PRAGUE – BOARD / At-Large Session
Tuesday, June 26, 2012 – 08:30 to 09:30
ICANN - Prague, Czech Republic

STEVE CROCKER: So we're running an auction here this morning. We have -- what, one, two, three, four -- empty seats on the board side of this setup here, and I'm taking bids.

SEBASTIEN BACHOLLET: Where can I sit, please?

STEVE CROCKER: Oh, two are gone. Two more to go.

ROD BECKSTROM: Oh, they're moving fast.

STEVE CROCKER: Ray asks, what's the attractive offer? I use the technique I used when I was in the government and had certain kinds of powers.

                         Not minus 100K.

RAY PLZAK: It's got to be something substantial.

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STEVE CROCKER:	Not minus 200K.

RAY PLZAK:	No, no. You're going the wrong direction and you're using the wrong meaning of exchange, too.

[Laughter]

STEVE CROCKER:	So good morning. Welcome. We're set up here in classroom arrangement, classroom setup. There's a tension between having enough room, and I know how tightly packed we are here, so -- that's a joke; too early in the morning -- versus a "U"-shaped setup.
	Diane tells me that we're going to operate in this format for the series of meetings this morning and all the other ones that the board's going to be meeting with constituents this week, today, and we'll try the "U"-shaped in Toronto and then we'll have some discussion about how to do things going forward.
	It's hard to get it exactly right. It's quite obvious that we could have used almost any format for the number of people who are here now, but it's early. People will trickle in and we'll see how this goes.
	So apologies for the sight lines, but fortunately there's enough lighting so we can actually see each other.
	On behalf of the board, we are very pleased to be here and we look forward to these interactions which are intended to be contentful and pointed and direct.

And we've had the benefit of a small amount of preparation of saying what things we're interested in hearing from you and hearing what things -- getting a list of things that you want to hear from us.

Let me turn things over to Olivier for a brief word, and then in the interest of time, the list that we have from you about what you want to hear from us I think we can respond to in a fairly compact way, and then we can focus on the bulk of our time on interacting with topics that I think are worthy of some discussion in depth back and forth.

Olivier?

OLIVIER CREPIN-LEBLOND: Thank you very much, Steve, and thank you for seeing us again at this ICANN meeting. It's a great interaction, always, that we have with you and I hope that you will be able to take our input.

With me on my left, I have Evan Leibovitch, Carlton Samuels, Tijani Ben Jemaa, Jean-Jacques Subrenat, and Titi Akinsamni -- no, Rinalia Abdul Rahim. I'm sorry. I just had the wrong name in my head. They're members of the executive committee. Plus Jean-Jacques, of course. And we look forward to the discussion with you.

The three questions which we had -- and I'll quickly shift through them -- were the first one, the board's views on the recommendation within the WHOIS RT final report that the board should be more strategically involved in WHOIS.

I'm not sure whether this is a short subject, actually, so if the board wishes to answer in writing, we would be very open to this.

The second one is the board update on the IANA reply for the proposal, so that's probably something which you can answer in 30 seconds or so.

And the third one was the board's priorities for the new CEO, and I think that this past few days, we've already seen the board's priorities, so that question is probably already answered.

STEVE CROCKER: Thank you. Thank you very much.

I hadn't thought to introduce myself or others from the board who are here, but that's perhaps an oversight, so I'm Steve Crocker, chair of the board of directors.

Rod Beckstrom, CEO.

Akram Atallah, COO, chief operating officer and about to be CEO for an interim period.

And who is that guy? Sebastien Bachollet.

[Laughter]

And the other board members are hiding in the front row and distributed throughout -- and I see, hiding even further back -- and we have Fadi Chehade as well.

Let me make an attempt at moving quickly through the questions from At-Large.

What are the board's views on the recommendation within the WHOIS review team final report that the board should be more strategically involved in WHOIS.

The easy answer that I can give you is that we have not yet begun to grapple with the recommendations in the WHOIS report.

We have a process.

The report has been received, published. There's public comments going on. One of the important process steps in handling this report and the comparable -- the parallel reports is to do an independent assessment of the resources required and the operational considerations. If we were to accept the recommendations as written, what would it take to implement those.

As I said, resources is one element. Where would that implementation take place, who would be involved, and so forth.

So a feasibility and measurement, if you will.

A separate and the obviously most important element of processing this report is the value judgments that are involved as to whether we do or don't accept, whether we want to put any kind of interpretation or detail into what we understand about the report.

And I frankly -- just speaking personally -- have not yet sat down to read the final report and to think hard about each of the recommendations.

We do know -- and I don't want to make any suggestion that we're dismissive of the report. We know the amount of hard work that's gone in. We know how important this subject matter is. We certainly know

that the -- that we ought to take these recommendations seriously and look hard for how to have a constructive, positive response.

So it's -- but there is necessarily a tension between -- no matter who it is, the recommendations proffered and then what that acceptance and evaluation process is.

We are just at the -- in the early phase of that and so that's what we have to say.

I guess I should say that just as I read these words here, without having read the report, "having board more strategically involved in" -- and it doesn't matter what you put after that -- has a sort of inherent limitation. The board is a very finite, limited set of people operating on a part-time basis. We, of course, are involved strategically in a series of things, but there's got to be emphasis on that strategically, as opposed to getting in and making anything happen. So that's that.

On the IANA reply to the proposal for the -- I guess that really should be for the request for proposal, what our proposal is --

Do I read that right? That it's an update on the ICANN proposal to the IANA procurement? Right? That's the natural thing.

The short answer is that the process closed the end of May. IANA -- I mean, ICANN submitted a proposal and we are waiting to hear. And there's nothing more that can be said because this is a U.S. government procurement and it's their ball.

So when we know more, you will know more. And it's hard to say whether that will be very shortly or whether it will take many more

weeks. And we share everyone's -- all of us share the same sense of anticipation and, you know, sort of holding our breath to see where we're at.

And that is the maximum that can be said, I think, at this point.

And then as Olivier has said, we've had the benefit of hearing from Fadi in a couple of settings, and I think you're getting your own sense of where our new CEO is likely to go and how he's going to get there.

OLIVIER CREPIN-LEBLOND: Thank you very much, Steve.

So I think we can now move over to the questions which were submitted by the board, and the first subject is the RAA negotiations.

I don't know whether you wish to start on an explanation or do we start immediately by our comments?

STEVE CROCKER: In the interest of time, I think jumping right in and then anybody who's uncertain about the context is likely to intuit them from the structure of things.

OLIVIER CREPIN-LEBLOND: Evan Leibovitch.

EVAN LEIBOVITCH: Hi there. And hi, Steve.

I think one of the areas where we've been focusing our own attention in the RAA is on 3.7.8, which has to do with the enforcement and compliance component of things.

We've had some concern about its enforceability. We've been talking to compliance staff and have noticed some difficulties in actually being able to complete the loop of taking something from investigation to voluntary compliance to whatever measures need to be taken after that, and some investigation from other members from within at-large have indicated that the current wording of 3.7.8 makes it very difficult, in fact, to force compliance.

And so we may actually be coming up with some draft wording for that.

In terms of the RAA, that's probably been our focus in terms of the enforceability of the ease with which -- or at least the tools with which ICANN has to deal with breaches, nonfinancial breaches, but ones that are due to providing us information or other things like that.

I'd say at least from the work I've been doing with them, that has been near the top of the list.

STEVE CROCKER: Interesting.

The RAA negotiations and the details of the contract are matters that the ICANN staff has been dealing with in depth.

Rod or Akram, are you in a position to comment further about the enforcement cycle and the relationship of that to the contractual language and the negotiations?

>>   (Speaker is off microphone.)

ROD BECKSTROM: I was just saying I'd have to look into that. I don't have any in-depth knowledge of that specific provision in the question.

                       Sam? Maybe Sam from our legal team can respond.

SAMANTHA EISNER: Hi. This is Samantha Eisner from ICANN legal.

                       I was actually with the ALAC as we were talking with compliance this week about this very issue.

                       There -- we -- as I stated there, we are aware of the ALAC's concerns about the enforcement of 3.7.8. However, the contractual provision also is written in a way that our enforcement power -- while we do enforce it, it's not clear that we have -- that it's as direct as the ALAC has interpreted it to be.

                       And also what's clear is within the negotiations now we actually have proposed language in the draft that was posted for public -- or posted for public viewing to strengthen that provision to give us some heightened enforcement powers on it.

                       So it's something we're aware of and we're trying to work on.

STEVE CROCKER: Thank you.

                       You want to say more?

OLIVIER CREPIN-LEBLOND: Carlton Samuels.

CARLTON SAMUELS: Thank you, Steve.

Carlton Samuels, for the record.

There was a concern that has been expressed by my colleagues about the present negotiations and whether or not, since it is the single most important contractual for policy enforcement, it should be more open and probably subject to consensus type activities around it, and I wanted to know whether or not you had a view that perhaps we should open the RAA negotiations further to other groups. Thanks.

OLIVIER CREPIN-LEBLOND: Thank you, Carlton. We also have a comment from Holly Raiche.

HOLLY RAICHE: Yeah. The specifics of 3.7.8 -- and this is something I've already stated in the meeting with Samantha -- the problem there is, I think we have actually read the new language which does tighten up the enforceability which actually makes reference to a specification in terms of what we mean by "accuracy." But the term "reasonableness" is still there and it's still a judgment call and it still leaves an awful lot of what we call "wiggle room," for enforceability.

So how is it that you actually say where we draw the line and is a registrar allowed to say, "Well, I've taken all reasonable steps, there was no answer, bad luck, see you later"? Because "reasonableness" does

not actually kind of close the loop in a way in which we'd like to think, unless we actually have some tests, did you take these steps, did you actually try really hard, and did you wind up with no answer, and then what are you going to do. Those are the sorts of things that we'd be asking, in terms of making 3.7.8 mean something.

STEVE CROCKER: Thank you.

Bertrand.

BERTRAND DE LA CHAPELLE: (audio problem) -- wiggle room and concerns. There can be concerns in two directions. Either that the provision is leading to too strong a leverage from one side -- it could be law enforcement abusing a provision or -- on the other hand, wiggle room that is evasion of duties.

Could you please clarify which side you are worried about, or both?

OLIVIER CREPIN-LEBLOND: Evan will answer that.

EVAN LEIBOVITCH: Hi, Bertrand.

As a matter of fact, in advance of the meeting with compliance, we had nine specific cases of things that had appeared to have reached dead ends based on interpretations of the regulations as they now exist, so we had actually come forward with specific examples of how we saw

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3.7.8 in its current was being interpreted in a way that allowed something to either slip through the cracks or simply go unattended while staying to the letter of the law.

And so that was the concern of ours.

And in fact, we even have some concerns with the current proposed rewrite of 3.7.8, and will probably be submitting some suggested text of our own.

OLIVIER CREPIN-LEBLOND: Thank you, Evan.

Next, Alan? Alan Greenberg.

ALAN GREENBERG: Thank you. My comment is not on 3.7.8 so if you want to go ahead with that, you can. No? Okay.

STEVE CROCKER: Was there more on 3.7.8 or more generally on the RAA negotiations?

Yes.

ALAN GREENBERG: I always get a bit uneasy in these discussions because of the title that goes along with them, "the RAA negotiations." Although I fully support collegiality and trying to come to agreement with every -- on any issue, as the RAA is written, if I read it correctly, it's not a negotiation. ICANN

has the right to, within certain bounds, essentially unilaterally put terms in that they need to properly manage the contracts.

And that seems to be something which is never mentioned. Maybe it's just we're being nice people and we don't want to mention that we have this ax behind our back, but I'm not sure to what extent we feel we must agree with everything on the registrars that go into the RAA.

STEVE CROCKER: So this is peculiar to me in a couple of ways.

One is, I -- are you talking as an ALAC member or are you talking as a registrar? Because it feels like that's the kind of thing that I would hear from a registrar, which would be a perfectly sensible thing for a registrar to say.

ALAN GREENBERG: Maybe I'm not making myself clear, then.

[Laughter]

Because I don't think this is anything a registrar would say.

OLIVIER CREPIN-LEBLOND: It's early in the morning, Alan.

ALAN GREENBERG: Okay.

STEVE CROCKER: So maybe I didn't understand what you were trying to say.

ALAN GREENBERG: Okay. According to the agreement, as I read it -- but I haven't had anyone oppose me and I have had -- seen ICANN legal opinions that seem to say the same thing -- new versions of the contract, which of course only kick in after five years, are set by ICANN, subject to board -- to appeal to the board and a number of other issues like that, but are not explicitly negotiated. Therefore, if ICANN needs a provision to be able to enforce the contract or needs a provision that it feels the world has changed, it seems to have the right to put it into that contract even if the registrars don't agree.

Now, although I fully understand that you need to consult with registrars to make sure you understand the implications of any change and it would be much nicer to agree on everything, that's not a prerequisite of the contract changing, and yet we always talk about it as if we cannot negotiate it, it can't happen.

And that bothers me.

STEVE CROCKER: And -- okay. And so is your point that we should be able to do more, since we have the ax-wielding power, as you're suggesting, or are you focused on the fact that the word "negotiation" is a -- is sort of misleading?

ALAN GREENBERG:	I'm not worried about the misleading part. I'm worried that perhaps ICANN has forgotten they do have that authority, should they need to exercise it at the end of the process.
STEVE CROCKER:	Now I get it and now we're on the same side here.
	I, too, have been puzzled when I've asked questions about, "So what is it about this negotiation that puts us in a disadvantaged position of not being able to say, you know, we really do believe this has to be done and we can be very polite about it but we can equally be very firm?"
	I have to say that even though I've tried to ask that question more than once, "Where is the leverage that the registrars have," I'm going to turn to -- to Rod here and ask for your perception of -- your understanding of, in this negotiation process -- because it's not a simple two-party contract with each side having something to bring to the table and something to give up. It's very asymmetric. There's one of us; there's a bunch of them.
	Can you -- can you expand and elaborate on this?
ROD BECKSTROM:	Well, the first thing I'll say is I -- even if they outnumber our talented staff, I have very great confidence in the negotiation skills of our staff to try to work to find middle ground. Which, of course, is not easy.
	I don't think it's always easy for the registrars to agree on exactly where they want to be and to seek to incorporate other views that are held out there.

I think we simply have to do our best.

There are some very forceful potential options, but those also have to be viewed with serious, let's just say, contemplation of second-order effects, and I think that therefore, the ICANN team is negotiating very hard and aggressively towards what they think would improve the contracts and incorporate quite a number of concerns, including particularly compliance issues and other concerns for law enforcement and other groups.

Sam, do you -- is there anything you'd like to add to that? I mean, you're in the middle of all these discussions which I am not as the CEO, and I think she can provide more depth, if that's of interest.

Can we get a microphone to her, please?

Oh, there it is. Thanks.

SAMANTHA EISNER: So again, Samantha Eisner. You know, we read the contract. We know what the terms are in it. And there -- you may not be surprised to learn that there are differences of opinions between ICANN and the registrar community about the scope of what that right means within the renewal provision. I know the term that you're speaking about. Because there actually is reference to a consensus policy process within it. And so it's not -- it doesn't actually say that ICANN itself can just pop up with an agreement. There is a process that would have to be gone through. And that process itself, given the makeup of the GNSO, likely would require some registrar buy-in into it. And it's really important for us, in terms of having contracts that people abide by, to have some buy-

in into what those terms are, and so that's really -- that's our first priority in these negotiations. To get to a point where we have an agreement that meets the objectives of the community, but also meets the objectives of ICANN and the registrars, because it is their contract, too.

It's their business to come to a point where we're all able to meet the terms of it and enforce it.

And, you know, are there other options that we would consider to see how we can move the model along if the negotiations are not proceeding? Clearly that's what is going on.

And so we're taking advantage of all of our options.

OLIVIER CREPIN-LEBLOND: Evan Leibovitch.

EVAN LEIBOVITCH: Hi there.

I guess I would respond to that simply by asking the board and staff to remember that simply because there is a contract negotiation with registrars, the multistakeholder model does not turn into a single stakeholder model; that there is a whole community that is entrusting the board and staff of ICANN to represent the global public interest in its dealing with this.

We're counting on you, and you have the ability, if there's a disagreement, that there is not an impasse. This is still a regulatory, in

effect, function that again the world is counting on you to assert and uphold the global public interest in these dealings. Thanks.

STEVE CROCKER: We have a bit of a queue. Alan, if I may, and then Bertrand and then --

ALAN GREENBERG: Yeah. Just a couple of quick comments or rebuttals.

I fully support the process of negotiating as the first -- as the first effort.

Regarding consensus policy and the GNSO buy-in, that's something -- that's the subject of a very narrow part of the RAA which does require agreement as a consensus policy and agreement under the multistakeholder model with the GNSO.

The vast majority of the terms are contractual terms which are not subject to consensus policy, if you -- you know, if you read the agreement, which is similar to the registries' agreement.

I guess I want to make sure that there is a level of comfort in the board that if ICANN needs requirements that registrars do not agree to, there is an option the board can take and that's really the critical part of it. If that is not considered, then we have, in my mind, a real problem.

When we were first talking a little while ago about having observers from other parties at these discussions and what the registrars said, and I quote verbatim, "if there are other people there, we're not coming," my reaction to that was, "Okay, don't. It is not really legally a negotiation."

Clearly, it is best for all parties if we can agree ahead of time, but it isn't the only option we have.

STEVE CROCKER: You're in charge.

OLIVIER CREPIN-LEBLOND: Thank you, Steve. Bertrand first and then Beau, and I think we will close that subject after Beau.

BERTRAND DE LA CHAPELLE: As you know, it is a reoccurring discussion on the Registrar Accreditation Agreement. I'm fully in line with what both Evan and Alan have said. I find it deeply troubling that because the agreement in the end has the form of a contract, it is supposed to be negotiated bilaterally. At best, it could be considered as an equivalent of terms of service, that so many of us are actually signing without even reading because we have no power to negotiate when we use any kind of service.

The reality is that the Registrar Accreditation Agreement is a registrar accreditation agreement, and we tend to forget that it is not a bilateral contract. It is an accreditation agreement, i.e. it is what is requested from actors to get the benefit of recognition.

The benefit of recognition for registrars is that by one single agreement, they get access to all the registries there are, which has a tremendous value for registrars because in the case of the opening up of the new gTLD program, if there is no accreditation, every single registrar will have to negotiate with every single 1,000 registries to be accepted.

This agreement is extremely important for law enforcement agencies as well. It is a tool for them because without this instrument, national law enforcement agencies would have almost no capacity to act against registrars that are in other jurisdictions.

This is the core function of ICANN, to be a tool for the different communities. But we need to remember that the Registrar Accreditation Agreement sets the terms of service for being able to provide the service of registrars at the same time. Because there is a spirit of cooperation and benefit and discussion, the registrars, of course, have a tremendous say in discussing in what should be in there.

But the balance has been tilted a little bit. And on a personal basis -- I'm not speaking on behalf of the board as a whole. On a personal basis, as I have said in previous meetings of ICANN, I have been distressed by the notion that this is a purely bilateral discussion. And we need to be behind staff, and I support the idea first that ALAC is doing in strengthening the position of staff because that does represent the community in that case. Thank you.

OLIVIER CREPIN-LEBLOND: Thank you very much, Bertrand. I think your point of view resonates with our community.

Beau Brendler and we will close the subject after that.

BEAU BRENDLER:

Thank you, Bertrand. That was much appreciated to hear. My question is also about RAA but a little bit less about the negotiation itself and more about, I suppose, the optics of the negotiations.

It does concern us that no one in the public interest sector of the community is able to be present for the negotiations or comment on them or at least silently observe them.

But it also does concern us when, for instance, a person who is currently the chair of the Nominating Committee of ICANN holds a pretty substantial position of power, is also one of the leaders of the RAA contract negotiating team.

And I want to become a little bit concerned that the board is blind to how that looks to the outside. I don't think it looks very good.

So my question is: Are you aware of this and looking to mitigate these situations where it looks like insiders have a pretty firm track to get what they want?

STEVE CROCKER:

Let me just respond very quickly then. Yeah, we're keenly aware. It's a -- the subject has been discussed more than once and probably will be discussed again. There is a -- always a balance between how -- kind of the external view, the optics, and so forth versus substance and it is obviously important to understand and pay attention to the optics and equally important to not be governed entirely by that.

But it is certainly the case that we have been very sensitive and concerned about that and equally very concerned about quality and

talent available. So I will just leave it there. Happy to get into further discussion on that, but we're very concerned about that.

Your other point about who's in the room in the negotiations, I think, is an important point and what is the charge or brief that our legal team carries into that room and who are they representing, I think, is an absolutely vital concern.

OLIVIER CREPIN-LEBLOND: Thank you very much, Steve, and certainly bearing in mind the recent conflict of interest issues, the optics are pretty strong at the moment.

I think we will move onto the next subject. Question from the board: WHOIS report, in particular, what aspect do you think should be subject to policy work within the GNSO versus left to staff to implement?

And for this I'll have Carlton Samuels.

CARLTON SAMUELS: Thank you, Olivier. Carlton Samuels, for the record. In terms of the WHOIS final report, you may have seen the ALAC statement that endorsed the report in full. We believe -- and it has been an ALAC position even before the report -- that one aspect is a (audio problem) proxy conundrum. We feel that that should be subject to policy work within the GNSO but certainly the other aspects of the report the accuracy of the WHOIS records and several other issues that were raised including the timelines for implementation that the review team suggested. The ALAC is definitely in support of those. Thank you.

OLIVIER CREPIN-LEBLOND: Thank you, Bill. Sorry, thank you, Carlton. Today, I don't know, I'm getting all the names wrong.

[Laughter]

It's the Tuesday name problem, isn't it? We are Tuesday, aren't we?

[Laughter]

STEVE CROCKER: All I can tell you is it gets worse.

[Laughter]

OLIVIER CREPIN-LEBLOND: Okay, right.

Evan?

EVAN LEIBOVITCH: I just have a small quick addition and note that it is possible through the past that At-Large has been sending mixed messages to the board and staff about this. And I wanted to make sure there was absolutely no ambiguity. We support the WHOIS review team. We support the idea of having robust WHOIS and accountability and the ability for -- in the case of bad actors, that people have a recourse. It doesn't mean everybody has to have direct access. There are privacy concerns. Those can be addressed. And, in fact, they were addressed by the review team, but I want to make it absolutely unambiguously clear within At-Large at least to my awareness we are in full support. And if you have

been receiving mixed messages, please understand that right now we are fully in support of what's going on.

STEVE CROCKER: Thank you very much for that. That message is completely clear. And then within that, the question of which pieces should be subjected to policy development process, I'm hearing you say just the question of proxy service and everything else is an implementation detail, as it were.

And then to be equally clear, at least I understand that message. What we do with that is in the future because we are not yet in a position to speak to that. Thank you very much for a very clear position.

The last bullet here says "budget and operations plan cycle." I have to confess, I'm not sure I understand exactly what that means as a question. I didn't write that.

Do any of us know what the question is we are asking of ALAC? Cherine.

CHERINE CHALABY: I suppose. I didn't write this as well. But being head of Finance Committee, I'm going to have a go at this.

The big question here -- Sorry? Chris wrote it, but he doesn't know what it is either.

[Laughter]

The clue was in the word "cycle." Here's the big issue. It is really about is there sufficient time for public comments and feedback before a decision is taken to approve the budget by the board.

And we are having a meeting tomorrow with the heads of the SOs and ACs to talk about the current cycle, I think. And I will be present in that meeting, so it is very important for next year.

But let me just sort of flesh out a little bit of the problem. The problem is the timing between approving the strategic plan and then approving the budget. So -- And they go hand in hand. And, traditionally, we post the strategic plan. We get comments on it, and then you approve it. And the approval of the strategic plan happens right about the January period.

It is at that time that we immediately post the first framework of the budget.

So you now have from January until June, right, which is about a six months' period to get through the budget cycle instead of a 12 months' period which could start in July until the following because there is the first four or five months almost waiting to get the strategic plan approved.

So then we post the framework. We get comments back. And then we post a draft round about the May time frame and then we ask for comments. Between May and the last public meeting of the year, there isn't much time to really have comments and reply and then get a proper feedback and the community feels they have been heard properly and gotten feedback properly.

So the time is squashed. So what we really need to do is find an alternative to starting the posting of the framework earlier, okay? So it either has to be posted before the strategic plan is approved. That causes a problem. Or let's get the strategic plan done quicker and earlier in the year. And so I haven't got the answer to this. We need to -- we really need to improve that because it's not -- it's not correct that we squeeze all the comments of the public in the last four weeks before approval of the budget. It's too cramped. It's too jammed. It doesn't give time for the community to feel that they have been heard and that we've commented back on their comments properly.

I think that is the issue which we need to resolve particularly next year and improve that cycle.

OLIVIER CREPIN-LEBLOND: Thank you very much, Cherine. Short of adding more months to the year, perhaps that could be an answer. But I will let Tijani Been Jemaa deal with this. He is with our budget and finance subcommittee.

TIJANI BEN JEMAA: Thank you. Thank you, Cherine, for this comment because we were always arguing about this point, the time constraint.

Over the last years, there was a big problem about feedback. We didn't have -- the finance department didn't have time to interact with us since there is a very short time to make comments, to have the feedback, et cetera.

But we are always arguing. But when things works better, we say it is better. And the finance department made a lot of effort to be responsive and to try to interact with us. And every time we ask for a call or for a discussion, they are always responsive.

I can say that we find that it is better those years -- those two years better than before because of the waiting of people to make their interaction better. And I can say that at least for At-Large, for ALAC, we are a little bit satisfied by this matter, even if the time is very short.

And the issue of approving the strategic plan earlier is one of the solutions that we discussed with the finance department.

OLIVIER CREPIN-LEBLOND: Thank you, Tijani. Certainly better but can do even better.

We have Sebastien in the queue and then Alan Greenberg.

Sebastien Bachollet, first.

SEBASTIEN BACHOLLET: Thank you. I'm going to speak in French, if you allow me, because since we have At-Large and At-Large always has tools -- interpretation tools that are available to all participants.

I believe this question is similar to a broader question on comment periods; that some can make the role of individuals, they have comments within comments and organizations such as RALOs and ALAC about the time, they have to make comments.

So you have to know that within the Public Participation Committee, this is a subject we deal with and after the attempts of experiments during the first six months of the year on comments with an open period plus a minimum period for comments, answering these comments for 21 days. And at the same time, we have the following question relating to the timing of the budget.

Everyone had to work very fast and during the last weeks. And this is not good for us, neither for the inputs that you can submit, the community can submit to the staff in charge of finance and especially to chief financial officer. And it is not good for the committee's work -- for the financial committee's work because there comes a time when we need to finish and sometimes everything is a bit rapid. And there are many important issues that need to be discussed. So I think it is very important.

This is a question that's being debated on the table. We hope you will be able to help us. When I say "we," it is the board, but the community, so we can define a good process that helps us to get good decisions. Thank you.

OLIVIER CREPIN-LEBLOND: Next is Alan Greenberg.

ALAN GREENBERG: Thank you. Although I support the concept of lengthening the time frame for giving more time for each of the phases, it raises concerns. My history goes back 40-odd years in computers. And I remember a time when the typical life of a computer was a small fraction of the

design time for a computer. As a result, when IBM or DEC announced a machine, they were already working on the next two or three versions of the next one. If you found a problem with the current one, it won't be fixed in the next one. If you are lucky, it will be fixed in the one after that, and more probably the third generation later because the designs are already cast in concrete.

I worry a little bit about are we going to be able to be responsive to change, and our business these days does change.

If we overlap these cycles and lengthen them, are we still going to be responsive to change and be able to do things quickly and not say we have to wait a year until it gets into the plan and then the budget? It is just the counterbalance we have to be careful of.

OLIVIER CREPIN-LEBLOND: Thank you, Alan.

Cherine has an answer to some of your questions and Chris, of course, since you were the originator of the question.

CHERINE CHALABY: I think the point about -- if you wanted to do it in a sequential way, we could approve the strategic budget and then post the operating -- sorry, approve the strategic plan and then post the operating budget.

We need to accelerate the strategic plan cycle. And I don't see a reason why not. We are talking about July, August, September, October, November, December and January, almost six months to get the strategic plan approved.

If there is a way of accelerating that, even by six weeks, it will make a heck of a difference. I'm not saying accelerated by half, but a month or six weeks. That six weeks is a valuable six weeks for response to comments, for getting feedback. And that's all we need to do. We need to find productivity improvement of six weeks in the strategic plan, and that will sort out the whole problem, in my view.

STEVE CROCKER: Isn't that under our control?

[Laughter]

CHERINE CHALABY: Yes, I mean, there is also public comments on the strategic plan. So, yes, should be.

STEVE CROCKER: Let's do it.

>> (Speaker off microphone).

OLIVIER CREPIN-LEBLOND: Thank you. I just wanted to add one small thing to the agenda, which we couldn't put on the agenda at the time when it was submitted because we weren't quite sure whether it was going to be complete or not. And that's the At-Large and ALAC structural improvements, which I'm glad to announce are now complete thanks to the enormous amount of work that was provided by the At-Large community, some of

whom are in the room and some of whom are probably listening to us remotely or will read the transcript or listen to the recording.

That work was led by Cheryl, and I just want to have a round of applause for all of the work that was done by the community.

[Applause]

And, of course, by our staff as well that has been working day and night to get this done. It's a long several-year project. And I see Chris Disspain having put his hand up. Since it is classroom style, you are allowed to speak, Chris, if the census will allow it.

CHRIS DISSPAIN: Am I on? Yes, sorry.

Olivier, I'm conscious about one thing about the work you guys have all done, normally -- in the old days when we had a board meeting on the Friday morning, we would probably have passed a resolution on Friday morning acknowledging the work that you've done and accepting your report, et cetera. I'm conscious that even if we do that in a telephone board meeting, it's not quite the same as having that done in the room in front of everybody, so I just wanted to say thank you and it is very much appreciated. Thanks.

[Applause]

STEVE CROCKER: The absence of a Friday board meeting doesn't preclude us from making public announcement in the open forum. I hope we remember and are

organized enough to do that. And if not, somebody should remind us. And we don't intend to lose that opportunity and the thank yous and expression of appreciation will hopefully be to a much bigger audience than we would normally have on Friday morning.

Sebastien, you had suggested that there was something on another slide that was part of the agenda that was originally expected?

SEBASTIEN BACHOLLET: I received a message from staff that there is another question about batching. And I can't read the question. If you wish, maybe somebody else can read it.

STEVE CROCKER: Batching, what are your views of having a single batch? Do you believe there is anything approaching consensus? And what is the acceptable time frame in which to do a single batch? And if there is to be batching, do you believe that there is consensus on a method other than digital archery that should be used?

Simple question. Short answers, please.

[Laughter]

Cherine? This is posted as a question from the board to ALAC, but go ahead.

CHERINE CHALABY: I just wanted to make sure that that was the other way around.

EN

OLIVIER CREPIN-LEBLOND: Cheryl Langdon-Orr.

CHERYL LANGDON-ORR: Thank you, Olivier. Cheryl Langdon-Orr for the record. We don't have a consensus because we haven't called for a consensus. But we have had a number of conversations in a number of fora. And to give you an example, the 7:00 a.m. AP RALO meeting that was held this morning, a considerable amount of the agenda time was spent talking on this exact matter but with the focus on what the At-Large community and specifically the ALAC has supported in new gTLDs from the very outset. And that was our concern about IDNs being not in a batch that comes somewhere south of next week and the week after and the week after that.

So the concept of single batching is probably something that I would suggest is likely to be very attractive. We are concerned about, in inverted commas, first-mover advantage being in the more traditional used gTLD space and perhaps less likely to be applied to things like community and internationalized domain name ones.

So whilst we can't give you a consensus answer, the feeling in the room at least from Asia-Pacific would probably be in the affirmative to all of those.

And digital archery, we have -- I'm not sure that I could say there is no one who doesn't like it. But I have yet to find them, and when I do, they will no longer exist.

[Laughter]

OLIVIER CREPIN-LEBLOND: Thank you, Cheryl.

Definitely, digital archery has not brought any consensus or anything on target. Let's put it this way. No pun intended.

Evan Leibovitch quickly.

EVAN LEIBOVITCH: At least within the circles I have been speaking, the feeling has been that particular issues about batching and any issues between applicants themselves are essentially between applicants. And in terms of At-Large, I don't think there is any preference to the process.

But the issue is of ICANN's own reputation. And in digital archery, the various bumps and fit and starts that have happened have not been helpful to ICANN's outside image. And I think the main issue is not specifically which process is taken but so much to have one that is seen to be competent and effective.

OLIVIER CREPIN-LEBLOND: Thank you, Evan. As you can see, no clear consensus but several very interesting views from our community.

Cherine?

CHERINE CHALABY: Just a clarification, Cheryl, you said "no one doesn't like it."

EN

CHERYL LANGDON-ORR: (Speaker off microphone.)

CHERINE CHALABY: That's what I wanted to make sure. No one does like it.

OLIVIER CREPIN-LEBLOND: I'm sorry, Cherine. I should tell you. It is Australian.

[Laughter]

OLIVIER CREPIN-LEBLOND: Edmon, you wanted to say a couple of words? Edmon Chung.

EDMON CHUNG: Thank you, Olivier. Edmon Chung here. Of course, most people know IDNs is deep in my heart, but I'm not going to talk about that.

                          One of the things about batching, I think -- personally, of course, I want IDNs to go first, but that's not the point. I think one of the problems with the batching process at least in my heart is that this is a process, as far as I know, never went out to public comment. And I think that is -- this particular process created a product that, you know, I guess it wasn't liked by anyone -- well, not anyone. Wasn't liked by a lot of people.

                          So I would encourage the board to consider putting it out for public comments for a short period of time at least to gather that information and then make the decision.

PRAGUE

EN

I think that's a process that would make it better. That's just, I guess, my personal opinion.

STEVE CROCKER: I like your shirt. I have a feeling given what I have been hearing in the halls if we open up a public comment period for a short time, two hours -- (laughter) -- we'd have a pretty good sample of what we need to know.

OLIVIER CREPIN-LEBLOND: Thank you, Steve.

Actually, it looks like we are going to have the two hours, everyone is suddenly putting their hands up. Alan and Evan and then we have to close this.

ALAN GREENBERG: I like many people have had many, many discussions about that this week. It is interesting, there is no agreement on the right way to do it. There are some agreements on the wrong way to do it, and there are a number of subsets which most people agree to.

I haven't heard many people disagree with the concept of should ICANN choose to handle IDNs first. Not many people would object.

Community ones are more difficult because some of the people who ask for community TLDs are really not communities in our mind.

The other one I would favor going first is the contested ones. They're going to be elongated afterwards. Get the process started now and that

takes another big chunk out of the total number you have to address, and that may make the rest more manageable.

OLIVIER CREPIN-LEBLOND: Thank you, Alan.

Evan, 20-second closing words on batching.

EVAN LEIBOVITCH: One idea that's been put around if all else fails, we have been considering the budget of what it would cost for a very large jar and a bunch of jelly beans.

STEVE CROCKER: It is called a lottery. That's the first thing that we wanted to do, and we were pushed back on very hard by legal opinions that said that's just not consistent with the legal framework we're operating in. Can't do it.

And I have to tell you, new people coming to the conversation question, like, have we really gotten competent opinion? Have we really tested it? Is it really necessary for those rules to apply to this situation? Can we go up the hierarchy in the legal system to find out if it would really be interpreted that way? All of those actually have been done multiple times by different people, and the results have all been quite consistent coming back. It's disappointing for those of us who would say that's the simplest and most straightforward. But it has been explored multiple times, multiple ways, not just a casual quick response. So we've had to live with that. Jelly beans or whatever.

OLIVIER CREPIN-LEBLOND: Okay. Well, thanks very much to everyone attending. And, of course, we have closing words from Rod Beckstrom, President and CEO of ICANN.

ROD BECKSTROM: Thank you, Olivier. Really, I just want to thank all of you and congratulate you in the broad sweep of -- I know that from this position, you know, as a CEO, I only get to see a little bit of the work in ALAC, not what goes on down inside those 144 structures around the world that you build in all the RALOs. But what I can say from my vantage point is I think that your work to bring voice to the issues and concerns of individual Internet users is absolutely invaluable to this multistakeholder model and development of policies and the improvement of our practices as an organization.

And to see the progress, the growth and the structures around the world, reaching into new countries, also your creation of new fora such as the RALO showcases which have really, I think, generated even more enthusiasm for what goes on within ALAC draw in more people and educate more of the ICANN community that's not simply in ALAC.

And as many of you probably know, I'm an ALAC member and I will be an ALAC member after I leave on Sunday because I'm a member of the San Francisco Bay ISOC Chapter. But I also want to remark on the significant progress in your other activities such as this year alone, I think 20 policy statements already and many of those coordinated

across all five regions. And we know that takes an enormous, enormous amount of work within your community to make that happen.

I would like everyone here on the board and staff to give a huge hand to everyone in ALAC, the committee members, the leadership, and all members around the world. Let's give them a hand. Thank you.

[Applause]

And thank you to our staff who work so tirelessly and diligently to support your group. Thank you.

[Applause]

STEVE CROCKER: Thank you, Olivier. Thank you, everyone. We, on behalf of the board, I can tell you that we look forward to these exchanges. As you know, we modified the format to actually instead of just meet and greet and cocktails and various things like that, this format is very helpful in terms of getting into issues and having very direct dialogue. So it is much appreciated.

OLIVIER CREPIN-LEBLOND: Thank you very much, Steve. Yesterday we celebrated the ten years of the At-Large Advisory Committee, the ALAC. We invite you all in ten years' time for that 20-year anniversary. Thank you.

[Applause]