LOS ANGELES – Board with the Registrars
Tuesday, October 14, 2014 – 14:15 to 15:15
ICANN – Los Angeles, USA

MICHELE NEYLON: Good afternoon, everybody. I'm Michele Neylon, the chair of the Registrar Stakeholder Group. And we are having our traditional meeting with the ICANN board of directors. Thanks for having us over.

Just a couple of opening remarks before we get to a couple of topics that we wish to discuss with you.

First off, we'd like to recognize, highlight, and thank ICANN for the appointment of a new high-level compliance officer. We felt that this was a very positive move, and we look forward to working with him in the coming weeks, months, and years. And, hopefully, this will help to address some of the issues and concerns that both registrars and other members of the community have been voicing.

Another matter which is purely specific to the Registrar Stakeholder Group, we note that the change to the Registrar Stakeholder Group bylaws are on the agenda, I believe, for Thursday's board meeting.

And we look forward to you voting on them and hopefully passing them.

Are they on the consent agenda? Yeah, okay. They are on the consent agenda.

STEVE CROCKER: If you don't mind, we'll vote on them. You get to watch.

MICHELE NEYLON: I know. We will be watching with great expectations, Steve.

It's been quite a long process and bringing the bylaws into -- into compliance with the various changes within the ICANN structures since our bylaws were first introduced. So this was overdue. And I believe as well, it was one of the first sets of bylaws as well to go through the new process.

The other -- we sent through a number of topics to you. Apologies for the tardiness in doing so.

One of the things we just wanted to mention was in respect to Internet governance. As Fadi had stated at the opening ceremony on Monday, which was yesterday, although it feels like it was a week ago, ICANN has been very heavily involved in global Internet governance matters over the last 12 to 18 months but is now kind of stepping back a little bit. And we look forward to seeing how things pan out around that. Any further engagement around Internet governance would also hopefully involve discussion with us within the community as we would also share concerns on this matter.

So the other three topics, I'm going to hand over for the first one which is the LEA stats. I am going to hand over to James Bladel.

James.

JAMES BLADEL: Thanks, Michele.

And thanks, Steve. Thanks to the board. So this topic -- and you probably weren't surprised to see this on our list. This is something that we've been discussing and bringing to the board. Now, I think we've gone our fourth meeting where we have asked for some compilation of statistics from law enforcement or other groups on how they are using the improved WHOIS verification system to function and improve their jobs and increase arrests or crack down on phishing or spam or malware.

We were, I think, given a commitment in Durban that we would have this, you know, by London. So we are now a couple meetings off target on that. We are going to continue to keep it on our list, and we are going to continue to ask because this is important to us and it is important to our customers.

Registrars have been collecting statistics as an industry. We released some of those in London, and we're preparing a more comprehensive study for release later on in advance of Morocco.

And our preliminary conclusions are that this is incredibly disruptive to our industry. It's burdensome to our customers and to our businesses. The rate of false positives is unacceptably high.

And, in fact, to my colleague Rob Hall's point, until we can see some positives, some measurable positives from the folks who were requesting these changes, they're all false positives.

So we want to understand particularly what we can -- what we can do to offset these costs. We want to be able to show that these efforts

have yielded some good, and right now we're not able to demonstrate that.

And particularly in light of what we recently learned this afternoon, that the effort to restart the effort for requirements on cross-field verifications, so demonstrating that you can prove that street exists in city and city exists in state and state exists in zip code, we've looked into this internally. I know other registrars have looked into it. I know eCommerce and shipping industries as well as some CCs have tried to implement this and have found this to be extremely problematic and in some cases economically prohibitive.

And we want to specifically ask the board and the community and the board to support us as we go into the community and say "Those efforts have to be put on pause" until we have a better understanding of what the -- not only the costs and the burdens will be to our customers but also what the benefits will be to those who are seeking to consume this improved data.

Because, you know, as we said, we kind of have to have a balance here. We can't just be having an environment where we are continuously asking for more without demonstrating that there's a rational benefit attached to it. So that's -- that's our position on the law enforcement statistics.

I guess my question is: Do we have any updates, any status on that request to law enforcement, to the GAC? And have they responded?

STEVE CROCKER: I think this is a very important question. And so let's take a minute and dig into it just a little bit.

So I want to ask for board members who have opinions, but also I want to ask staff, in particular, Akram, if you have anything to offer on it. And then I have a comment to offer.

I see Mike's hand and Ray's hand up already.

But do you want to be first, last, or never here?

AKRAM ATALLAH: I could provide some clarity on this issue. We understand the complexity of the problem. We have gone down the path of our first study with -- the NORC study on the WHOIS data verification, and we are learning from that. We will continue to learn from this and try to figure out a way to address this issue ourselves before we approach you with what needs to happen. So let's continue the dialogue and see how we can progress this issue.

We are not going to try to impose things that are not feasible; nobody wins. So let's continue the dialogue and see how we can progress it. Thanks.

JAMES BLADEL: Steve, I'm sorry. I was specifically asking: Have we requested a statistical analysis of any kind from law enforcement as we were committed to one year ago last summer, that it would be ready by London. So what's the status of that request?

AKRAM ATALLAH: I don't know of any requests of law enforcement. Law enforcement is not somebody that we can go call and ask them to do this for us. But we could try to approach a few members of law enforcement that we negotiated with and see if they are willing to do that. But I am not very optimistic about this. Thanks.

STEVE CROCKER: Bear with me for a minute. And if we haven't come back around to where we need to go -- Mike and then Ray, and then I will say a few strong words.

MIKE SILBER: Thanks, Steve. And thanks very much to the registrars for coming here and for keeping up with this topic. I seem to recall it was Singapore when -- and, in fact, it may have been London as well where a number of people raised this issue, in particular Elliot. And there was some allegations made in terms of negative impact of the data requirements.

And my comment at the time was, well, give us something that we can go to law enforcement. Instead of -- and Akram is entirely correct. Law enforcement is not a single entity that you can go to and say, "Please deliver the stats." It's a loose affiliation of law enforcement agencies from a variety of countries who operate in different manners.

So if you want something from them, then give us something to start with. Give us the position document that we can then go back and say,

Guys, we need a response to this and a response backed up with statistics.

Simply going there and saying, Give us all the data is not really a very effective way of doing it.

And I've asked twice for the registrars to please give us a position paper that we can start with. And I'm going to repeat my comment, not because I'm trying to put the work unto you and because I'm hoping it will go away but because I think that's the best way to get this moving, is you guys do the work. You show your commitment. We then take it forward, and we go to law enforcement and say "Guys, we've got a problem. Please help us respond or look at changing what you're requiring over here."

STEVE CROCKER: Ray.

RAY PLZAK: First of all, I'm not going to apologize. We just haven't done it, period.

And we've initiated this improved system to help us keep track of all this stuff. And while you were talking, I put that into the system, if you will. We owe you an answer. And we owe it to you in an organized fashion. If we need information, an individual board member asking you for information, you certainly should respond to. If it is not going to the right place, we need to know where it needs to go.

But this is very, very important. It's got a lot of ramifications. And so I will do what I can do as an individual member of the board to help move

this along. But it's going to take all of us working together to make sure we get straight what we want to do.

STEVE CROCKER: I saw Elliot and another hand.

ELLIOT NOSS: Mike, if I can come back to that point. I feel like I've repeated this -- this, you know, as many times as you've said what you've said. We have provided very particular data, which is at the time there were over 800,000 domain names that had been taken down. That number is now well over a million.

I think that -- you know, I don't know what a position paper or a report in addition to that will do. You know, what we have said is we have no indication that that has had any impact on the other -- in helping with anything.

And I think there's a few particular points that need to be teased out. I think we can assume that if somebody -- I think it's simple to assume that if somebody has had their Web site taken down, a domain name they've bought, a Web site that they've put up, that that is a negative consequence. That negative consequence may or may not be worth whatever is on the other side of it, but it is inherently a negative consequence.

And the second point is, I want to remind again everybody here that the reason that we put this out, the reason we put this data out is to say we have had a number of changes from the 2013 RAA negotiations forward

that have put significant additional demands around registrars and registrants and validation and data and information.

And before we -- again, our purpose for putting out this data was that before we put additional requirements out, that we should see some of the benefits from the existing work.

And I know that the agenda for this ICANN 51 conference is filled with additional requirements that are being asked for.

MIKE SILBER: Can I just ask you --

ELLIOT NOSS: If I could finish?

MIKE SILBER: Where is that?

ELLIOT NOSS: Sorry?

MIKE SILBER: Where is that?

ELLIOT NOSS: Where is what?

MIKE SILBER: Where is the papers? When you guys have asked for other things, I have seen the documents, the letters, the correspondence. Where is it? You were supposed to do that for me last time.

ELLIOT NOSS: Mike, I can send you --

STEVE CROCKER: Hold it down a bit.

ELLIOT NOSS: I will send you an email while we sit here that states exactly the same data that we've provided you with.

I think there was a public record in two or three different of these meetings where that information has been provided. If you need that cut and pasted into a specific email to you and to the board, I have no problem providing that. We have no problem providing that. But that's all it will be.

STEVE CROCKER: Okay.

JEFF ECKHAUS: Thanks. It is Jeff Eckhaus here.

One of the comments I wanted to say, I hear people saying we can't go to law enforcement. You know, who are they? It is not a body.

But it is funny that they're not necessarily a body now. But two years ago they came out with 11 requirements and they were a specific body then that came to us and said here are our requirements, our demands for RAA negotiations.

So whoever that group was that came with those demands that were incorporated into the RAA negotiations, that's the group to go back to because they are a body. They came with those demands, so now they have to be accountable for those demands. Thanks.

STEVE CROCKER: You wanted to comment, Rob? And then I want to jump in.

ROBERT HALL: Sorry, yes. I wanted to comment on Akram's statement, if I can. So I agree fully with what Jeff said, that we had all these demands put on us by law enforcement. We agreed to a two-step process, if you will. The first step was verification of email address and phone numbers. The second was a little harder. We weren't sure how to do it. It was validation -- a cross-field validation.

There was a working group created to -- you know, it was buried in our contracts that if this working group approved and came out with cross-field validation, it's been dormant for the last two years.

And today ICANN reactivated it this morning. And they are now asking registrars to step up and start participating in this working group. And I want to be very clear about what our ask is. It is to stop that, put it back on hold until such time as the law enforcement community proves that

the first step we've taken, which we did basically voluntarily, to say, look there are bad actors out there, let's help, has had any effect. Because it certainly has had a negative effect on our customers.

So we'd like to hear the balancing effect of that. And until we do, we'd like not to spend a lot of time trying to get to phase 2 of that, which will have further impact to our customers.

I think it is as simple as the board saying to law enforcement and charging them with provide the data. Throw it back and say we're not continuing with your requests until further data is provided to us to satisfy us. It doesn't -- it doesn't need to be formal studies by ICANN. I would throw it back to them and say, "We have done step one. Before we proceed to step two, let's understand the effect of what step one was." And so our request is pretty simple. Until that happens, please stop moving forward with causing us grief in this working group.

STEVE CROCKER: Thank you, all. I'm going to jump into this a bit more than you might guess because I have been tracking this specific issue for quite some time. It is more complicated than we would like, but that doesn't mean we shouldn't grab hold of it rather firmly.

The history, as noted, is that there was pressure from law enforcement for some long period of time to strengthen the WHOIS requirements and the enforcement of them in the RAA. There was a crescendo effect at the Dakar meeting in Senegal in which the GAC took us to task for not having done something.

We raised the temperature quite a bit internally, and it took a little longer than I expected. But eventually we got -- the changes were made in the RAA.

All along that process -- I had somewhat regular interactions with some of the law enforcement people -- I asked the question: And how will we know that this is going to have an effect? What are the metrics, or how do you know? No good answers coming back.

Now we've instituted them, and now we've seen statistics come about, the measurable harm that is being done to the -- to us, the good guys, if you will. And, again, we ask the question: How can we tell? And I've tried to have sensible conversations at multiple points with various people in law enforcement.

The --- that emerges is the following. And I relate this not to you as an authoritative source but just as a good-faith effort to inquire sensibly about this.

Two things. First of all, the people that we have been interacting with who have been pressing their demands on us are not the people who keep statistics and not the people who do the theoretical analysis or the structure. That is somewhere else, and I don't know where it is. But it must exist somewhere, I think.

And the other quite straightforward, pragmatic response that I got in a more recent discussion is they don't keep statistics that relate to the questions that we're asking. You cannot go and get crime breakdowns from the FBI or from others that tell you exactly which ones were because of abuse of domain names and so forth.

So there is a deep disconnect in the structure in the whole law enforcement environment. And this is not just a question of, well, we got to work better at it. There is a maturation process that has to take place.

So I would say that, yes, we can demand studies and we can collect statistics and so forth and we can try to get attention. But the problem is actually more complicated than that.

That does not mean that we have to give up. It does not mean that we shouldn't find a way forward. But I think it does, at least in my thinking -- and I'm speaking not on behalf of the full board. I'm just speaking for myself. But what I think it means is that we have to take a look at this in a slightly more holistic way and figure out how to engage the broader legislative and law enforcement policy making and thought process, as the think tanks and the people who not just deploy the cops on the beat, if you will, but the ones who think about what that whole structure is and to do that with some vigor. But it will take some time. And that leaves us in a bit of a pickle about: And what do we do today?

So that's the picture that I want to share here, and I don't think a simple loggerheads, "We told you to do this and you didn't do it," will quite get us there.

Yes, we could go do a study and so forth, but we're operating at fundamentally the wrong level. --- this data but we need to find a way to get up above it and look at that whole structure, and that's going to require not only us doing things but other people doing things, and they have to be educated that that's something to do.

So that's a nontrivial task. I think it's a worthy task. I think we have a natural role in taking leadership on that, but I think we have to escalate and elevate that dialogue.

Chris wanted to say something briefly, and then we'll open it back up.

CHRIS DISSPAIN: So Steve, thank you, and I agree with everything you said but I want to pick up on one point that you said which I think is absolutely critical.

If they don't have the data to show the effect, how could they claim in the first place that making the change is going to be beneficial?

They said, "If you do this, there will be a demonstrable change in our ability to deal with this stuff."

How can they say that, if they don't have the data in the first place? It doesn't make sense to me.

So I think that's our -- I think we should be at least including in our discussion a question saying, "Well, you've told us a whole lot of other things you just want us to do. Are you just basically out there trying to get as much stuff as you possibly can?" Because we don't -- we should take the position "You can't have it unless you can show us now, you have to show up front that it will be beneficial, rather than behind."

STEVE CROCKER: I agree with you. The shoe is now on the other foot. We have discharged the -- we've given them the things that they've asked for,

pretty much, and we've listened to them over a period of time, and now we have a very strong case to say, "And where's your side of this?"

MICHELE NEYLON: I think Bruce wanted to jump in as well.

STEVE CROCKER: Control back to you.

MICHELE NEYLON: Over here.

BRUCE TONKIN: I was just going to say, yeah, so the key thing that the registrars are asking for, they're just saying don't start adding more rules and more obligations until the other party has demonstrated that the previous changes have had an effect.

So it's right it might be hard for them to do that but that doesn't mean we should keep on making more changes. We should wait. Wait for that to happen.

MICHELE NEYLON: Elliot?

ELLIOT NOSS: Yeah. I want to -- I mean, I think, Steve, it's a great departure point there.

You know, it would be fantastic if we were able to productively engage with law enforcement around working towards real practical solutions, and I think, you know, we've always been interested in that, and we haven't been able to, you know, get something together to -- you know, and so if you can help, potentially, you know, get that -- that level of engagement, it would be great.

And because we have the group that we have in this room today, I want to read a statement so that it is in the record.

This is from the Europol head of cybercrime.

"Only around 100 kingpins are behind all of the world's cybercrime, according to the head of Europol's Cybercrime Centre, Troels Oerting."

So there you have somebody who probably knows it, you know, as well as anybody, maybe two or three other people in the world, saying that this comes down to a hundred kingpins, and that the main issue, the significant issue, is the ability for law enforcement to work cross-border.

And I think that that's so important for us all to keep in mind. And I do think, because this is a unique global organization, we may be able to, in some small way, you know, help with that effort.

MICHELE NEYLON: Thanks, Elliot.

Ray?

RAY PLZAK: Thank you, Michele.

I think the onus is on us to give you an answer about what we're going to do or how we're doing it and you need to know. You just can't sit here in a meeting and have us spin stuff around and then go away and come back three months later and go through the same thing over and over again. We owe you an answer. We've not answered your mail.

And if there are things that we've asked for we haven't got, we'll include that in that mail. But we need to do something. And if we need to find the right way to go find the right person to do that, that's our job and that's -- and we'll do that. You know, that wall there is not impenetrable, and as was just pointed out, they seem to have together -- put together a coalition of people to talk about this thing and so maybe the first thing we do is go grab those people, take them into the back room and have a discussion with them. I don't know.

But the point is that we can't just sit here and talk about it. It's time to do something and we should, at some point in time, be able to give you an answer. And I'm not going to speak for when we would do that. That's the job of the board to figure out how they can do that. But we need to give you something in short order because you just can't be sitting here in limbo and letting your business go down the drain.

STEVE CROCKER: So let me -- let me say, without any irony, point taken in a quite meaningful and substantive way. I think you got the sense of us that we're not -- we're not pushing back and your message is delivered and received and we will cause something sensible to happen, of the things that can be done instantaneously, and then we will also take to heart

that it's time to bust up through the ceilings on this and get above the problem and take a longer and broader look.

MICHELE NEYLON: Okay. Thanks, Steve.

The next topic we wanted to raise with you was in relation to the ICANN budget, and Rob Hall wanted to speak to this one.

ROBERT HALL: Thank you, Michele.

We want to make a note to the board of our concerns about what's been happening with the ICANN budget. So we don't have a specific "ask" other than to flag our concerns, because as you'll see from later in my -- my talk, there's a couple specific concerns we have.

We note the budget costs have been rising quite dramatically in this budget. I know there's been discussions about freezing it and that type of thing. Our concern really relates more to the budget revenues projected in the budget that's about to be approved.

Originally there were 33 million top-level domains, new gTLD domains projected for revenue. I understand that's been lowered to 15 million. And that's on top of the minimums each gTLD registry already pays of the 25,000 minimum fee.

Now, we think these are unrealistic. We don't think that you're going to get to 15 million on top of -- if you recall, every registry is given 100,000, basically, for free for their minimum fee of $25,000, so you're talking

about an additional 15 million names on top of all these minimums. We think it's pretty unrealistic for you to get there.

And, you know, in light of the fact that the registries have opened their contract negotiations with you and one of their "asks" is to eliminate that $25,000 minimum, that throws even more pressure on the budget. And as registrars, we're concerned that we're the catch-all.

So as you know, in our contract there's a variable fee that ICANN can set. It traditionally is set, you know, to make up whatever the budget shortfall is, and we just want to put on the record that we're very concerned about, you know, if all these things come together as they may, that we'll bear the brunt of seeing our fees increase at a time, frankly, when there's more registrations than ever, you know, there's more money flowing into ICANN than ever. We've not seen a -- you know, we would be expecting typically to see a decrease in the fees we're paying, and instead we're -- we seem to be setting ourselves up for a potential catastrophe, in our mind, and a massive increase.

So we just wanted to say we have a concern, we're watching it, but we think some of the revenue projections on the health of the market in the coming months are overly optimistic, and when you fall short of that, we'd like not to be the brunt of it.

MICHELE NEYLON: Thanks, Rob.

STEVE CROCKER: Do you want to speak to that?

AKRAM ATALLAH: Sure. I can speak to the revenue projections.

We actually, in the original budget, had revenue projections of 114 million. When we put it for the public comment and we received the public comment and some of your comments were that these are not very realistic, we reviewed the forecast again and we brought it down by 10 million and of course brought down the expenses with that.

Looking at it now probably is -- every day you look at the budget, you actually get closer to reality and you can actually review it a little bit more. I tend to agree with you maybe it's not as conservative as we thought it was when we did it originally. Now it looks like maybe it's -- there's some risk in the revenue profile.

But we don't feel that it's as drastic of a risk as you think and we are refining our model and we're trying to actually get a -- do another review, hopefully before the end of this month, on the -- on our projections and we will continue to update the community and the board on our projections with that. Thanks.

MICHELE NEYLON: Thanks, Akram.

James?

JAMES BLADEL: Thanks, Akram. And just for the benefit of the board -- and I know this probably goes without saying -- this is your channel speaking. This is

where the tax dollars, if you will, are collected. This is where the cash register rings. So please hear us on this when we talk about the concerns that we have with revenue.

I'm pleased that you believe that we're maybe sounding the alarm too early, but that should only mean that we need to watch it very carefully and be prepared to make fairly substantial adjustments throughout the fiscal year, if necessary.

So maybe we can convert this into a specific ask, although we didn't have one at the outset, which is, on yesterday, Fadi announced that he would be having quarterly stakeholder group calls similar to a corporation's shareholder calls. I think that would be the most appropriate channel to have a budget update and, you know, inform the community on how we're tracking revenue versus expenses versus plan and let us know if -- if -- you know, if those things start to diverge and we need to make some adjustments.

So that would be our "ask" is to include that in those calls.

MICHELE NEYLON: Thanks.

Fadi, do you want to make any comment on that?

FADI CHEHADE: Simply to confirm that what James just asked is precisely why these quarterly calls will take place. So he's spot on and we will do that. And we will track it together.

And the other thing is that in my private discussions with you, I also want to be clear that I said to the extent we can develop these things with input from you or in consultation with you, we're very happy to do it. I mean, we have no intent to be apart on this. We must be aligned.

MICHELE NEYLON: Okay. Thank you.

Anything from anybody else on this topic?

No?

Okay. We did want to raise one other topic which actually isn't on the list there, unfortunately.

It's with respect to proposal of the board reform of the -- of NomCom, and I believe Elliot wanted to speak to this one.

ELLIOT NOSS: I think you guys asked me to speak to this one, but I'm happy to.

I just didn't want to, you know, make it look like I was pushing my way in there.

Yeah. So I've had a long relationship with the nominating committee work. I've served on three nominating committees, you know, with a bunch of the people in this room, and probably more importantly, you know, Tucows drafted a document in the last ICANN restructuring that led to the change from voting to -- from direct voting to the nominating committee structure and, you know, a lot of the very particular

composition issues in the nominating committee, you know, came out of that document.

So I've given a lot of thought to the nominating committee and I can tell you that, you know, I found this report and I think we all found this report deeply troubling, and that's probably no surprise to you guys. And it's primarily in the dilution of the role of the GNSO in the nominating committee.

And I think that, you know, as I read through the report, you know, there were a couple elements that, you know, were either, from our perspective, you know, sort of misdescribed or not described, and probably the single most important point that was not described was the element that describe- -- that would so fundamentally change the relationship between the SOs and ACs and sort of the parity or balance among them.

And so, you know, there you have a description of why -- independently, you know, why the ccNSO and the ASO should have regional representation, therefore five members, you independently have a statement that, you know, talks about how everybody should get a vote, and you sort of sum those together with no explanation and you fundamentally change the balance between the SOs that exists today.

And I think that the more -- the most important point that I want to put out there -- I've -- you know, I've worked cross-supporting organization and cross-stakeholder group for 15 years now here. I have great respect for all of the participants. And the fact is, whether we like it or not -- and all we need do is look at the agenda of this and the last 10 preceding ICANNs -- go 50, if you want. The bulk of the agenda is made

up of items that relate to generic top-level domains, and therefore, are most touching the GNSO.

We know -- and again, I have respect for this -- that a lot of the CCs -- I think it's still the significant majority of the CCs -- do not have a contractual relationship with ICANN. That's okay. I think that's a separate issue. You know, I -- I -- you know, I love the fact that there's still a CCSO -- a ccNSO that still participates, to the extent it does, and that that's an ongoing process, and I deeply respect sort of the rights of CCs to have their own processes and policies.

And, at the end of the day, what we have in sum is all of this combining to be an undefended, frankly, dilution.

And I think that one of the ways that this could be got at is I think that there's this -- there's almost a -- you know, an overemphasis put on regional representation.

I think ICANN does a fantastic job of both being global in nature and being local in nature, being all over the world. The meetings are all over the world. The translations are super accommodating. The bulk of the travel support goes, as it should, to people who need it the most and are least likely to participate. And all of those things are fantastic.

Most importantly, the output of the nominating committee is constrained by regional representation.

There are some places inside of the ICANN frame where we need think of ourselves as global and not feel that we're constantly being driven into five regions.

We can have representation from all these groups. We can have hopefully the best people participating, not constrained by region, and their appointments can be dealt with as being constrained to or confined to a regional representation, which I think captures the most important element of the output of the nominating committee.

By that, I mean, Steve, you know, the composition of the board, the composition of the GNSO, the composition of the various ALAC appointees that come out of the nominating committee is constrained, quite comfortably, by regional representation, which is what achieves the most important element of ensuring that ICANN is paying homage to that. But this is a global organization and it does primarily deal with the generic top-level domains. Thanks.

MICHELE NEYLON: Thanks, Elliot.

I've got Chris and then Rob.

CHRIS DISSPAIN: So Elliot, thank you, and I respect your view and respectfully disagree with you.

For me, even -- even talk of dilution and even talk in terms of most of the work is done by gTLDs and talk of the CCs not having contracts is to fundamentally misrepresent what the NomCom is supposed to do.

It shouldn't matter whether it's -- it should be a cross-ICANN body charged with very -- with a very specific role and board members need to have a set of skills that have got nothing whatsoever to do with

whether it's G work or C work, et cetera. Just finding board members -- and frankly -- and I'm not suggesting I agree with the proposal that's been put forward. That's not what I'm saying. But I am saying that I think that I fundamentally disagree with your interpretation of the nominating committee. Thanks.

MICHELE NEYLON: Rob?

ROBERT HALL: Thank you. I sort of agree with you, Chris, but I think you haven't gone far enough.

So I've been quiet on this topic. As you may know, I was on the nominating committee, like Elliot, for three or four years and chair-elect for a year.

I appreciate what I think is the board's intent to try and stop what I'll call the political GNSO debates from happening in the nominating committee, because the structure is very similar to the GNSO, so let's try and dilute it, if you will -- and I know that's not the right word, but let's try and put more representation from within ICANN.

I think I have a fundamental problem with that. And the fundamental problem I have is the job of the nominating committee is to appoint the independent board members. The vast majority of applicants to the nominating committee, as you can well imagine, the vast majority, are from within the ICANN community and are known to us.

Until you get a structure that has independent people outside the ICANN community on that nominating committee, you're going to have more of the same. And you can try and add more numbers and more regions, but fundamentally until you change it to say, "We need independent thinkers on this nominating committee that aren't involved in the politics and the policy of ICANN," you're going to have more of the same output. And you can play with the numbers and where they come from and everything else, but fundamentally, if you want independent board members appointed, you also need independence on your nominating committee.

MICHELE NEYLON: George?

GEORGE SADOWSKY: Yeah. I'd like to comment, but I'd like the concerns to be expressed first, so if there's nobody else in the queue, I'll go.

Thank you.

Just quickly, Rob, I can't help but note that there is no reason why a constituency cannot nominate somebody for the nominating committee that is outside of the ICANN ---. It isn't done but it's possible. Let me comment a bunch of comments on issues that were raised.

First of all, you -- Rob, you said "the board's intent is."

This is not a report from the board. This is a draft report from a working group, a board working group on NomCom futures, and so the board has seen this but they have not commented on it, and they don't intend

to comment on it until we have a public comment period and we've taken all of the public comments into -- into account.

That public comment period is supposed to end in five days. 21st or 22nd of October. We're going to extend it because we've -- we've had pushback. We expected pushback, and we've had it, and we want to make sure that what we do is consistent with views of the entire community, to the extent we can.

So there is no hurry to do this. It is important that it be done well. The reason we did it now, by the way, is because the review of the NomCom done by a group headed by Lyman Chapin which produced its report in 2010 said that in three years -- recommended within three years we should look at the size and composition of the NomCom. And, in fact, we did and that recommendation was passed to the Structural Improvements Committee headed by Ray and then the board working group was formed.

This is not a closed issue. This is an issue that we want community input on. And we seek it. And as I said before this afternoon, if you think that you have a plan which balances the geographic and other needs of -- the sectoral needs of the community in a way that's better than ours and you can get us to agree to it, we'll adopt it. We'll propose it. It is not an issue of resisting change or being dogmatic about structural alignment.

A couple of other things, I think, based on your comments. Yeah, what's the appropriate metric for figuring out what that distribution should be? It's been pointed out, and it is quite obvious that most of the work of

ICANN is based upon consideration of the new gTLD program which directly reflects the GNSO.

To what extent that should be considered a metric as opposed to other metrics that one might consider? If we were at the U.N., we would probably consider the role of developing countries and so one. We're not so we don't. But we do argue that regional representation, the geographic representation, is a basis that needs to be considered at least in part not only for output but for input. And I would argue that you may get a better selection of names to put forward for the various positions that the NomCom appoints from a more diversified input than what we have now. I don't want to argue it because I'm not sure it's correct, but I have no reason to think it is not correct.

So I think it's important to recognize that we're in a different situation now. These were the rules that the NomCom structure defined in 2002 when -- I can't remember which reorganization of ICANN that was, but there was a reorganization. We reorganized. The first chair of the NomCom was the former president of Radcliffe, somebody Wilson, and Pindar Wong was the associate chair at the time. We have gone back to try to figure out why that particular structure was put into place, and we can't. It is history. It's gone. I presume it reflects the politics and the distribution of countries and people and God knows what at that time.

But the world has changed. It is no longer 2002. It is 2014. And the ALAC which was probably a gleam in somebody's eye in 2002 is now a relatively robust organization. The ccNSO had probably -- I don't know how many countries it had in 2002, but my guess is not nearly as many

as it has now. All these organizations have matured. Every program that ICANN has, has grown. And it is important to reflect that. It is a new reality. The Internet is more global than it was in 2002, and it's continuing to be more so. So I don't want to go into a detailed defense or explanation of what we have done. But I do want to say it is up for discussion. It is up for debate. It is up for suggestions. And the comment period is being extended so that you can provide those suggestions. We want good suggestions.

I'd like to ask other members of the committee if they'd like to add to my comments.

Ray, Ram, Mike?

RAY PLZAK: Apparently (indiscernible).

It's important to note that ICANN is not just what happens at this meeting. This meeting happens to be the meeting where the GNSO has its face-to-face meetings. But there are other ICANN meetings that occur all the time. There's a significant amount of ICANN work. In fact, 99% of the ICANN work in the addressing community is done in the regional registries, in their meetings, and so forth. And that's where they make policies.

And by the virtue of that, one can very easily say that those ten RIR meetings every year are actually ICANN meetings. They're not meetings of the GNSO. They're not meetings of the ccNSO. They're not meetings of the ALAC. They are meetings of the addressing community. So you

have to think in terms of ICANN as being a global organization with a large diversity of interest.

It is still responsible for the technical coordination and management of unique identifiers, not just the names but also the numbers. The people that don't actively participate anymore and haven't since 2002 are the people involved with protocol parameters. I think that needs to be taken into consideration.

So if you read the bylaws and if you go back -- and we did this in our research. The original intent, if you go back to the first very iteration of the bylaws -- and it is something that's carried through all the way -- was that at least 50% of the board was going to be composed of members that were selected at-large, not from the At-Large but at-large in the sense of the entire community.

And, therefore, you should have a NomCom that brings to view that at-large mentality.

Now, granted, there's a lot of things that get done here in these sessions and forums. And a lot of the work that the board does impacts directly upon what the GNSO does and what registries and registrars do and so forth. But it doesn't take away from the responsibility of the board to represent the global Internet at-large. So that is some of the rationale and thinking that we had as we went back and did our research in trying to look at the distribution.

MICHELE NEYLON: Thanks. I have Cherine and then Rob. Cherine?

CHERINE CHALABY: I just wanted to say that I actually do like the suggestion made by Rob about the comment about having independent members of the NomCom, the way you phrased it. So George is looking for good suggestions. I think this is a good one.

ROBERT HALL: George, I just want to comment on yours. I think some of the comments I'm hearing have perfectly demonstrated what I think one of the issues you're going to have going forward. This debate -- you were quite right when you said it is almost impossible for a constituency here to appoint an independent. You know, we've seen that that just doesn't work.

Unfortunately, what you are now asking is a NomCom made up of those same constituencies to try and appoint independents. And it is very hard for them to do that. It just isn't in their nature.

This debate immediately devolved into is it the GNSO against the other constituencies. And, you know, this is a debate that plays out throughout all of ICANN.

And I want to fall back to one thing when I was in the NomCom, we had a speaker came in -- I honestly don't remember who it is or I would give him credit. But they said the one thing we were looking for most in board members was wise people. And you need wise people on the NomCom as well, not that you won't find that within this community but if you don't get outside it and get independent views of what this board needs from a global stakeholder -- we are not talking about what

regions they're from. I think there's no question that we need to be represented in all parts of the world. But if you don't get outside this community to help pick your independent board members, you are going to get more of the same.

MICHELE NEYLON: Okay, thanks. I have Fadi -- you guys have to fight this out between you. I think Kuo-Wei.

So Fadi, first.

FADI CHEHADE: Simply to just completely agree with Rob. I think he's spot on. And I thank him for being forthright about this, and I believe there is some important value in what he's been saying for a while, that we should include in our thinking -- and as George said, Rob, what they proposed is just a proposal. It is a strawman.

Please let's engage. This is the time to address this. But I'm in agreement with you. On a personal basis, I'm in agreement with you.

KUO-WEI WU: Basically I agree the NomComs have an independent from outside. But what I mean is maybe we can do a different way. We maybe have independent screening for the outsider, for the candidate, and then go to the current process. I think because if you just put a few of the independents into the nomination committee, it doesn't change the whole involvement much. Do you see what I mean? You know?

ROBERT HALL: I understand your point. I'm not sure I agree with it. I think wise people can typically find their way through. So trying to have a screening process -- I think an evaluation process is necessary of candidates, and most NomComs do put them through a typical interview screening process. But I think it's important that --

KUO-WEI WU: What I mean is actually as you mentioned about -- there's two things we are looking for. One is a good nomination committee member, and then we want to choose a good ICANN board member from the nomination committee. And what is the best way to reach what we (indiscernible). I think it is something we need to think about and put as solid into the whole nomination committee process.

MICHELE NEYLON: George?

GEORGE SADOWSKY: Thanks. I like the comment about needing wise men on the board. And I think it's quite right, and we also may need wise men on the Nominating Committee.

But I just want to comment that I think we've succeeded in -- terrifically in one thing. We have awakened interest in this topic, and I look forward to comments.

The door is open, and this may be one of the few times in the near future when it is this open for suggestions and changes. Thank you.

MICHELE NEYLON: Thank you. I believe we've hit the top of the hour -- well, top of our hour with you. So I will hand it back over to Steve.

STEVE CROCKER: Thank you very much. As I said, we try to have a pretty direct and candid and specific engagement. I'm sorry we fell so short of the mark this time, but we'll try harder next time.

MICHELE NEYLON: Thank you, Steve. Look forward to seeing you all again in Marrakech.

STEVE CROCKER: Thank you.

[Applause]

[END OF TRANSCRIPTION]