasn't planned, but it is a very deep concern on my part and I expect us to get there.

KEITH DRAZEK:

So thanks very much, Steve.

Yeah, I think one of the messages -- one of the -- I think the themes that we took away from the meeting we had Akram and his team two nights ago was that, you know, we all recognize we're all going through some serious growing pains right now. Particularly in the GDD side and, you know, the registries group adding new members at a -- at a rapid pace now, but just generally speaking, there's substantial growing pains we're all experiencing.

And that it's critical in that -- in that atmosphere that we all work together and find ways to make sure that communication is as efficient and, you know, frequent as possible, and that we are truly focused together on identifying, you know, sort of whatever structural issues we can resolve.

And to that point, I was encouraged to hear, coming into the London meeting, that there was going to be a bit of a refocusing of priorities back sort of on hardening ICANN's systems and, you know, sort of focusing on the service delivery that really is what we're talking about here. In this case, to the registries and contracted parties and applicants, but just generally speaking, service to the community.



---

So I was really encouraged to hear that, and I hope that that doesn't -- that's not just a focus of ICANN staff but it's also a refocusing of the board on these issues. At least at a fairly high level.

We obviously had the, you know, experience of, you know, the Internet governance discussions last year.

We've -- we couldn't have predicted the NTIA announcement on the IANA transition.

But I think this is a highly appropriate and I think welcome development that there's going to be this refocusing and I hope the board is along for that.

STEVE CROCKER:

Yeah. So maybe I should take the bait and respond a little bit to that.

Let me draw -- let me draw a -- sort of a clean pair of lines.

We've had an enormous emphasis on Internet governance in the large, with NETmundial and 1net and -- and there's yet more to come, all of which is extremely important.

It has not been the board's focus. I mean, the board is cognizant, the board has been fully supportive of Fadi's initiatives in this area. We participate to some extent. But it didn't -- it was not -- the board did not shift from saying, "We're focused on ICANN but this is more important and we'll just leave ICANN alone." That did not happen.

So in that respect, I was going to say, "Well, there's not really any refocusing at the board level necessary."

---

However, you also mentioned the NTIA announcement, so that is a slightly different -- it's actually a substantially different issue. That has to do with the fundamental relationship with the U.S. government and with the rest of the world. That is a core matter for ICANN and the board is spending quite a lot of time -- and appropriately so, I would say -- on that issue.

Now, that, you could argue, competes with focus on operational details. I'm not -- I don't think it does necessarily, but I can understand that point.

But just to your point about -- I'll put words in your mouth -- about being distracted, if you will, off on Internet governance, I don't think that was the case.

Being consumed with the NTIA stewardship transition and with increases in -- and improvements in ICANN accountability, yes, we're deeply involved in all of that.

But quite obviously, the operational capability and delivery is fundamental. It is -- it is a staff/management business to make that happen, and the board's role is to be aware of what's happening and to know that the right metrics are in place and so forth, and that's where we are.

KEITH DRAZEK: Thanks very much for that, Steve.

So I don't want to monopolize any more of the conversation. I see Ken has his hand up. Would anybody else like to get in? Jordyn?

KEN STUBBS:

Thank you, Keith.

One of the overlying issues, if you review the letter, is the problem we have with enhancing communications.

There's been a tendency, when you couldn't give a response that addressed the specific problem, you didn't respond at all. And nothing can be more frustrating.

I'd much rather have somebody send me a note saying, "I'm buried, I can't get it done for another week or 10 days" than to not send me anything at all, number one.

Number two, the operational efficiency and effectiveness of ICANN is one of the critical factors that's going to be measured in -- as the -- in the global arena as people look at the transition of various functions and processes to ICANN.

One of the things that you can be criticized for that you don't want to be criticized for is you're not capable of getting your own work done, much -- in a way that inspires confidence.

So as ICANN moves forwards, the focus on meeting those operational goals and keeping the effectiveness level at an optimum only enhances the stature of the organization and the world community.

It's nice for somebody to be able to look you in the eye and say, "You know what? I have a lot of confidence in you guys because you run a tight ship, you get the job done."

---

Now, as far as I know, ICANN's done a marvelous job with the IANA function over the years of the stewardship that they've had. It's important, though, that we don't provide any ammunition for any of the naysayers in the future as we move out. That's -- that's all I want to say.

STEVE CROCKER:

I agree completely. It's a -- that train runs in both directions.

If the execution is good, it builds confidence. If the execution is not, it erodes from confidence. And there really is no escape from that dynamic.

KEITH DRAZEK:

Okay. Thanks, Ken. Thanks, Steve.

Jordyn?

JORDYN BUCHANAN: Thanks, Keith.

So one thing I was struck by, listening to both Keith's comments and then Steve's, is to bring the notion of perhaps measurability and empathy together and to build on Steve's comment that one of the responsibilities of the board is to make sure that the right metrics are in place.

I think that is an area where I think focusing and taking a look to make sure that the metrics that we're using to measure operational excellence are adequately reflective of the needs of the community would be a great start.

---

For example, I know -- I don't think I've ever heard ICANN staff talk about measuring customer satisfaction as a unit of -- as a metric that we would pay attention to, but that's -- everywhere else in industry, like that would be a critical component of understanding whether or not you're doing a good job in the relationships that you're building with your customers and in service delivery.

So I think there are simple things like that where I think ICANN staff has been good over the years, I think, at developing and tracking an increasingly large set of metrics.

Often they're metrics that tell you, you know, how many units of work are being done, how quickly are they being done, but they're not telling us are they solving the problems that the community is facing or that we're intended to engage with or that are going to make people happy.

And so I think having the board be a little bit more involved in both interacting with the community to understand our needs as well as making sure that that's getting channeled back to the staff in terms of setting metrics would be, I think, a key responsibility of the board and that's the sort of level I think we should be engaged in with you all while we continue to work with staff on specific operational issues.

KEITH DRAZEK: Okay. Thanks, Jordyn.

Erika?

---

ERIKA MANN: I think I understand your frustration but I wonder, do you have a kind of list where you recorded all the cases which affect your operations? So that one then could -- it would be much easier for management and for the board actually to look and understand the concrete cases and then come up with some recommendations.

KEITH DAVIDSON: Thank you, Erika. That's actually a very constructive suggestion. I think there was a question in there, is have we not done that. I don't know that we have. Obviously, we have a very detailed letter that was just submitted. But that's more of a case-by-case sort of experience. You are talking more structurally in terms of, Hey, this is the universe of things to impact our ability to provide service to our customers and ultimately to the registrant. Okay. Thank you for that recommendation. We'll take that on, certainly.

Ken, quickly?

KEN STUBBS: Let me respond to that. To Akram's credit, one of the things that he has discussed is the opportunity of reading -- of meeting on a more regular basis and discussing, you know, what are your issues, how can we more effectively manage our relationships with each other. And it can become a two-way street.

And I think everybody's been so preoccupied with trying to get their job done, that that lack of communication's there. So it's much easier if we can interact on a more regular basis. What are your issues? You know,

---

this is really the core of customer service anyway. You have to understand what their buttons are.

KEITH DRAZEK:

Thanks, Ken. Maybe we can wrap this one up and move on to the next item, but I did want to just note for Fadi that we he have had some very constructive dialogue with Akram and his team going back a couple of weeks. And certainly here two nights ago here with the joint EXCOM, registry, registrar and NTAG as well as this morning in our stakeholder group meetings.

So I think it has been very constructive. I'm hopeful that come Los Angeles we'll have great things to report back to the board. But we feel like we're sort of on the right track as it relates to addressing not just some of the issues in the letter that we submitted but also sort of trying to identify some of the structural concerns. Thank you.

Bruce?

BRUCE TONKIN:

Yeah, just to build on that, too, Keith. I had also spoken to Akram following the meeting that I joined with the registry constituency, and I think one of the clear things there is having more regular communication. And that means more regular than the sort of three public meetings we have a year. So I think Akram's keen to move forward with mechanisms to do that as well because I think most of those issues that were raised are things that the staff are either addressing or planning to address.

---

But, you know, that probably hasn't been as clearly communicated, and also an ability to get more regular feedback as well.

KEITH DRAZEK:

Very good. So let's move on then. And I think what I'd like to do is to shuffle the agenda a little bit since we've had a few references to the ICANN accountability and, I guess, more specifically the IANA transition. So maybe we can move to that one.

We've had actually fairly extensive conversations, some email exchanges. But we talked about this topic just before coming in here. And I think, you know -- and also having not just talked internally in the registry stakeholder group and with the NTAG but also with others in the community going back to conversations over the weekend and, you know, various phone calls or hallway discussions, is that I think there's a general and genuine excitement about the opportunity before us as it relates to the IANA transition and NTIA's disengagement of the stewardship role that it's had.

I think the community is excited about this, frankly. But I think the consistent message that I'm hearing and that we've talked about is that there is -- is that the ICANN accountability reform must be a prerequisite to any transition of the IANA function, authority or stewardship in a sense that we have an opportunity as a community to work very closely together and very hard together over the next 12 to 15 months, whatever it is, in order to meet the target -- I'm not going to call it a deadline, but to meet the target of September 2015.



---

And I think there is a general sense in the community that we can accomplish this. But that one of the core deliverables, a dependency, in order to be able to effect that transition by that date is to ensure that there is accountability reform, structural accountability reform in ICANN. In a sense, removing -- once NTIA disengages that the backstop as it's been described, the backstop is gone and it is up to the community, us in the room, the ISTAR organizations, a range of people, but us in the community to make sure that ICANN as an organization and the multistakeholder model is strong for the next 20 years and protected for the next 20 years.

My view personally is that our legacies in this room will largely be determined by what happens over the next 12 to 15 months as it relates to ICANN; is that we have an opportunity here to actually effect this change in a productive and constructive way. But that there has to be something to ensure that ICANN, the organization, once it's handed the keys and the title to IANA is strong enough and is truly accountable to the entire community.

So, I'm going to open it up to see if anybody else from the registries would like to jump in on this or if anybody would like to jump in.

Hello, is this thing on?

[ Laughter ]

BILL GRAHAM:

Hi. Thanks, Keith. I wonder if you would like to talk a little about what areas you see making improvements in accountability. Is it only in redress, or do you have other ideas? Thanks.

---

KEITH DRAZEK: Thanks for the question.

I wouldn't claim to have sort of a final answer or even concrete views necessarily. I think redress is certainly one. But the idea of an independent or external, maybe both, sort of backstop, if you will, to board decisions I think is something that's been discussed quite a bit in the community.

I think we've also talked about things like, you know, detailed financial audits, operational audits, you know, external -- the ability for the community to have better visibility, things like that.

But, again, I wouldn't say -- I wouldn't claim to have the answers. But I do think that on the basic principles, I'm sensing that there's quite a bit of consensus in the community on sort of this idea. And I think a commitment to actually working very hard together over the next 12 months to actually make it happen, I've heard people say that -- or I've heard sort of discussions saying, well, we just simply don't have time in the next 12 to 15 months to be able to implement the ICANN accountability that's needed or that something is needed -- certainly I do -- before September 2015. And I would say that's looking at it backwards.

Frankly, we need to make sure we work as hard as we possibly can to ensure that the ICANN accountability is accomplished by that deadline or by that target. And if it's not, then we have all failed.

Jonathan?

---

JONATHAN ROBINSON: Yes, Keith. I guess I have a question for our colleagues on the board then to try and understand if this is something that you've heard from other groups because we might hear it in the corridors. And we've now said something to you here, but you've had the benefit of meeting with others across the community during the course of the day. So is this a theme that's emerging? Or is it something that is unique to the Registry Stakeholder Group?

KEITH DRAZEK: Thanks, Jonathan.

I have Olga, Ray, Erika.

OLGA MADRUGA-FORTI: Thanks. Going back to your question, which was met with a bit of silence, I would say that the silence should be interpreted as complete acquiescence. So even in the short amount of time that the meeting has evolved during the course of the week, a day and a half, there is a general acquiescence and understanding that both accountability and transparency are a condition precedent and a measure of the process that we are embarking on for the next year and a half.

And when something is both a condition precedent and a measure, you're in a very challenging situation.

So harking back to Erika's comment a bit, the best way that we can both embark on a process and get ready for it while we're already embarked is to get as definitive and solid feedback from you as possible. Things

---

like examples of, "This particular process should go a little better" or, "Transparency would be heightened in this particular aspect by this vehicle by having remote access to certain kinds of meetings" or, "These precise documents are what interest us to be able to have a look at."

And that's the kind of advice that can be acted upon more quickly.

KEITH DRAZEK: Thank you. Very constructive recommendations. And I completely agree. So I think I've got Ray and then Erika. Anybody else like to get in the queue? Ken and Jon.

RAY PLZAK: Thanks, Keith.

I'll let Erika speak to the financial audits because I think that's what she wants to talk about.

ERIKA MANN: Oh, wow.

[ Laughter ]

RAY PLZAK: I was going to let you go first, but I decided to go first this time instead.

It is very difficult sitting next to a German.

ERIKA MANN: I know, it is painful.

---

[ Laughter ]

RAY PLZAK:

Anyway, you mention the word "operational audit." Yes, actually that's where we're trying to move the organizational effectiveness review that occurs inside the bylaws reviews, is more in a direction of what amounts to an operational organizational audit.

We had to be careful with using the term "audit." The original paper that I drafted that set forth the framework and so forth I clearly used the word "audit." In fact, in discussions I had earlier with Jonathan, I had used the word "audit" and because it means a very explicit thing.

And for those of us that have lived in a Sarb-Ox world, it means a very specific thing. It means a discipline, and it means also it is very important. But in a lot of cases, it is conducted underneath the radar in a sense in that everybody knows it's going on. Everyone knows it is important. No one ignores it, but it doesn't go through with a big bunch of fanfare and everything else. It is something that's expected to happen.

And that is a behavior we need to have. Not only do we have to do what amounts to organizational effectiveness audits of the various structures within the ICANN community, we need to look at also how we can do that as well in the corporation. It is not my job to speak to how that would be done. That's up to the CEO.

But it is very important, so this is not a new idea. And we hope that as we move through the structural audits that are required by the bylaws that we'll be able to take this further down the road in that direction

---

and get away from what amounts to an undisciplined approach to looking at the way we do business.

KEITH DRAZEK: Thanks, Ray.

Erika?

ERIKA MANN: You see all the difficulties on the board.

Just maybe two brief comments. I want to pick up the point Bill raised because I think he pointed to the right direction. I think we have to identify the areas, you know, where you want to see that the accountability in ICANN needs to be finalized or needs to be close to finalization before the IANA transition starts because I think you -- in all areas, I mean, it's probably not feasible. But there are some aspects which are key, and I think we should concentrate on that.

Again, it would be good just to get your understanding what these areas are. I think we have an understanding in the board, and I'm sure management. But you may have some other points which we may not take -- you know, fully into consideration.

The second point Ray raised which I think it is key. The board understood that there needs to be more regular reviews which go beyond the current department structure or the current board structure, the committee structure, because some of the risk factors which relate to certain accountability areas we may not see just simply because the way things are structured and organized.

---

So we -- I think with Susanna Bennett and the whole team, which is a fantastic team now, when you look to compliance, risk, compliance is growing, risk, the financial side, and the audit and the components Ray mentioned.

So when you take this all together, I think the missing piece is just to get them in a structural organizational sense so much organized and the methodology so well-established that you -- risk factors don't slip and the compliance side and everything you want to see in place so that you can orderly build your business and are in place. This is well understood.

We had one meeting where different committees met which are engaged in this issue, and I think we will continue to do this. And definitely the management side is doing this.

So I think we are understanding this. But, again, your input on the areas to concentrate on so that we are not overseeing important aspects but, again, would be very helpful.

KEITH DRAZEK:                   Excellent. Thank you very much, Erika.

We've got Ken and then Jon. Ken?

KEN STUBBS:                   Well, I haven't been here for the last five hours in this room listening to what people had to ask you or what they had to say. But my guess is the requests and the comments about the accountability process have surfaced many times.

---

It's a very difficult task. Fadi, I'm speaking to you because you're the guy who pretty well -- is vested in a lot of this. To develop a process that is a bottoms-up community process and keep it on track, because it is like managing a herd of cats. And having been on working groups where it's taken as long as six months just to get a charter out, what we have to do is we have to develop -- I won't say a sense of urgency, but a sense of commitment in the community that they need to understand that we're trying to get from point A to point B with their help and that they're going to have to be as committed to the process as they are committed to the concerns that they have about the process.

It's sometimes a matter of talking turkey. It may be a matter of talking turkey to the working group leaders, or it may be a matter of sitting down with the working group and just laying it straight out, saying, "Listen, I know you guys are all volunteers."

But you are asking certain things from us, that you want, that you need. But you're the ones that are driving the process. And if you're not willing to make the commitment to participate and to get the work done, to give us the input we need, make the suggestions, you're hamstringing us.

And I just don't know how to put it in any other way than that. Thanks.

KEITH DRAZEK:

Thanks, Ken. I would characterize it slightly differently, is that we need the support and we need the staff and everybody to facilitate the community's work. And part of that is the information.



---

KEN STUBBS: Right. I'm not asking you to do the job. I'm just saying that they need to -- we need -- we have a problem in the community, and that is that we're still lacking this cohesiveness, this drive. You have been on working groups like I have where it has taken months and months and months and nothing gets accomplished in a timely manner.

It gets accomplished, but we don't -- this isn't the WHOIS working group. We are don't have ten years to get something done.

KEITH DRAZEK: I agree.

KEN STUBBS: That's all.

KEITH DRAZEK: Thanks, Ken.

I have got quite a long queue. I've got Jon Nevett, Jeff Neuman, Ray Plzak, and Chuck.

JON NEVETT: Thanks, Keith. This is Jon Nevett from Donuts. I want to answer Bill's question whether it is just redress that we are seeking for in accountability. And the answer is no, it's not just redress but I think redress is the most important thing.

If you look at ICANN accountability and you look at the current accountability mechanisms, if a simple majority of the board leave the

---

reservation for lack of a better term, there's nothing that can be done because lack of independence on redress. Ombudsman, reconsideration, IRP are all recommendations back to the same board that made the decision.

So I look back and I wrote a paper on this in 2007 back at the NTIA GPA comment period, and it's been a longstanding issue. We're really eager to get this done and work together to roll up our sleeves and see what we can do.

Other non-redress mechanisms that I pointed out back then were, you know, heighten the voting threshold for certain key decisions. That could protect the organization in some things, you know, increase in transparency that we've seen in some of the ATRT1 and 2 recommendations; but there's still more that we can work together on.

I'm willing to work with you on rolling up our sleeves and getting it done, and I open others are as well.

Thank you.

KEITH DRAZEK: Thank you very much, Jon.

Jeff?

JEFF NEUMAN: Thanks. Jeff Neuman. I'm over here. Sorry. Not that that helps, if you're looking the other way. I just want to get kind of the sense of -- so Keith, the registry chair, has -- stakeholder group chair has said

---

something that the registries agree with wholeheartedly which is that accountability is a prerequisite to the IANA transition. And it seemed like, from just looking around at some of the board members and others, that there may not be agreement with that. So I just want to pose the question, you know, is that a concept that is agreed upon by the ICANN board, that ICANN accountability -- that finishing the ICANN accountability measures or coming up with ICANN accountability measures is, in fact, a prerequisite to the transition and just get a general feeling.

KEITH DRAZEK:

Okay. Thanks, Jeff. We'll let folks think about their answers as we work through the queue. Of course Ray is up next so he can answer that now if he likes.

RAY PLZAK:

No, I'm not going to answer that. There are two guys sitting right there that will answer it. They can take their pick, who wants to answer it. I'll flip a coin for them, in fact.

I want to go back to some concerns that Ken raised and also to one of the other things that's working within the purview of the current bylaws reviews and that has to do with the matter of self-accountability. I made the comment this morning that ICANN accountability is not about an amorphous ICANN and accountability. Everybody has to be accountable. All the structures have to be accountable. This particular stakeholder group has to have accountability. And the GNSO has to have accountability. If you have working groups that are dysfunctional,

---

you have to have means of dealing with them. You don't need the board to intervene to take care of a -- of a dysfunctional policy working group. One of the things that we're encouraging in the course of conducting the bylaws reviews is that the criteria of things that -- sheets that have been developed and are being developed right now can be used later on by the organizations themselves to do self-evaluations. And in fact, that's one of the features of this current bylaws review, is a 360 which the organization under review will do its own evaluation. And so -- and it should be something that you do on a frequent basis. You don't have to evaluate everything. You can evaluate just a portion of it. But it's very important to stress the idea that accountability is not just what you do about if the board goes berserk. It's how you make sure that the structure itself is functioning completely throughout. And so a very strong accountable ICANN is one in which all of its parts have got appropriate accountability mechanisms.

And so the other thing I wanted to touch on had to do with the idea about the board going berserk and maybe putting some supermajority votes and things like that. Those are all process accountability features and there are a number of other accountability mechanisms that can be used. Now, you have to think in terms of that. For example, you could put in place process with regards to working groups that they have to do certain things at a certain time. You could do something that really shapes the charters, the way they look. You don't spend so much time talking about the charter rather than talking about what you want to talk about. So there are a number of things you can do in terms of checks and balances and other processes. And certainly defining certain types of things as requiring different types of majorities for voting and

---

so forth or something else. And looking at what the appropriate appellate structures are. That's what you have to really consider, because we can't dump everything into some kind of pot that's sitting someplace waiting for something to happen. Thanks.

KEITH DRAZEK:           Excellent. Thanks very much, Ray. I have Chuck, Bruce, and Bret.

CHUCK GOMES:           Okay, thanks. Was Jordyn in there, too? No. Okay. I didn't want to get in front of him. First of all, I want to thank Fadi for making clear in the past few days to the community, as well as Theresa confirming it, that this process is going to be driven by the community, not by ICANN staff. He was very emphatic about that, and I thank him for being clear on that. And with regard to Ken's comment people being motivated to contribute, I'm seeing they are. And back to Bill's comment and question about the ideas, I'm seeing ideas coming from lots of places. And I'm seeing the community respond to this. Jonathan can talk more to this maybe than I can, but the -- the cross community work that's going on right now in terms of using existing processes, like a cross community working group, that's moving forward. People aren't sitting back and waiting for things to happen. And these ideas that are coming in from lots of sources are going to be able to be evaluated, tested, and then recommendations forthcoming. So I think the community is being responsive, they're ready to be responsive, and I'm encouraged by what I'm seeing on this, that the community is really stepping up and will take charge of this.

---

KEITH DRAZEK: Thanks very much, Chuck. Over to Bruce, then Bret, and then I'll put myself in the queue.

BRUCE TONKIN: Thanks, Keith: Yeah, I just wanted to pick up on a couple of things that Jon Nevett raised about, you know, the various types of dispute processes and things and improving those. And certainly -- and I want to make a comment on two parts of that. One part is the reconsideration request with respect to panel decisions that we've received in the new gTLD process. So those panels are really -- that dispute process is really set up so that the board didn't get involved and that we had yet independent panelists that would look at disputes between parties in the new gTLD process and issue a decision. And the reconsideration process there, as far as the board's concerned, is actually not to look at the merits of the case and try and second-guess the panelists but the reconsideration process, as it stands today, is really the board checking to see that all the procedures were followed. In other words, that they properly took into account the evidence, that they met the time frames that they needed to meet, et cetera. And very few cases, in fact only one, have we found a case where, you know, the process itself wasn't followed. And there was a decision made this week where we did find a case and we ruled in favor of the respondent. But what we're hearing, though, is that people do want to see some form of reconsideration on its merits. And I think if we look at the different types of dispute, we had some have got a lot of history behind them. So the legal rights dispute, the panelists have got a lot of

---

experience based in often new UDRP or other trademark dispute forums. So there's a lot of experience behind that. And one panelist as a low cost procedure has probably worked. In other cases, they are new. So the string confusion and the standards for that have really come from ICANN. The community objection process is, you know, entirely developed within ICANN. And the legal -- and the morality and public order are entirely developed within ICANN. And I think it's fair to say that, you know, having one panelists who's looking at this for the very first time, maybe there is merit in having a reconsideration of the merits with a wider panel. And I think that's something for the next round to consider, is how we actually build in reconsiderations on the merits into that process.

But Jon, you also talked about decisions being made by the board, and the main case I'm seeing that happening is actually where the GAC has been providing advice to the board on specific applicants. And I think we designed the process actually for individual governments to use the dispute processes that we developed. In fact, we offered to pay for the costs of those governments to initiate those disputes, and I'm not sure if any of them have actually gone through that process. But that was again intended to keep the board out of it. But what you have seen in recent times is the board is in it and we're receiving advice from the GAC as a whole on specific applicants. And naturally people then look at how do we reconsider that decision because we're involved in the decision-making. And again, I think that's something that we need to look at. And I know I've talked to Fadi about this as well, that, you know, we do need to have some truly independent mechanisms that, you know, cater for that scenario as well.

---

So I think Jon -- you know, I think the board hears what the community is saying in this regard, and we certainly want to, you know, facilitate and work with you on some methods to improve those accountability mechanisms.

KEITH DRAZEK: Thanks, Bruce. Bret.

BRET FAUSETT: Thank you. Bret Fausett. I'm one of the GNSO councillors and registry constituency. I don't know how many board members and staff members were around when it happened, but I think one of the healthier things that ever happened to ICANN was when it lost the ICM decision in independent review. You know, you -- no organization is always right and losing it and then abiding by the decision and implementing it was the right thing to do and showed that accountability worked. Unfortunately, one of the reactions to that was to change the bylaws after that to change the standards for independent review. And I think that, you know, perhaps if the ICM decision had come before a panel with the modified bylaws, it might not have been so successful. So one of the things I would like the board to be open to, as we have this accountability discussion and especially on redress, are the standards that we have for independent review and reconsideration.

KEITH DRAZEK: Okay. Thanks, Bret. Just a couple of points. We're -- Jeff, were you in the queue? I thought you spoke.



---

JEFF NEUMAN: I was just waiting for an answer. Sorry.

KEITH DRAZEK: Oh, Jeff's waiting for his answer. So --

FADI CHEHADE: I can answer it. Jeff, you asked very specifically -- you said, I'm quoting you, you shouldn't move forward with the transition until you have finished -- I'm using your words -- the accountability. Imagine if your local DMV tells you, I need to measure how awake you are to decide if you can drive. This is exactly what you asked. What is accountability and how accountable are we today? Who are we accountable to for what? We need to get precise before you ask us to answer a question that says when you finish accountability, then you can move to the transition. This is not a prerequisite I think we should be prepared to accept. Okay? Let's be clear. Accountability is very difficult to measure. Some people claim today we're one of the most accountable multistakeholder organizations on the planet. Others think we can improve. I think we can improve. But where are we on the accountability? So when you drive in the morning, how awake are you really? Did you have enough coffee? Did you have too much coffee? Did you sleep late? So is the DMV going to start measuring how awake you are before you get behind the wheel? You are asking me as a prerequisite that somebody decides that I have, quote, finished the accountability test. Which test? Who's test?

---

So we are building a working group to define that. Before you ask me to accept a prerequisite, let's figure out what is accountability, what is missing? Bret now, for example, just made a superb input into that discussion. He gave us a specific example of an area where we can improve our accountability. I love that. That's the kind of stuff we need, before you ask me to make it a condition.

Secondly, I want to be very clear about something. There are people in this community would like the transition from the U.S. government to never happen. They won't admit it, but there are several, in this room even, who want this to never happen. In this community there are people who are concerned about the so-called backstop. Okay? Let's not deny that.

Now, understanding these motivations, let's ask ourselves, how are we going to measure our accountability and should we make it a prerequisite, as somebody suggested? Who's going to decide that we met a prerequisite and how long will that take? In my opinion, we've been debating if we're accountable for the last 15 years, and we will debate it for the next 15 years. It's a never-ending discussion. We need to keep improving our accountability. We need to meet, discuss ways to make it better, just like Bret did, absolutely. But to say that we somehow are not going to today start the process before we agree it's a prerequisite, I don't know what that is.

I've said very many times, and I think we all agree, our accountability and the accountability track we started is highly interrelated to the decision of the U.S. government or -- you know, for the stewardship to be transitioned to ICANN. Highly interrelated. But there's a big

---

difference between interrelated and prerequisite. I think we should be careful with what definition we want to put on the table.

KEITH DRAZEK: Okay.

Thank you, Fadi. Very illuminating. So I had a comment right here.

JONATHAN FROST:

This is a question for Fadi. I wanted to know if the community came forward and on a consensus or majority basis they felt that an accountability mechanism or backstop should be a prerequisite for the transition, would you be willing to change your position on the matter?

FADI CHEHADE:

It's the community's position, not mine. So if they do that, yes. But I haven't seen that yet. I've seen it from very small camps who have a very specific motivation. Most people understand that accountability -- accountability as a husband to my wife is an ongoing activity. My accountability to my church is an ongoing activity. Accountability is an attitude. It's a position. It is shown through actions. It is shown through positions on specific things written in your bylaws and how you behave. We will always improve on that. How accountable are we today, you think? If I asked you this naked question, how accountable is ICANN today? On a scale of 1-10 are we 0.1 or 8.9? Don't know. It's -- exactly. So let's be practical. Let's get to work. Let's redress the things we need to redress. Let's take things like what Bret suggested and put them to the test to the board. And let's keep moving forward instead of putting conditions on ourselves because we may be quite accountable today compared to most of the world.

KEITH DRAZEK:

Thank you, Fadi. I think you're going to see -- the sense that I have is actually there's a lot of good will and a sense of urgency and a sense of opportunity and responsibility in the community to help this progress, help this thing move forward in a timely manner and constructively but one that will include structural accountability reform. And I'm glad to hear that you acknowledge that if the community comes forward in a strong consensus or unanimous position that you would also support that. So thanks. Jeff and then Edmon --

JEFF NEUMAN:

Thanks. This is Jeff Neuman, and I just want to state for the record that I'm at Neustar. Neustar was probably the first registry to come out in support of the transition, so we are not one of those that are seeking to delay or prevent it.

So with that said, just to lay out the basis, what Bret -- the example Bret made was actually something that was brought up three years ago, three years ago. So we talk about accountability. We never got a response on that. In fact, the registry stakeholder groups submitted comments to the draft. We're the only ones that submitted comments to that draft of the change of bylaws when it was proposed. We're the only ones that paid attention to it because it was mixed in with a bunch of other things. And that change was such a drastic change that Bret's absolutely right. If -- if that case was brought today, ICM would have lost hands down.

---

So I understand what you're saying, Fadi. And I used the word "finished" and actually went back over it because I realize that's totally unfair and I went back over it as I said it. So I want accountability measures like the one Bret has mentioned, and I want to show that it works, right? Before we can, as a community, be comfortable with that, we want to know that it works. And I completely agree with the notion of it has to be shown through the actions. And so once -- when we can see that it's shown through actions, it's shown through, you know, in a couple meetings from now the board reverses what it did on the bylaws and puts it back to what -- independent review, the standard to what it was. That would be a show through action that it can be trusted.

And Fadi, when you asked the question, "Are we accountable to rate it"? I think it depends on the constituency, the person you're asking. As a customer of ICANN's services, it would be pretty low. Right? It would be low. And the reason is because when a decision comes out or when staff takes a position or takes an action, a customer is left with -- I have nothing to do. I can't do anything about it. You feel helpless, much like experiments in the 1920s when they did with dogs when they're cornered on every side. What does the dog do? It just sits down and lies down because it can't do anything, right? Even if you trapped it and opened the door the dog would just stay there.

So the point is, as a customer, the accountability is low. As a policy body, I think the accountability measures we have and have grown in the past few years, I think that's expanded in a great way and a very positive way over the years. I think the posting of documents and everything else, I would rate you very high. As a customer right now, it would not be so high.

KEITH DRAZEK: Okay. Thanks Jeff. We're just about out of time. Unfortunately I regret we didn't get to the other two items on our agenda, but this has been a very, very constructive and helpful discussion. So last comment to Edmon and then I'll hand it back over to Steve.

EDMON CHUNG: Edmon here, and I'll try to be brief -- short. Responding to what Fadi was saying, I think what the community was saying or what Jeff was saying, you know, is sort of finish the prerequisite, there's a general feeling or almost consensus that we -- we are accountable right now but is it enough if the transition is going to be -- take place? We don't know. But I think what we're saying is that if we're here, we need to get a little bit further before we do the transition. All right? So I think the whole community understands that the -- it's an ongoing thing, it's a continuous improvement thing in terms of accountability. I don't think it's necessary for the staff or the board to be kind of defensive on that front because, you know, I guess we're seeing that we're at a particular level. In order to get into the transition, we need to be a little bit higher. We need to get to there and for the transition to take place. That's really what the community is talking about, at least from what I see. So it's not about, you know, finishing all the accountability work for eternity. That's not what we're saying. You know, we need to get one step higher and that's -- that's the quote, unquote prerequisite and that's the quote, unquote finished part that we're talking about.

---

FADI CHEHADE:

Yeah, I want to just reassure you, Edmon, that -- I mean, we started this whole accountability track precisely to do this. But it's very dangerous to start saying there are prerequisites and things like that. That's what I was reacting to. But by all means, let's get together. This is an open process. It is the community process. You tell us. These are minimum things that we feel are necessary so we feel comfortable to move forward with this. Great. This is what we need. But let's be very careful with that balance. And let's be committed to do this together. I'm here to just facilitate. It's the community's job to give us these markers, as the gentleman said. It's not for us to say what are these markers. But please, all of us, be aware that amongst us there are people who have different agendas. I don't want to point them. It's just normal. People have interests, have agendas. And some people would like things to stay in a certain way. So when we assess our minimum set of things to do, let's just be clear, what is that minimum set that gets us over the line to finish this transition.

STEVE CROCKER:

So you guys are interested in accountability, huh?

[ Laughter ]

I think we get that. You know, I opened by saying we come to listen, we come to engage in substantive discussion, and get right down to it, I don't think there's any question that we've done that. I've deliberately kept back from this discussion about accountability. I feel very strongly about it. Well, I did say some things earlier. I think we hear you. There's complexity, as Fadi and others have said, about exactly how much you do and when -- when do you know you're done and what the

---

gating times are. But the basic principles are clear. So thank you very much. This has been very helpful. And I hope it's been satisfactory for you. There will be a customer satisfaction survey on the way out the door.

[ Laughter ]

KEITH DRAZEK:

Thank you very much, Steve, and members of the board. We appreciate the opportunity. Thanks.

[ Applause ]

[END OF TRANSCRIPTION]