

**Transcription ICANN London  
Registries Stakeholder Group  
Tuesday 24 June 2014  
Morning/Afternoon Session (Part 3)**

Keith Drazek: Okay let's plan on getting started here, if folks would wrap up their conversations. All right, we're still missing quite a few people, so let's give it another five minutes and then we'll re-engage.

Okay everybody, let's go ahead and get started. So at 1:00 we have our typical registry stakeholder group meeting with the board. We will be moving to their room, which is the Sandringham Room.

And we've identified going into the week four topics, or four general topics for discussion. And number one I want to make sure that we all agree or that there's no views that we should change this up or introduce something else or take one away. But I think they're all still appropriate from my perspective.

Starting with the experience with the GDD, I know that we've went through quite a process for developing the excellent letter that was submitted to (OCRUM) and copied to (Crocker) and body. So they're clearly aware of that.

We had a good conversation I think a couple weeks ago. We had a, I think, a very constructive conversation two nights ago with (OCRUM) and the (GDD) with the ExComs that we already talked about. And I think we ought to construct a dialogue with them today.

So I think it's important that we acknowledge that yet still underscore the fact that service delivery remains a top priority and concern for us on sort of the customer side if you will as opposed to the policy side. So (Yasmin) I think will give just a brief overview of the letter and the process that we went through for identifying the issues.

We won't have time to get into each specific issue by any stretch, but I think it's important for the board to understand the rigor with which the NTAG and the registry stakeholder group developed the letter and identified the concerns.

And then we can I think introduce the concept of service level accountability. Any thoughts on this (Yasmin)? Anything you'd like to mention at this point? Did she step out? Okay, well we can come back to that. But any other thoughts on the sort of the GDD focus for our conversation with the board? Anyone? (Jordyn).

Jordyn Buchanan: Sorry, the problem with working lunches. Still going back a little bit back and forth on the lists, on my thoughts on this, but I think when we raise topics like this at the board, I think we need some clarity about what are we - is this just awareness raising that these issues have been given? Do we want the board to do something on the topic of like SLAs in particular?

Should we be engaging the board to give them guidance, maybe working with the community to develop SLAs and metrics as opposed to - traditionally what the staff does on metrics is they - (Christine) said this today, right? They have a bunch of internal metrics that they measure themselves which may or may not have anything to do with things that make us happy.

In general I find the ICANN ventures tend to be like how many units of work did we do or like how fast did we accomplish them, not like did I do something useful? Did I make my customers happy? Did I advance Project X?

And so you see this particularly in compliance where they have wonderful graphs showing you that they're doing lots of stuff, but then can they tell you how many actual problems did they solve, what's the relationship between user complaints and compliance activities? None of that is charted out. So that may be an area where we could talk with the board about how do we collaboratively develop metrics or something.

But I really think on this topic we should keep out of the weeds on the operational issues, which is what the staff is. The board's supposed to be providing strategic guidance. And what do we want the board to be doing differently than they're doing today I think is a critical question that I'm not sure we have a good answer to at the moment.

Keith Drazek: Okay thanks (Jordyn). So I would encourage you to sort of weigh in as in our discussion on those types of points and questions. Obviously we're asking that question of ourselves but I think it's worth letting the board know that those are the things that we're thinking about. Any other thoughts, comments? (Jonathan)?

Jonathan Robinson: Which topic are we on? Are we on a particular one or which subtopic are we on?

Keith Drazek: We're talking generally about stakeholder group meeting with the board.

Jonathan Robinson: Okay so it could be any - number one though, we're on number one of that. We haven't gone to number two for example, spending priorities and strategic planning.

Keith Drazek: We haven't moved to that yet, but I certainly can now if there's no other discussion on the GDD. Okay, let's talk about that - spending priorities and strategic planning. And (Donna) has kindly agreed to take the lead or at least tee this up and sort of get things going. (Donna) do you want to just briefly sort of introduce this for the group?

Donna Austin: Sure, so I'm not really particularly confident about how I will position this with the board. My thinking is that we have recently signed off on the comments on the strategic plans, and they will be submitted in the next 24 hours.

I think there's two things that I would like to highlight. The strategic plan has been developed in the absence of the NTIA transition discussion and also accountability. And that makes it - (unintelligible) I could see (unintelligible). So we need to highlight that the next iteration strategic plan has to have a placeholder for whatever comes out of those discussions because I think the timing - 2016 to 2020 - that's really important.

The other thing that I'd potentially like to pick up on is there is an objective which is support the evolution and domain name marketplace to be robust, stable, and trusted. I think this is pretty important for most of the registries would be my understanding. And I think in the context of the discussion we had with (ACRUM) earlier on in the week, they say compliance is the way that this becomes - the domain industry - becomes reputable or trusted.

I think we should potentially push back a little bit on that. We have identified that compliance is important in that respect. But I think it's also that ICANN has an obligation to do some education and awareness in this area as well. And I think they necessarily see that. So that's one area that I'd like to pick up on in the strategic plan.

The other thing is - and I'm not as across the budget as what (Paul) and (Chuck), perhaps (Ken) are, so I'm expecting that they'll take some of the lead in this. But (unintelligible) to this point I learned yesterday that the GAC actually have funding for 30 people to travel to ICANN meetings. And we have, what, six?

And I think the point needs to be made in terms of when we have the budget discussion is that in terms of that kind of trusted domain name space or reputable industry, we should be looking to get some more support for funding because a lot of these new gTLDs are startups. They don't have the funding available to them to attend these meetings

And if we look at who's most affected by any of the policy discussions that are supposed to go on in the ICANN field, then it's the registries and registrars that are directly impacted. So I think - that's kind of where I'm thinking from a big picture. But I don't know how it resonates with everybody else.

Keith Drazek: Thanks (Donna). (Ken) go ahead.

Ken Stubbs: I don't know how to politely say this, but what it boils down to is the allocation of these travel slots is a function of power and respect. In other words, they've got us where they want us already. They got the contracts, they got this and that. They're still courting these various groups for support in the various form that they plan on moving forward in.

And I think that has a lot to do with it. And that's the reason why I'm such a strong advocate of making sure that they understand that it's a matter of respect.

That in this process they have to deal with us at a level where there is a significant amount of respect. Because we are going to be influencing their ability in the future to operate effectively as well.

And it's just that's my feeling.

Keith Drazek: Okay thanks (Ken). Sarah go ahead.

Sarah Falvey: I just have a question. Is the 30 slots just for this meeting or is it always 30?

I'm wondering if it's part of the high level meeting or if it's - they always get three slots.

Woman: My understanding...

Sarah Falvey: It's always...

Woman: It's a constant. I know that when the - our travel support was originally developed for the GAC which was probably five years ago (unintelligible).

But I think, you know, we've seen an explosion in the budget revenue so therefore there's an explosion in other areas.

Keith Drazek: So let me ask the question. As we talk about travel support is that really a board level issue that we want to address in terms of specifics, you know, getting into that level of detail?

Are we trying to send a higher level more strategic message? And (Don) I don't know if you wanted to respond to that and then I saw Ray's hand.

Don Blumenthal: Maybe one level above might be, you know, how does ICANN approach budgeting differently or if the advisory committees versus the stakeholder groups. Whether it's the ALAC or the GAC or - but it does appear -- and I've not looked at the numbers to verify this -- but it does appear that the advisory committees are getting far more funded than the stakeholder groups.

That's an observation. I'm not sure - again I haven't verified the numbers.

But that does appear to be the case. So one level up might be whether we want to ask the board if that's a conscious decision or not to run the advisory committees in the pecking order.

Donna Austin: I think my point was that I was trying to address a kind of a more strategic level issues which is about reputation of the industry and how ICANN can help us. And there seems to be an assumption that the registries were all funded to get people to these meetings.

So in order to address the issue of a reputable industry and ensure that the stakeholders or the newly contracted parties understand their obligations and also how the ICANN environment operates. Because it's not easy for somebody to come in new -- then it's important that those people are actually able to get to these meetings in, you know, become involved in these discussions as well.

You know, the discussion of the GNSO that we're losing volunteers or there's volunteer burnout -- if people can't get to the meetings or they don't have the resources to be involved in those discussions then, you know, that's part of the issue as well. We're certainly growing in numbers.

But I was saying that active participation is the problem. Resourcing, you know, what is it.

So I guess that's where I'm kind of coming from.

Paul Diaz: Thanks Keith. I think that's an excellent point to make (Donna). That's the way to go.

And to raise it to your point, bringing it up to that level -- I could even say we could even go higher at the board level of the fiduciary responsibility it's part of the strategic planning. And the spend - the planning that goes behind the spend -- whatever the specifics are for the number of travel slots for this meeting versus last meeting -- clearly the trend is more and more folks are getting funded to come to ICANN, to go to other meetings and ride ICANN's coattails.

In aggregate it adds up to real money. And that's the concern.

Who is watching? Who is challenging this constant add, add, add?

And on the other side of the equation for the budget is what about the revenue projections? The fiscal '15 budget has some extremely optimistic revenue estimates for new TLD volume.

Hard to see how that's going to come to pass given what we've seen to date and the fact that for the highly contended strings that should drive significant volumes the further all of the resolution -- the auctions and everything get pushed out -- the less likely in fiscal '15 they're going to meet the revenue target. So what's going to happen?

The board's going to wind up dipping into the reserve fund because they've overspent? I mean these are the questions that it's like who's - who on the board is asking them?

Keith Drazek: Thanks Paul. I agree completely with your, you know, sort of taking it up to even that next level up. I think that's a great way of teeing it up.

I saw (Ken) and then (Jonathan) and then (Rubens)?

Keith Drazek: Thanks. (Ken)'s deferred to me first. One of - the way I think I would phrase that question came up in the CCNSO joint GNSO, CCNSO meeting yesterday.

Certainly one element of the question (unintelligible) and others that I would think is in the light of our current operational experience of the new gTLD program do we still, you know, what does the board feel about the assumptions that were made on the revenue that that will generate? And what are their contingency plans should those assumptions not come to bear?

You know, because that's really what a board should be doing. It's like we've pinned our budget on some assumptions.

Are those assumptions still valid? And if not what are we going to do about it?  
Thanks.

Keith Drazek: Thanks (Jonathan). (Ken)?

Ken Stubbs: Excuse me. Two comments. First of all a response to what Paul says. Very difficult to analyze and look at patterns when the information that you need in order to analyze is not being provided to you on a timely basis.

Everything just keeps getting pushed down the road, down the road, down the road with the idea that eventually we're just going to give up and stop looking. So I submitted a request to Xavier asking him to explain what the \$4.7 million was that ICANN had budgeted for this IANA NTIA thing and was told that he couldn't provide that information to me because the comment period was open and I would have to wait until after the comment period was open and they analyzed all of the comments which pardon the expression is so much bullshit.

And - well I'm sorry. Let's be frank.

Secondly we have a real problem and I'm not afraid to speak out about it. The ICANN board has a significant imbalance in that there are very few people on that board who are really concerned about the operational issues.

The majority of significant members of the board love the esoteric stuff. The idea of stuff.

I'd rather talk about global internet policy and stuff like that. So when you start asking questions like that you start seeing them doze off or go to their email and so forth.

So the point I'm trying to make is we need to ask specific questions that require specific answers. And asking them what they're going to do about something rarely ever gets an answer.

Unless you force them to in effect put it out in some sort of a director's policy paper or something as to how they plan on managing this in the future. Because I'm sorry it's just - I think you have to get more granular with them to get something back from them that means something.

Keith Drazek: Thank you. Thanks (Ken). (Rubin)?

Rubens Kuhl: Just a quick note on Ray's comment that all stakeholders' organizations have very limited number of travel slots including CCNSO which has five travel slots. His impression that all stakeholder organizations got those leads? Yes that's the case.

Keith Drazek: Thank you. Okay. Let's move to the next item which is ICANN's accountability process. And that's really the NCIA IANA transition and the interrelated and interdependent IANA - sorry ICANN accountability process.

There's been a lot of discussion about this this week. And I just wanted to have - I think this is an opportunity for us to engage with the board and try to better understand what they're thinking and what their perhaps timelines are.

I've heard that there's already pushback or resistance at the board level to having the IANA - the ICANN accountability sort of changes or reforms if you will be a precursor or a prerequisite to the actual transition of the IANA stewardship. And my strong feeling - my strong view is that the ICANN accountability piece must at least be agreed to.

If not implemented prior to any IANA transition taking place. And I really do want to sort of draw out the board a little bit and try to better understand their thinking.

Because it appears or it seems as if they've got some maybe preconceived notions about there's just not enough time to do the full accountability implementation before September 2015. And I just frankly think that's the wrong way of looking at it.

There's a pushback I think from the board -- and maybe the staff -- to say well there are people out there who are trying to delay this past September 2015. And I'm not aware of anybody trying to delay it.

I think frankly we have an opportunity here to actually encourage this to happen, help this happen but help it happen in a way that ensures that ICANN is a reformed and accountable organization for the next 20 years. So I really do want to engage on this and I welcome other people sort of jumping in with their thoughts.

But I want to try to draw the board out a little bit. So anybody have thoughts about this one or disagree with my position or my view just so I don't go too far?

(Donna)?

Donna Austin: I thought I had very (unintelligible) restate during the GAC meeting yesterday that this 2015 date is a nice to have but it doesn't matter if it goes beyond that. So, you know, certainly from his perspective it doesn't - he doesn't seem to be pushing that date at all.

Keith Drazek: (Donna) I'm sorry who said that?

Donna Austin: Larry Strickling.

Keith Drazek: Larry. Yeah. Understood. But I think there are those in the board and Fadhi probably that think that its' really critical to make that date for political purposes or they possibly lose the opportunity to effect the transition.

My concern is that, you know, yes it's a target. It's not a deadline, it's a target.

And frankly we ought to be encouraging that provided the ICANN accountability piece is addressed. (Ken)?

Ken Stubbs: Yeah it's called creating a sense of urgency. If they want the September 2015 deadline badly enough then they should be putting the resources and concentrating on developing a good accountability mechanism prior to that point in time.

And I think it's a matter just saying listen, you know, we're anxious to accomplish this as you are. But we need to work together and we need flexibility and we need as an emphasis here.

But don't try to tell us that it just isn't capable of being done in a manner that is going to satisfy us. They'll give us a system that they think will get what they want but not us.

Keith Drazek: Thanks (Ken). I've got Bret and then Ray?

Bret Fausett: I don't see her in the room right now but yesterday during the joint CCNSO GNSO meeting (Becky Burr) made a fairly compelling case that we should take the September 2015 deadline seriously just because of the changes in the U.S. Presidential status that may happen during that period. And so I think we should be cognizant of changes that may happen in the administration if we want this transition to happen that maybe now is the time to have it happen.

At the same time I think we ought to, you know, use (Ken)'s suggestion that we're willing to work toward that end but ICANN has to move more quickly building that accountability mechanism that is going to help us help it reach that deadline.

Keith Drazek: Yeah thanks Bret. Ray?

Ray Fassett: Thank you. It's Ray Fassett. Yeah I generally support where you're heading.

You asked that question in support, I do. One observation I would make is bridging the gap of the cause effect relationship of why one is important to the other.

You know, why is having an improved accountability mechanism in place important for when that point in time comes for the transition? I don't know if you can share any thoughts on what you - why you believe that's important.

Keith Drazek: Yeah thanks Ray. I mean I think to try to directly answer your question, you know, there's an attempt right now to try to just focus the accountability discussion on the specific IANA functions. Just the IANA functions themselves.

And I think that's missing an opportunity because what's really going to be removed from my perspective when NTIA disengages from its stewardship role is the threat of an IANA functions contract rebid which is what I believe is holding ICANN's feet to the fire to the extent that they're reacting to the AOC. To the ATRT obligations.

And ultimately the accountability to the community. I think that as soon as the threat if you will of the IANA functions contract being rebid goes away because NTIA disengages and hands ICANN in effect the keys and the title to the car then, you know, we're in a much weakened position as it relates to making sure that ICANN is accountable to us.

So in a sense - and this has actually been described by NTIA I think in one of their FAQs that was sent or a blog post where they talk about the perception that there's a backstop there, right. That NTIA's stewardship in the IANA functions contract is a backstop to this.

And they've actually said that the community will become the backstop. The iStar organizations will become the backstop as NTIA pulls away.

So in a sense they've acknowledged that the community needs to take on this role. And I think we internal to the ICANN process need to take this opportunity to get that enhanced accountability structure in place, whatever it looks like.

And it's really up to the community to determine what it is we want and present that as part of the feedback in the proposal that goes to NTIA for the transition discussion. And my sense is and I think put this in an email that circulated to the list a day or so ago is that we have one chance to get this right.

And if we don't get this right and if we don't make this happen now I don't think we'll ever have the opportunity again to ensure that ICANN is prepared for the next 20 years. So I'll stop there.

I saw a bunch of hands. So Jim, Ching, sorry, (Ken), Sarah did you - did I see your hand? Okay sorry.

I'm losing track here.

Jim Prendergast: Yeah sure. Jim Prendergast. The reason you haven't seen me much today is because I've been next door with the board all morning just watching them cycle through with the various groups.

And I'll tell you how it's going to play out. I mean they're going to say that, you know, accountability is comprised of six or seven different separate functions.

And that to get all this done by September 15 of next year is really hard. Just because it's hard doesn't mean we don't do it.

Can't let them get away with, you know, just backing off like that. The other thing that I think is important to stress is that even though it's the registered stakeholders that are coming in and delivering this message going through the comments that were filed during this public comment period across all of these groups who we never see eye to eye with or groups that have never weighed in with ICANN before getting the accountability done before the transition is the common theme amongst all of these comments.

I don't know if you've ever seen that before in a comment period within ICANN but it's pretty remarkable. And for the board to ignore that or try to push that off - you can't let them go like that.

Keith Drazek: Okay. (Ken) go ahead.

Ken Stubbs: Well first of all I would hope to god that you would make that statement in front of the board because you're 100% right. Number two Keith is right on target.

And I'm going to take you back about 17 years ago to a meeting I had with a guy named Ira Magaziner and those of you been around long enough know that he was the guy who in effect ran this process that moved out of that U.S. government. The IANA process is what gives ICANN the credibility in the world internet community.

And the reason very simply was that up until now there's always been one hammer. They could do whatever the hell they wanted to but they had to go to NTIA to get it into the room.

They had - that was that final paragraph in the contract. And that's the hammer that the "U.S. government" has had over.

But what you're saying to ICANN is you're handing that credibility to them without anybody having the right to do it. They manage this entire process.

So you can manage the criticism that can come from the fact that they'll get this thing halfway done and five years from now we're going to be bitching about the fact that these guys keep doing things without asking the community. This is the sense of urgency.

They have got to understand that they have got to get this done. And this is in my opinion all crap.

First of all they made it perfectly clear I understand the concerns that (Becky) has. But I've had conversations with them too.

They're - if they have to extend this contract for a year it's not going to kill anybody, okay. What's going to happen?

United Nations is going to suddenly collapse and the world of - the sky will fall in. But, you know, they've got to understand that this is - if you want the keys to the castle you're going to have to earn them. That's it.

They're not going to like what they hear.

Keith Drazek: Thanks (Ken). Well said. Okay let's see. Who did - Ching go ahead and then Ray?

Ching Chiao: These fully support - I mean the - so the accountability should be a phase right before - prior to the - I mean the transition I mean. Or we should take as

is the target day or whatever the deadline would be, that is not going to happen at least we strengthen the ICANN - the accountability role.

And going beyond that is just made me curious about what happens now and what will happen in the next year. Because potentially history have told us that ICANN in this one year timeline -- just think about what happened in the new gTLD process.

Remember that in like early 2012 GAC has an inter session in Belgium. And they brought in because of urgency to launch the new gTLD program.

So there's many inter sessions, meetings and also they've expand the meetings. So we didn't see any of that plans coming to us.

So I'm just curious about the board have that different thoughts or the second thoughts on what will be the target...

Keith Drazek: Yeah thanks. That's a great point. But I think at the end of the day it's up to us as a community, you know, us as registries and working with the others in the community to take control of this process, make the recommendations on accountability structures that we would find - as a community find acceptable.

And I'll tell you I mean we made -- we'll have discussions and debate and differences over what it looks like, you know, and how it's implemented, what the structure is. But I got to tell you from the conversations I've been having so far this week and over the last several weeks is the community is pretty united.

I mean to Jim's point there's quite a bit of consensus on some basic principles I think. And we have a year - a year plus to figure out and make the recommendations, you know, the details.

We can do that, you know. And my sense is that the only folks who will be substantially opposed or resistant to maybe some meaningful structural change are the ICANN staff and the ICANN board.

You know, the leadership and the board. And but it's not up to them to decide in my opinion.

It's up to us to decide. And I think we can do that.

Frankly this is about what happens over the next year and a half -- assuming the IANA transition happens is really going to define the legacy of those involved in the process right now including the board members, including the staff. And I think the sooner they recognize that this is a longer term issue and, you know, that we are preparing to protect the multi stakeholder model and ICANN for the next 20 years maybe the less resistant they'll be in the short term.

And that's my hope anyway. So Ray over to you and then we need to break to get to the board meeting.

Ray Fassett: No I have nothing to add. But are you planning on leading with this subject?

You may want to.

Keith Drazek: Yeah so I'll tee this up. But I think, you know, I want to make sure it's not just me, you know, engaging and that we have other voices, you know, with the board.

But I think this is the theme and it's going to be a big topic of conversation for the next year and a half. So we ought to I think be very clear about our views on this.

Okay any final thoughts before we wrap up? Okay let's move to the board meeting and then we will reconvene here at 2:15 after the board - after the meeting with the board.

Thanks.

END