

ICANN

**Moderator: Gisella Gruber-White
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1:00 pm CT**

Rob Hogarth: ...for all of you for breakout sessions for a two-hour period. I'll let you see how it's flowing. I'm going to turn the microphone over to our co-chairs for this session, Mr. Cake and Mr. Holmes, and let them run the discussion. And we'll just see how the queue goes and how much you want to desperately break out into your subgroups or continue this discussion.

I'm going to look to Reed, he's going to turn down the system for a moment just - we're done? Okay, so we're good and we can just flow right into the session with Fadi. Fadi, welcome.

Man: (Unintelligible).

Rob Hogarth: Okay.

Man: I apologize.

Rob Hogarth: We'll wait for Reed's hand to go up. This usually takes about three minutes so the fact that it was already done was - it was too good to be true, correct. A quick...

Man: (Unintelligible).

Rob Hogarth: Okay, never mind, I won't start. Gentlemen.

David Cake: Thank you. So it gives me great pleasure to welcome Fadi. And we don't have a - I know we don't have an organized set of questions or agenda for this session, it's going to be fairly freeform so do you have anything you'd like to say to start us off or...

Fadi Chehadé: Happy new year.

Marilyn Cade: Fadi, excuse me. I wonder if we might maybe ask you to exchange places with Markus so more people could see you?

((Crosstalk))

Marilyn Cade: And while I'm at it I'll be moving a few more people.

((Crosstalk))

David Cake: Okay if Marilyn is finished rearranging us to her satisfaction so I'd like to ask if anyone who would like to start us off. Has anyone got a starting point for discussion or a first question? Yeah, Ron.

Ron Andruff: Fadi, may as well warm you up with a softball. Ron Andruff, Business Constituency. You had a pretty heavy travel schedule last year, as we saw on the video, more meetings than days on the calendar, almost. So we've got a big year ahead of us, we've got a lot of things on the agenda, accountability and so forth.

NETmundial has been a big project for you. Where do you see your time being spent now in terms of percentages going forward? What do you see the big three things are that we need to deal with in the coming 12 months? Thank you.

Fadi Chehadé: Thank you, Ron. If it's any indication Sue and I - my wife, Sue and I, are looking to rent a place in DC so if that gives you an indication where I'll spend most of my year. We will focus our attention to ensure that our community gets all the support it needs to advance with this transition discussion.

The goal is not to finish the transition, the goal is to ensure that we do everything we can to actually support you in achieving the goals we need to achieve. If that leads to the transition being completed that's fine. If it leads to it being postponed that's fine.

Our goal is to make sure we support you. So when I heard the gentlemen at the end of the table here mention the good support you've been getting, we need to do more of that. We need to do as much as we can of that. That's my job is to make sure that in a busy year we give you everything you need to be successful. That's a big goal for us this year.

The second goal I have set for myself is to spend more time with you. I always joke that Steve is my boss. Yes, actually according to the State of California he is my boss. But according to ICANN you're my boss. And that's the dilemma we're all living with, by the way, according to Pamela Harris, the Attorney General of California, the Board must make all the final decisions because we're the accountable party.

But according to ICANN the Board should be really having the community - facilitating the community make the decisions. And that same dilemma applies to me as a CEO. And my typical CEO hat, if my Board tells me go right, I go right. And as it should be.

I don't think I've done that well enough last year. I have not balanced enough listening to all of you, consulting with all of you and then also being responsive to my Board direction. I need to find that balance. It's a tough one, by the way. It's not an easy one.

In fact I can tell you, because I work for you, that this is the first time the Board in their review of my performance, dinged me pretty hard. And I even got my pay cut in the last few weeks. The Board will approve it in January.

And the only reason they did that was to get my attention that I'm not consulting enough with all of you. And I accepted that. I think they're spot on. The Board did its job to get me back and focus.

So this is the second thing I will do this year, therefore is to just personally give a lot more time to consult with the community and understand what consulting means, you know, consulting doesn't mean that I just inform you what I'm up to; consulting means that you are part of the decision making that I go through day in day out. So that's my second major thing.

And the third thing I need to work on with you is to make sure that we continue in the sustainable way to improve our operations. So it's one thing to say we improved our operations because we solved this problem or we solved that problem. It's another thing to say we have sustainably good operations. We're not there yet.

We have solved problems. I think most of us would agree operationally we're doing better than we did two years ago. But that's not enough, you know, we need to have baselines and metrics that allow us to measure how we are advancing. And secondly, we need to have sustainable operational excellence. We're not there yet. So a lot more focus from me will go into that area. And notice all these three things are largely internal, largely to ICANN. So that's where my focus will be. Thanks.

Tony Holmes: Fadi, maybe whilst other people are looking to come in here, could I ask you one question? Over the last year ICANN went through - or past year or so - quite an extensive internationalization in terms of placing staff in various offices. And it was a period where ICANN was particularly busy. And there were reasons to do that, external pressures on ICANN visibility, to other thing.

Are you able to point to any instances where you can say already we're getting some positive payback from that process? Is there anything you can pick on that underlines the rationale for doing that?

Fadi Chehadé: When I started at ICANN I was told there two things I must do and a million things I need to get to. But the two things I was told I must do, one, is to make sure the new gTLD program goes through. I remember I came with Digital Archery was the big discussion, right? Just to remind you the setting of where I came in. Nothing was working and people were feeling, oh my God, this is falling apart.

So I was told if this doesn't get fixed, if we don't suddenly have the new G program kind of moving forward we as an organization lose a lot of credibility. And secondly was what you said, I was very clearly told that one

of the reasons I was brought on board is it help make ICANN's engagement not just window dressing, truly global.

And I focused on these two things. And I must say, the scorecard - and I want to hear from you too - but the scorecard from the perspective I'm getting is that ton both these fronts we did well in the last two years. We're doing okay. We're doing better then we did. The new G program is working. Does it have issues? Yes, of course. But that's expected.

Two things that would give you a sense of how we achieve globalization. One is that we now have - if you look at the map of our team and its engagement and the identity of the people on staff, we have completely changed that picture. ICANN isn't operating now either with an individual being in a country or with an office or with a (unintelligible) people in 28 countries as of December.

That's a quadrupling of where we were before. So we have increased our presence so that when people say, you know, we did something in - I was in Guadalajara with Tony and others or we did something in other parts of the world. In India now our engagement is deeper than it has ever been, we just were not present. People did not see an ICANN person.

I'm going to Saudi Arabia this year for the first time ever that we're going to go and engage with a government that's extremely critical of ICANN because of the change of the minister now that we have.

Even Russia, right, has reached out and is trying to increase our engagement there now with Michael on the ground in Moscow working for us. So I think the spread of our team, the spread of our activities, the ability in China for any Chinese citizen to call us, to reach us and to get an answer in Chinese in their

time zone, these are fundamental changes we did to how people can touch this organization which was viewed very much as US-centric before.

Another big win for us is Bussan. That's evidence right there. If you compare - I arrived, if you recall, in September 2012 and I was shoved to Dubai to deal with the WCIT and I understood nothing really then, and I still understand very little but at the time I really didn't know what I'm getting into.

And the attacks we got, the meetings I had there, compared to what happened in Bussan is frankly quite day and night picture. And if you ask, if you really go to the political analysis of what happened in Bussan, and we got quite a bit of analysis out of Bussan including from the Chairman himself, the chairman who led Bussan, as well as the Chairman of the WCIT, whom I met recently, Mohamed Al Ghanim, it is clear that the discussion as to whether ICANN has the legitimacy to do what it does is now off the table. It's just no longer there.

When I arrived to the WCIT there were many questions about who gave us the legitimacy to do what we do. In Bussan that's now clearly off the table and I just had breakfast with the new Secretary General of the ITU, Secretary Zhao, and he made it very clear to me again that from his perspective that discussion is closed. And that's another one.

Tony Holmes: Okay, thank you. Who is...

((Crosstalk))

Tony Holmes: Okay. Jimson.

Jimson Olufuye: Thank you, Tony. Welcome, CEO. Let me first begin by congratulating you on the efforts made and progress achieved or recorded over the past two years.

One of it that is significant to me is the outreach, you know, to my part of the world, Africa. Sometimes before some people have met some of my colleagues to say that things have actually changed in ICANN, that before now you cannot collaborate with ICANN easily. They didn't allow you to use their logo on your program.

And today a lot has changed. My organization for two years has been collaborating with ICANN of course through BC principally to improve on diversity which is one of your major goals (unintelligible) in (Ethiopia) and you met with us. So this required a lot of effort and more on budget.

I'm very much aware that globally you are very aggressive, you're pushing a lot of agenda which is good, which a number of us - when I met with Theresa (unintelligible) the UN says (unintelligible) working group on IGF really pushed a lot about what ICANN has been doing and will still do. So will you consider putting in more budget to community efforts?

Because there are a lot of effort within the community to (unintelligible) diversity has been discussing all of today. Will you consider putting in more budget or supporting more budget for the community to do outreach to broaden diversity, able to bring in more participation? For example, in BC, we are just two from Africa. So we want to increase that.

But it requires consistent engagement, not the kind of (unintelligible) engagement but consistent well focused and (unintelligible) engagement that this should be our long-term goal.

Secondly, (unintelligible) the effort been making again NETmundial, which is very positive, which we also talk about at (unintelligible) and what needs to be done. And we've seen it being done right now. So I want to ask you how does

that impact, you know, the NETmundial (unintelligible) impact the ICANN mission - core mission? Will it slow you down or will it complement it? Will it give it more enhancement in terms of realizing the principle objectives, stability, security of the Internet (unintelligible). Thank you.

Fadi Chehadé: The answer to your first question is a flat-out yes, absolutely. I think one of the learnings I got from last year is that leveraging the community to do the outreach and the globalization is an area I haven't done as well. And this is why the board said, you know, refocus to see how you can leverage our own community. And they're right.

So, yes, I have tirelessly gone out to the world and built teams and hired people and engaged and that's all good. But as a CEO I need to also direct the resources of the organization to support the community in doing some of the outreach. And the outreach from you to people in your circle is in fact sometimes more powerful than the outreach from ICANN staff to that circle.

Because it's genuine, you are volunteers, you are giving time. And when you reach out to them I think so I'm very, very open to programs. The fellowship program, which Walid mentioned, for example, it became very clear to me quickly when I started at ICANN how valuable this program is. I immediately asked for them to double the resources for it.

And I've now asked them to double them again. Of course Janice is screaming because there's just so much we can take. But it is a good program. If there are other programs that come to the floor that the community proposes of course, of course, it is my job to support them and I will. And it also means I may spend a little more time at home, which is good too.

Your second question is very important. I think as we were finishing our major kind of start-up phase for NETmundial in the last four months, and that phase is done, it's behind us in the sense that NETmundial ship has now kind of sailed on its own away from necessarily the docking at the shores of those who fueled it to happen. It's now on its own and we need to distance ourselves not to let it go and let it fail but we need to play our role and let NETmundial play its role.

But you asked a very important question, why is this important? Why did we even invest this much time? How does it support the ICANN mission? That's a very good question. And I will share with you my view.

Look, you don't need me to explain to you, since you live in that world, that the current global perception of how Internet issues in general are being solved, is getting worse, not better. While we were here this morning, the US Central Command was hacked. Okay, this weekend, if you read the New York Times last weekend you read about mothers paying ransoms in Bitcoin to get their files back.

Now you have citizens rising to ask their political leaders to do something about the Internet. Snowden was different. Snowden made governments want to talk to governments about who's listening to whom. But when you have increasing problems and fear and anxiety by the citizenry about the Internet and they go where do they go? Where does a citizen go?

I mean, even in the US, more so outside the US, people go to their governments and they say, look, I feel I have a problem. What are you doing to help me? So as the number of these issues bubbles and continues to grow, issues of crime, issues of privacy, issues of human rights and the list is long

and distinguished, and where will people go? They will go largely to their governments.

Where will governments go given that the Internet is not bounded by national boundaries? They will go to multilateral institutions where supposedly governments can deal with things that cross borders.

So why is it important for NETmundial to succeed for ICANN? Because if we create mechanisms that are multistakeholder to address all these issues it supports our claim that the multistakeholder model is the way to go.

But if all those other issues start going to multilateral institutions, the pressure on our multistakeholder institution will grow eventually. And we will be swept with other issues that people want to bring to the UN.

Lastly, I'll just tell you that NETmundial is important for ICANN because regional efforts to usurp ICANN of its role and to question its legitimacy in areas that are still not happy with ICANN are now shifting to the UN GA.

So the French Minister, Axelle Lemaire, for example, publicly said, after she failed to convince the European Council to actually question the legitimacy of ICANN in November, she publicly stated we're now heading to the UN General Assembly. So these are real issues and we have political and frankly tactical advice coming to us that is concerning about governments pushing at the UN General Assembly.

And unlike the ITU WCIT type event the UN General Assembly, whether you like it or not, meets every year. And they will start with this year when the WSIS is being reviewed and the IGF is being reviewed. They're going to ask

the questions: Are these institutions legitimate? Are they doing what they're supposed to be doing?

So while I'm no longer worried as much about the ITU, I'm actually quite worried about the UN and the General Assembly starting to question our legitimacy. So to finish, NETmundial is simply another platform to address the non-ICANN issues, the non-technical issues but using the same spirit of multistakeholderism involving all people at the table.

Is it going to be the place? Of course no. Is it going to be a place that we could point to when people say we have no place to go, as they did in Dubai? Why not? And tell them, look, here's a place and when you have ministers and different governments sitting at the NETmundial Council it becomes harder for them to say there is no place to go. Well here you go; there is a place and you're welcome to come with other stakeholders and address the issues. Thank you, Jimson.

Tony Holmes: Shall we change sides for a moment, Andrew?

Andrew Mack: Andrew Mack for the record, if there is one. Fadi, happy new year. I'm sorry about all the travel. That sounded like it was a lot. So my question is a little bit following up on your conversation about NETmundial and also about our timeline for IANA.

And first of all, to NETmundial, the way you've just described it is as a - effectively a defensive measure for our community against some what might be considered a disaster scenario at the United Nations.

You know, recognizing that the community has an interest in maintaining a lot of what's good about our current system, I'm curious it has not been widely

embraced. I think a lot of people are very concerned both that you spent a lot of time on it and that kept you from other things. There's a finite amount of time in everyone's day, even yours. But also that it hasn't gotten the pickup that would make it necessary to be effective if in fact it's supposed to do the things that you said.

So I'd love to get your comments on why you think that is and what you would change the way you're going to explain this if this is going to continue to occupy at least some of our collective time. That's item Number 1.

And then item Number 2 is there is a lot of concern - and I think it's well founded - that we have a September date that a lot of people are looking at. And at some point in time in the near future we're going to get to a point where we have to say if we're going to get to that, you know, that some people are going to be calling for that September date to be held fast to and yet there's a lot of concern that we get any transition, if there's a transition, right, ex-ante, and not be - be held to a standard of quality as opposed to a standard of time. Can you talk a little bit about that? What does the September date mean to you?

Fadi Chehadé: I will spend - and now I'm answering Ron because I didn't fully answer him - I don't know where he went - earlier. That I will spend less than 5% of my time in the coming 12 months on NETmundial. That's a commitment I made to myself and to my Board so I want to be clear that I'm - I've done, I think, the part that is necessary for NETmundial to play the defensive role for ICANN which is to bring together a Council that can start then owning up to an alternative multistakeholder platform for addressing the non-ICANN issues.

And that's frankly, the extent of what I should do. I will continue participating in it. I already tried to withdraw and the rest of the Council said, you can't,

you know, you just - you brought us here, you should stay with us. Fine. But my time on this Council will be, frankly, very, very - it'll be two meetings a year, three meetings a year and that's it, right?

Similarly with our resources and our treasure spending on it I already announced what we're spending for the first 12 months and that's it, which is just our share to keep the secretariat going along with the other partners, the Brazilian CGI and so on.

And, yes, it is a defensive move for ICANN. So NETmundial could be a place where problems could be solved. That's good. That's a NETmundial issue. But from an ICANN standpoint, because they're not going to solve my issues; we will solve our issues.

It is purely so when people say where do problems get solved on the Internet? They can't anymore say, there are no multistakeholder places - platforms where we could start generating solutions. That's been the case, remember, with spam at the WCIT. We don't want this to happen again.

Now your second question is very, very important because you were pointing out to the date. This is a big subject. Let me be very, very crisp about that. No point meeting any date if we do the wrong thing. If it is not certainly - it shouldn't be - not just mine but our common goal to meet the date. That shouldn't be our goal.

Our goal should be, as the gentlemen - I need to know his name now because I keep mentioning you - Greg - Greg mentioned earlier that it's very important that we focus together on ensuring that when the US ends that contract that we soar.

What does soar mean? Soar means, to use your word, Greg, that the world community and our community says we've got this right. And right now if I ask around this room what does right look like? I'll get probably 10 different answers which means we're not there yet. We have to define that.

And rushing through that to meet a date because of a political guillotine that is coming down on us at some point when the president leaves and his administration changes, I think is the wrong approach.

Now of course people in the global community don't want to hear me say what I just said. They want to say Fadi is driving hard to get this thing done by September or else we're going to go the UN GA. My answer to them is, look, my job is not to rush something and get out of this with a lot of blood on our hands and the community broken. What good is it for ICANN to be without a US contract and a broken community? What good is it? What will that get us?

So people have misunderstood me about the timeline. I speak of it as a timeline, not a deadline. Every project - we can go next door to the project management guys - every project needs a timeline. There's no question we need a timeline now. But there's a really big difference between saying we have a timeline and we have a deadline. If we don't meet it, you know, we miss it the US government can extend the contract.

Now, if we extend the contract and people who assess what we've done all year come back and say that we didn't do enough or we haven't made any progress or we haven't put our best foot forward, I think we have a problem.

On this point I'll close by saying something, Andrew, and I hope you engage me on this, it's important. What could cause the transition to falter? There are multiple possible things that could cause it to falter. An example of one would

be that congress would find ways to make it so impossible that, you know, it will, you know, tie us down to the point where - or tie the administration down. Even if we came up with a decision they would say no.

I mean, we can't do much about that, right? I mean, we - I'm spending tomorrow, most of my day after I leave you in the morning, on the Hill meeting with all the chairs, the senators and the congressman who chair the committees that will look at our transition, right?

So much we can do to influence those folks. There are political agendas that are much larger than us that they're dealing with. We'll do our best. And so if congress stops the transition, you know, so long as we show that we've done our part, we've communicated to them, we've engaged them, we've explained to them, then, you know, there's so much I can do.

Where I am most worried is if our community does not come together to a consensus. Because if that doesn't happen, Andrew, how am I going to explain to people around the world who don't know us as well, who are not sitting at this table, because they don't see the line between Board, staff and community; they see us all as a group.

And they'll say, look, the US government came and told you get us a proposal and you spend the year fighting. You couldn't get to a consensus. That will be difficult to explain. That, frankly, worries me because that will - those who don't want us to succeed, will use it to say the multistakeholder model doesn't really work. Now that the stakes are high those folks couldn't come together on any common ground.

That's what I'm most worried about and that's why I'm looking for an apartment in Washington so that I can be close and closer to this process,

close to all of you. It doesn't mean, for those of you coming from overseas, that I won't travel. I will be traveling. I'm already heading to Switzerland this weekend. But I need to focus on our community foremost.

David Cake: Thank you. Okay just going to say the queue has gotten quite long so we're going to have to - it's long a bit. I think the next in the queue though is Kiran.

Kiran Malancharuvil: Hi.

((Crosstalk))

Kiran Malancharuvil: So close. Kiran Malancharuvil from the IPC and Mark Monitor. The way I kind of see the two main tracks of work at ICANN right now is kind of how we do what we do and then what we actually do. And I think that right now, and at this meeting so far, there's been what I consider, and this may not be the most popular viewpoint, a disproportionate amount of time and discussion and energy and effort spent on talking about how we do things and not enough focus on what we're actually doing here.

And I think, you know, coming from a position which my primary mandate is to protect consumers and to obviously do that through the protection of brands and trademarks, I would like to see, I guess in the coming months and in this year, a renewed focus and some renewed energy behind some of the issues that are substantive in nature in my opinion.

So, for example, I was very disappointed to hear the reasons behind the staff's delay of the RPM review, which we had kind of counted on starting at the beginning of this year. I think it was due to - according to the GAC proposal for the review it was due to start I think this month or February. And now it's - the initial report is delayed until October.

Now whether or not that delay is a good thing for the brand community and the IPC in general, it's not for me to say. In some ways it gives us some extra time to prepare, which is fine. But the reasoning behind it that staff was overburdened with things related to the IANA transition and things related to the accountability work, I was not impressed with because in the meantime there are some real issues happening in the community as far as consumers are concerned.

There's a vast amount of cyber-squatting happen in new gTLDs, according to some reports, I'll caveat. There is, you know, a lot of Whois issues that are coming to a head. I think that your comments about security breaches, you know, highlights a lot of those.

And while there is work going on, you know, certainly Kathy and I - and others are on these privacy proxy - Steve - are on these privacy proxy calls every morning and it's 7:00 am California time, by the way, every Tuesday.

And so there is hard work happening. And I think that there's not enough focus at the staff and Board and at your level on these issues. And I think that as a consumer advocate I have to kind of call our attention back to that.

Now that being said, I do understand that the work that's being done on accountability and transition is very important to the outcome of the substantive work that we're doing. So I'm not saying that it's not important and I'm also not saying that that it's - that we need to delay that. But there needs to be, I think, some resources and attention paid and one shouldn't suffer because of the attention to the other. Thank you.

Fadi Chehadé: Yeah, if I could just - thank you, Kiran. Much appreciated. And, look, with your permission, I'm going to ask for a big favor. I took some time off between the holidays and luckily I belong to a church that celebrates Christmas late so I've been on holidays too long.

And my wedding anniversary also was this weekend so I kind of pack it all up and I've been gone for a while which is good. That gives me time to also reflect and to think about things.

And distinctly a week ago, of course I'm going to brag about LA weather, it was quite beautiful and I was sitting on a bluff in Palos Verdes alone with a pencil and a piece of paper and I was writing down what I thought good looks like for ICANN by the end of this year.

What does good look like? Because we have 450 projects. But what does good look like? Well, I mean, we give - all of us - so much to this endeavor, so much of our time, so much of our lives we give to that endeavor sometimes with low return, sometimes with a lot of return. But certainly the commitment is high. So I wanted to really reflect, myself, on how I could do better and what does ICANN good looks like by the end of this year.

And then when I came back this week I informed by Board that I'd like to know what they think good looks like. But I wanted to do it individually with them. In other words, I didn't want the Board to have a session and spend three days deciding that. I asked each Board member - so I was outside earlier with one of them, Jonne, in Finland, and I asked him, "What does good look like?" And I'm collecting these.

So I'm going to ask you for a big favor, could each of you take a moment to write one thing, because I couldn't have five from each of you, just one thing

that you think would make ICANN look good by the end of this year, just one thing.

And you don't need to put your name. If you want you can so I can call you but you don't have to. And then I also - since you're going to do this and pull up a paper and give me this before I leave, could you also put on that paper another point, which is one thing you'd like me to do better for you.

And I will pay very close attention to these. I'm trying to collate these from the Board and other community members. I haven't thought of asking you but you are a group that one of you there, the gentlemen in the suit there next to Jonathan said, you're the other - sometimes you're viewed as the other.

So I want to hear the other because frankly, I hear from the other guys quite a bit. I want to hear from you as well. So you don't have to do it but if you could I would very much welcome it. Just two points, one thing that would make you feel, boy, this looks good for ICANN - and ICANN is not staff, ICANN is all of us - by the end of this year. And then one thing you think I could do better as your CEO would be very helpful.

So maybe Kiran can put the one she just said, you know, pay more attention to this because this affects the consumers. That would be a very helpful piece of input to me.

David Cake: That sound a great idea. But in the meantime while people are writing things down...

((Crosstalk))

David Cake: Yeah, while people are writing I'd like to - I think the next in the queue was Laurie, if you - oh sorry, Susan.

Susan Payne: (Unintelligible).

David Cake: Okay, it was Susan. Okay, I'm confused. In that case next in the queue was Steve. Yes? No. And then you.

Steve Metalitz: Thank you. Steve Metalitz with the Intellectual Property Constituency. Fadi, thank you for spending so much time with us today. And I know we'll talk with you again tomorrow.

My question had to do with a phrase that I heard a lot in the early days of your presidency and have been hearing a little bit less often now. But I saw it again in the five-year plan and that has to do with the domain name industry.

I agree with Dan that maybe we are the other group here. But I think one thing that may - we may all have in common - I think most of us anyway, the people sitting around this table, is that we don't consider ourselves part of the domain name industry.

We and our clients and our constituencies don't make a living from buying and selling domain names and aren't invested in that way of economic - we're obviously very much affected by all of that but we're not registries, we're not registrars, we're not, in most cases, speculators in domain names and so forth.

So when I - I had some concerns about this early on and some, what I thought was some confusion sometimes between ICANN's role and the role that might be played by a trade association for the domain name industry, we've had this discussion.

But then we saw in the five-year plan that one of ICANN's goals - proposed goals is to show stable, healthy, year over year growth in the domain name industry over each of the next four years. I'm not opposed to having stable, healthy, year over year growth in the domain name industry but I - it seems clear to me that ICANN's objectives could be achieved whether or not there is growth in the domain name industry and whether certain players are profiting from the sale and purchase of domain names.

So I wonder if you could say a little bit about your perspective now, a few years in, about what is the relationship between ICANN and the domain name industry? What do you see is the role that ICANN should be playing on that?

Fadi Chehadé: You're spot on, Steve, that when I came I did not see myself clearly that distinction. I kind of assumed we're all part of the domain name industry. And I was wrong in assuming that. So I kept speaking about how we can help this industry become healthier, become stronger, etcetera, when in fact that shouldn't be ICANN's main focus.

If, as a byproduct, the domain name industry thrives, that's fine. But I'm with you. And that clarity wasn't there for me earlier. And in fact the creation of the GDD part of ICANN was designed for me to signal that I finally got it. That in fact a lot of ICANN was consumed by the work with the domain name industry and that I needed to kind of section that off a little bit so that we can pay attention to our broader mission.

We still are, by the way, I mean, if you look at the - if you break down how much time we spend looking at even names issues, in general, versus the rest of our mission, it's still high, in my opinion. There is a - more work we need

to do not just on the staff level, although on the staff level it's finally starting to work.

In other words, Akram with his division, really are even physically now we have a floor for them. We're starting to see them as a - okay, fine, they're part of ICANN but they're tending to certain needs there. Compliance needs to be as far as possible from that. I moved Allen right next to my office now so that we are constantly in touch. He just continuously briefs me on things, frankly, I need to get much closer to with him now.

So I think we're inching in the right direction, Steve. We're not quite where we need to be but you are right, our mission is far broader than - and when the registries and registrars suggested creating this thing called DNA, the Domain Name Association, I met them in New York and I supported very strongly that they go do their trade association stuff on their own.

And in fact at the time, just to emphasize how much I learned, I had started my first year by meeting many CEOs of registrars and registries and so on. And I collected a whole bunch of things to improve the quality of registrars and registries. And as soon as DNA was born, I stopped all these projects and I said to DNA, they're yours to do if you want to do them; we're not a trade association.

But we still have work to do in that area. But I'm clear now. I must tell you, I'm much crisper. I don't envy - I have empathy for the next ICANN CEO because the learning curve is very, very hard at ICANN. I mean, if I knew what I know today two years ago I would have served you a lot better. There is no question.

I hope the next CEO either he or she and I will have more overlap time so I can share with them what I learned. I had about 30 minutes of overlap time with Rod. And it was him largely telling me things about what won't work, which was helpful.

In fact his - one of his best inputs to me was to spend more time with the Board and to get to know them, which he hadn't done enough of. And I spent my first summer, you know, talking to Board members. But, anyway, it's clear. It's much clearer to me and I appreciate that point.

Tony Holmes: I notice many people are writing. What I suggest is that we put the papers on the table at the back with the (bible) at the end of this session and then we can give them to Fadi before he leaves.

So I think the order was Susan this end and then Susan this end. In that order.

Susan Kawaguchi: And, Fadi, I apologize for running in and out but sometimes the Internet is not a very safe place. And it was something that I couldn't fix but somebody else needed to be notified so I was just trying to do my job there.

So name collision is sort of the topic I'd like to talk to you about but also new gTLD program in general. And, you know, this past summer the list of domain names on the name collision list, you know, was given thought that they would be allocated and but how would that happen? We didn't - there was no preparation for that way back in writing up the Applicant Guidebook.

My company in general has been affected by that. But I'm fine with no registering those names. They're fine to sit there, in my opinion. But if they can be allocated those are names we want. And so - and I'm only talking our

core trademarks, Facebook, Instagram, you know, now WhatsApp and Oculus.

But so I think it was a good example of the community coming together sort of quickly and timely and nimble coming up with a - some requirements and putting it, you know, those agreeing to it, the registries agreed and registrars and, you know, the BC was instrumental, I think in helping draft the requirement for actually allocating the domain names.

And then so I really thought wow, this is a good example of how this all works. And I was feeling really good about it until I got one of the invoices. So we forgot one thing, was to limit how much they could charge. So dotTop - Facebook.top is on the list. The first sunrise period they were going to charge me \$4500 but it was a name collision - on the name collision list. So I couldn't do that, I'm like, thank you because I'm not paying \$4500.

So when it - it was coming off the name collision list I'm like, yes, let's look into this, you know, what is the fee now? And the land rush fee is \$90. They simply added \$30,000 to the \$4500. So all the sudden I sort of feel like oh we've got this nice little process that everybody had to adhere to the first round, couldn't be that hard to put this in place.

And now my expenses go to almost \$35,000 for a domain name? No way. I'm not paying. That is highway robbery - bribery. So now we have a domain name that's going to go out into the land rush, a domain name that there are many, you know, in the community had felt like there could be a threat to the Internet.

That's why we held onto those for a couple of years, right? That's why we said no, let's think about this because this could be a threat to the security and

stability to the Internet - is now going to be sold for \$90 to some third party that maybe they'll be responsible with it and not do anything. But what if it is a threat to the security and stability and it is now in the hands of a third party? My trademark - my company's trademark - a little brand damage we can withstand but can the users of the Internet withstand the insecure situation that has now been created all for a profit.

So, I mean, there are some other legal means I can take once this domain name is registered but we almost got there with this one but not quite right, which brings me to the bigger question is this - this launch or this application period for new gTLDs has a lot of holes in it and a lot of issues. You see a lot of things that we did not predict happening. So how are we going to overcome all of that and get it right for the next application round?

Fadi Chehadé: Wow.

((Crosstalk))

Fadi Chehadé: Well, first of all, I'm equally taken aback by what you had to deal with on this. This is not good. This is not good - well this is not - this is not - I wouldn't say the industry, this is not the environment that is healthy for us to stand up tall and say we're enabling this environment for consumer competition, da-da-da, all the things in our mission. So I'm embarrassed by it actually.

So having said that, your bigger question, so we don't focus on this particular point, which is well taken, first of all we shouldn't rush. There is a pressure on us to rush. We shouldn't rush. We should take our time to take the lessons learned. And we should do it in a very, very thoughtful way, open way, inclusive way.

And to use the gentleman's term again, to ensure the others are also involved, not just those who are, as Steve said, really the industry but also those who are affected by that industry, businesses, individuals, consumers, everybody.

And I think, frankly, the world is watching us a lot more now than it was years ago. We have many, many, many, many eyes on ICANN. If I had told someone that in 2014 I would be questioned by the French Senate on dotWine you would have laughed. But here I was in the French Senate for a half day being questioned by - bless you - by Senator - as the Senator about dotWine.

And then of course you tell the French government, okay, where were you when these things happened? Well we didn't know they were happening. Of course they - I'm not going to judge that - but the point being that we're in a different time and in a different place. And how ICANN goes about its next round it won't be just us watching, there will be a lot of people watching.

So I'm hoping, A, we don't rush despite the pressures that will be on us to rush. And they're already coming, by the way, from China, from different places. Some of them justified because they said we didn't have a chance in the first round; you guys kind of - we had not been informed; some of them, in my opinion, very much driven by the need to make money.

And we need to find in the middle of all of this a safe course to continue with our commitment and the mission to enable competition but to avoid - to avoid these kind of stories that you are telling. This is real, I mean...

((Crosstalk))

Fadi Chehadé: Yeah. Yeah, we need to take the time and we need to listen. We need to catalogue these things. And the Board or no one should rush into this without getting some of these things right.

In fairness, though, Susan, we must all accept the fact that this was the first time we do this in many ways and so we learned a lot of things. A lot of the things we have done on the fly I think the next time around we can adjust, we just have to be flexible and smart and patient and wise. And these are difficult qualities but I think collectively we should be able to get there.

I'm not rushing. I can tell you that myself when my staff comes and says, you know, we're getting a lot of calls, people want to know when and how and Akram has made some statements about it etcetera, my sense is we have a long way to go before we can even talk about the next round. We have work to do. We're not there yet.

Tony Holmes: Thank you. Susan, top end of the table.

Susan Payne: Thank you. Susan Payne from the IPC. To come back to - you've touched on security issues just recently in some of your answers. ICANN itself has had a security breach quite recently in relation to the spear-phishing attack. And whilst recognizing that perhaps the systems that were compromised were not the most crucial and, you know, it could've been so much worse, how can we be assured that ICANN systems are safe and secure?

And what lessons have been learned? And what actions have been taken or will be taken either in terms of systems themselves or more likely sort of training and staff awareness?

Fadi Chehadé: Thank you. Needless to say this was extremely bad for us. We have started a whole bunch of activities internally to strengthen our security and our systems. We rate okay. We have been rated by an independent security body that we rate above average. We had done that reading six months ago or so. And we were in the middle of implementing a lot of things to strengthen our security including internal training. That work continues.

I'm not going to be apologetic. The reality is of course everybody that has strengthened and hardened their systems are still being hacked, that's a fact. I don't think anyone can say we're 100% safe.

Having said that, the full plan of what we have done and what we are continuing to do will be presented by our CIO in Singapore, Ash, he's going to present all of that in more detail so I won't take the time now simply to tell you we have tracked the attack so we know where it came from. It's confidential but it's a country, if a particular country that attacked us.

We were - we were targeted very specifically to get to some files. My personal email system, my personal file system was not hacked. But they wanted to get to certain files specifically in the government area of ICANN. So - and of course there was also a need to embarrass us, that was part of that, you know, to just embarrass ICANN.

There's no excuse, of course, you know, they have done their job; we need to do a better job and we will do a better job. We have very capable team. I think you all know how good our IT team is with the addition of Ash. We are hardening a lot of systems.

I'll be candid with you, and Ash will be even more candid, when Ash arrived he did a very good inventory of ICANN systems. And he did a security

assessment on each of them. And he came to the conclusion we have too many systems and too many systems that need to be hardened.

This is a result of typical startup. I mean, I've built many startups and I've worked also at IBM and AT&T. So when you get into startup mode there is expediency with systems. So if IT is not responsive, you know, Maguy will run into her own system because she needs to get her business plan, you know, she's not going to wait for them.

And so you end up with a proliferation of systems. And what Ash has been doing is rationalizing all of that, bringing them down to a few systems. We're moving a lot of things to salesforce.com right now that will clean up a lot of systems we have to just keep records. The system is up and running and now we're moving a lot of things to it.

So I would say, on a 1-10 the scale we're probably a 6 to 7 right now. We need to be an 8 to 9 for me to be comfortable, I mean, no one is a 10. That will take us probably another 18 months. There's a lot of work to be done to harden the systems. But we're not in bad shape but we're not - we are now a target is what this attack proved because as you know, spear-phishing is a targeted attack going after some very specific things.

And, yes, I will conclude by telling you, Susan, that we have also figured out how it all happened. Obviously we have now a full investigation but we understand how it happened. And yes, at the end of the day it was a human; it was actually a very low-level employee at ICANN who let them in through just accepting something that was sent to him by our head of security, which was obviously not our head of security. So it is human training at the end of the day.

But they were clever enough that they actually sent the email from our head of security who rarely sends notes, but he sent one very specific message to a specific four people and one of them unfortunately fell for it. So, this is how it all started and the rest happened very quickly, as you know.

Anyway so it's behind us and we learned a lot from it. And we will present a full plant in Singapore.

Tony Holmes: Avri, the floor is yours.

Avri Doria: Thank you. Just on the tail of that story I'd like to - hopefully we're all using encrypted signatures now so that they'll know for sure that it was from the security person.

I wanted to go back to the one before in terms of the transition where you said you were very concerned about what would happen if we didn't get the job done in the 18 months or whatever time we had but it was taking longer and that people would be able to point to that and say, see, you know, the multistakeholder - I think that that's actually going to have to be a teaching moment for you to sort of explained that when you're trying to build a consensus among an incredibly diverse group of people it takes time.

That the only thing they could have gotten quickly would be something that wasn't fully multistakeholder. So I'm just, you know, just a sort of brief reply on that one that sort of says that will be a teaching opportunity for you to sort of say you obviously don't understand how a multistakeholder process works. And to be able to show them the history, you know, of there were these concerns that were responded to. And, you know, you can build a very good storyboard on it that can actually work.

Fadi Chehadé: If I could quickly interject. I think you said it better than me that what we now need to do is to focus on showing folks the progress and the steps that are taken rather than focus the world community of we're going to get it done by September, October, whatever the - to tell them this is what multistakeholder means, this is what it takes. These are all to swim lanes that are happening.

When I said I'm worried, I'm worried that I couldn't even put a storyboard together; that people say oh my goodness, you're telling me it's been six months and this group hasn't met yet or they haven't agreed on some basic principles of meeting.

So I'd like to have a good storyboard, that's all. I'd like to be able to tell the story, say this is superb. You could actually learn from this, all of you. Right? That's how it works.

Avri Doria: A teaching moment. And the last one I wanted to make was on countries saying they didn't know, they weren't included. They were there. There were members of their government that were opening their mouths frequently.

Fadi Chehadé: We have to Board members from that one country, right?

Avri Doria: Right. That one's just silly beyond words.

David Cake: Thank you. I think Kathy is next.

Kathy Kleiman: Terrific. Thank you. Kathy Kleiman. I'm going to go back to some lighter things if I might, and more positive things. Earlier today in passing you mentioned that there were better relations with Russia. And she said something about Michael.

And so I just wanted to expand that a little bit. This is Michael Yakushev, who served with Susan and I on the Whois Review Team. He's marvelous. He's amazing.

And I wanted to compliment you because one of the things I've seen is just these wonderful people like Michael, like Sarmad Hussein. I'm happy to wait if you want - like Sarmad Hussein from Pakistan who have come as members of the community who are now members of the ICANN staff. And I think that's a wonderful change. And we know they bring tremendous expertise.

((Crosstalk))

Man: Mary Wong.

Kathy Kleiman: Mary Wong of course - coming from the community - community to ICANN staff. So let me ask you a question that we were talking about earlier which is kind of the other way. How do we go from - so disengagement process and the outreach - to steal a phrase from Jonathan - how do we go from presence to participation? I wanted to know your thoughts and anyone else's thoughts who wanted to join in.

Fadi Chehadé: We have not done a good job to help that transition. So I'll tell you what I did this year already. As you know within ICANN we have David Olive and his team, many of whom are here, who are responsible for supporting you and the work you do within ICANN.

And then separately, we have Sally Costerton and all her engagement guys, like Michael Yakushev and all these guys, who are busy out reaching and bringing people into the ICANN community.

There wasn't a very good integration of these efforts and we figured that out because we looked at the numbers. We saw that our meeting attendance is growing but then we kept hearing you guys saying we can't take it anymore, there is a lot of work on our plate. And we started digging and figuring out.

And frankly what it came out to is, yes, we may be able to get people to the door but then once at the door we're not coordinating well enough to keep these people engaged and to keep them supported and to grow them.

So I have now - and this is something I shared with them SO and AC leaders, but not broadly because it's an internal matter, but I have, within my management team effective January 5, created groups. So I have management groups now.

Then I created one group that has both Sally and David, okay. And I also moved the meetings guys back into that group because the meetings are, again, an activity that brings us together. So Nick Tomaso, Sally, David and a few others have all been moved.

I also took Chris Gift, who was focused on all matters digital, and I focused him purely on community digital engagement. And I moved him into that group. So I'm trying to strengthen internally what we do to solve the issue you put your finger on, which is actually very real.

The good news is there are a lot of people, more people engaged at the periphery but we now drew circles and we need to bring them in. Now to do that effectively Sally and David have to work with you because only you know how to take someone by the hand and bring them in.

So you're the one who said let's create better courses, let's create - these are the kind of ideas we need to get out and put at work quickly so that we can really what we are calling that continuum of engagement.

From the moment we go to Yemen or Saudi Arabia and meet a few people who say we are interested in, or I'm going to join as a fellow, and then how do we make sure those folks start carrying some of the load many of you have been carrying for a long - and will continue to. But we need more hands the matters. So I hope this helps answer a little bit what you were asking.

Kathy Kleiman: Quick follow-up. If we have ideas who would we bring them to?

Fadi Chehadé: Sally. Sally. So these groups that we created have leaders as well. I didn't change the organizational structure. All these folks continue to report to me. But for each group I assigned a group leader, and the group leader for community work and engagement, we now call the community work and engagement, not just outreach, is Sally.

So of course if you reach to David or others, you know, the message will get there. But the leader of that group is now Sally Costerton.

Tony Holmes: Fadi, could I just check that you will indulge us for a little longer? I'm aware there's a number of people who have been waiting...

Fadi Chehadé: I'm in DC largely to be with you so as long as you want me I'll be here.

Tony Holmes: Thank you.

Fadi Chehadé: And I'll be back tomorrow as well.

Tony Holmes: Thank you very much. I think the order was - I think this lady over here. I think her name is Marilyn Cade.

David Cake: Yeah, I'm sorry, Marilyn, I apologize but you should have been last.

((Crosstalk))

David Cake: Yes, you're - the queue is quite a long queue, you're a fair way down, Tony, I'm afraid.

Marilyn Cade: Thank you. My name is Marilyn Cade. Fadi, I'm going to preface my remarks by something I wasn't going to say before but I'm now going to say it. I've been engaged in pre-ICANN, defending ICANN, etcetera, I actually really question the idea of the optics of you moving to Washington DC and how that will be received by other governments and even how it will be received and misunderstood by our own Congress and by many many other people.

So I think guess you need to be in Washington as needed but I personally, as somebody who, in the last period when we had created ICANN and it was totally mystical, people like Metalitz and people like Rick Lane, who was then at the US Chamber, we did brown bag lunches for the staff, we did education, we did - we reached out - other people here did the same thing in their own environment.

And we were the decoder and the best defense. And I just want to urge you to think carefully about the message that it sends to many, many people.

And - but what I was going to say is as non-contracted parties, we have found it very difficult to be heard when we have raised risk and threats throughout the entirety of the process of implementing the new gTLD program, etcetera,

we have been forced - I got a company and I did a huge amount of the work and we did the first economic study because ICANN staff refused to do the economic study.

The people around this table bring real experience now, people like many of those who are dealing with the implications of the new gTLD program, like Susan, like many others, and it's true, we didn't think about everything but we thought about some stuff, and frankly we were not listened to.

And so I raise that question because I hear you when you tell me that you have a new appreciation as a CEO of ICANN, that you now understand what it means to work in a consensus-based, bottom-up organization. I appreciate for a CEO from outside, that is not easy.

But you've also hired a very, very large number of people who came into the organization at a time when you gave them different marching orders and you had different expectations. And they don't know this bottom-up. And to some of them they don't even know how to get acquainted with it because they're so busy delivering their objectives.

So I think we need to figure out together how to help to educate some of the new staff to give them a feeling of comfort that they are here to support the community doing things and we need to understand that staff is partnering with us but they're not a replacement to the community.

The final thing I'm going to say is the Cross Community Working Group on Internet Governance was created because of the disappointment and frustration of many of us that the community's voice and guidance was not being heard in how to deal with this vast landscape of Internet governance thing.

I hope we're going to revitalize and work with the - you and others because it is this group, this community, not just this one but the very broad community that are the best ambassadors. And I've seen it at WCIT, I've seen it at the code word for an ITU meeting, I've seen it at the ITU plenipot, I've seen it at the Commission on Science and Technology Working Group. I see it at CTEL, I see it at (ECLAC).

I think the ICANN we want is the ICANN we can help build but we have to be - we really have to get the point that you and your staff really understand what that means to work with us as partners.

Fadi Chehadé: Unless somebody will tweet this to my wife before I call her, I did not say I'm moving to DC. Whew, because last time that happened I got a call about Istanbul. It was not pretty.

But, no, we - I'm not moving yet to DC or plan to move to DC at any time soon. But I will - due to this year I will be here and so we looked at hotel costs and a million other things and how much time I'm spending away from my family, which was - which was not sustainable anymore.

And I told Sue maybe, you know, she'll come with me sometimes but instead of staying in a hotel we'll just have a place because I already know I'm back here for potentially the State of the Net, right, that's coming up. And then I have to come back for the Chamber of Commerce, they are doing a big thing in February. And hearings apparently will start right after that. And so, yeah, so I'm not moving but I'll be here as often as needed, in fact, as you've said.

On your second point, which I think is very important, Marilyn, I mean, I did not have a Eureka moment about the community. I think this has been work in

progress for me. I've been learning as I go. Every time I make a mistake I'm very open about my mistakes as all of us, you know, would be in order to improve and be better, right?

So I've been learning and improving my engagement with the community all the time. I got into trouble for over-engaging when I called some of you to discuss the move of the meeting from Marrakesh, for example, I got in trouble for it. They said, you know, why are you going to the community and asking questions? I said, well, I needed insight. I needed to ask the leaders of the community here are the facts, what do I do? Do I go to Marrakesh? Do we not go to Marrakesh, etcetera.

So I'm very committed to that. That's the good news. You can count on this. And if you don't see me engaged in a way that understands that please let me know. Please do just reach out to me say this is incongruent with what you said. You said you'll engage us, you're not consulting with us.

But let me just finish by commenting on something you said. You said staff needs to learn about the value of this model and how it works. I'm with you; I think staff can improve its learning. But one of the things we also need to do in parallel with that is define the roles and responsibilities of all the community.

So let me challenge one thing you said. Who's the community? Is the staff part of the community? So somebody is nodding yes; somebody is nodding no. Here starts the problem, right? Is the Board part of the community? Some people say yeah.

So my point is I think step Number 1 this year, as part of this process, what I hope happens is that we clarify roles and responsibilities. What decisions need

to be made by whom? What consultations need to occur where so that frankly it's clearer. I think if we put that - it doesn't have to be a code of, you know, hard code, but a general guidance.

And, by the way, I have the same issue sometimes with the Board, right, where the Board says, well, you should have consulted on this and half the Board says no, he shouldn't consult us on this, he's the CEO; he should run with this. We gave him the policy, he's just executing. Others say, no, he should have checked with us.

You know, so I think clarity of roles and responsibilities and where the decisions are made is needed. And I would urge for your help really on that. I'm very open to it and I'm very willing to figure it out. But if we don't do it then we will continue, in my opinion, upsetting some part of the community because why did you decide that? We should have done this or decided that.

Or we will continue the mistrust. I actually have been really thoughtful about why does it seem that we don't trust each other? And, you know, trust is a very, very big word and, you know, I'm not going to get into it because trust is a very complicated thing even in families much less in large communities.

But the question really is what is contributing to the lack of trust? Rather than defining trust what is contributing to the fact the some of us don't trust each other? And one of the things, small things, maybe not a big thing, that I feel is contributing to this environment of ICANN trust the other guy, is the lack of role clarity because it's not clear who's on first for particular types of decisions.

So help me with that. I'm really seeking the answers on this. And I've asked my Board to help. And I seek for your help. This is one of my points on what

would be good for ICANN by the end of 2015. It would be good by the end of 2015 that we're not, just like the example happened here, we're not disagreeing basic roles as a community. Well, we may not all agree at the end who's on first but at least we have a framework.

Tony Holmes: Steve.

Steve DelBianco: Thanks, Steve DelBianco with NetChoice. Fadi, earlier you speculated on what might be a really bad outcome with respect to the transition if Congress, for instance, sought to impose certain conditions that couldn't be met. I get that.

But as there's a number of us in the room, like you, that have spent a lot of time on the Hill and on hearings and meetings and know the current thinking. And in many respects we devised mechanisms to avoid having Congress say what to do and to stop the process by giving them things like stress tests or scenarios so that they could ask tough questions and we would be able to come back with an answer.

So this morning, I think you were hear when I was addressing Dr. Crocker, I mentioned the sort of spectrum of accountability mechanisms being considered by our working group.

Let's suppose, miracle of miracles, we arrive at consensus among that community on a handful of mechanisms for Work Stream 1 and we go to the Hill and convince them that this answers our stress test and they should support it.

I think that the roadblock we then face is if the Board, as advised by your General Counsel, concludes that it cannot or will not support a key part of

those mechanisms. And I see that as a risk because there's a fundamental difference of opinion on roles. What can we do to mitigate that risk? What can you do to mitigate that risk now that we know you work for us and not for the Board anymore, so that's really good...

((Crosstalk))

Fadi Chehadé: Don't tell them that. So it's a very simple answer, Steve, and I think you and I connected on this point much better in the last few months that I don't think it is our place to question or scrutinize what the community thinks are the 10, 5, whatever things that would increase the accountability of the - it's not our job to do that.

And if we get into that, talking about roles, (unintelligible) stepped out, that's not our role. Now the only test we should do, and so to help us not get things that will get us into contention, is if you ask us to do something that Pamela Harris would not agree with.

If the Attorney General of California says you are being asked to do something that is incongruent with your status as a California corporation, then we have to say no. Otherwise, in my opinion, everything is on the table. So don't ask me to break the law, don't ask me to get Pamela Harris, who's paying attention to us now because we are no longer too itty bitty 501c now, we are a serious 501c in California with quite a bit of money and responsibility.

So if you ask me to do something that breaks something in that relationship with the attorney general then I can't do it. And remember that there are a few things that could break that.

Steve DelBianco: The advice of your General Counsel to the general - to the attorney general could end up being what creates the impression that it breaks the relationship. So there's where communication is so key because there's fundamentally different interpretations about the structure, the articles, and, you know, you went through this right now so let's just be careful to...

Fadi Chehadé: Yeah, no that's a good point.

Steve DelBianco: ...have both sides inform Pamela Harris rather than have a single memo come over from your general counsel, get a memo back and say here's a piece of paper that says it can't be done.

Fadi Chehadé: Fair point, Steve. I agree with you. And first of all, I'm sure you know of Pamela, she's not easy to influence. She's a pretty tough jurist and a very, very smart and highly respected, with all due respect to my own general counsel, I don't think John can, on his own, change Pamela's mind.

So this is a high test. Having said this, you are right, the way we do what you just suggested is to make sure that your president and CEO, to whom John reports, is actually very much watching that process and ensuring no overreach by our own general counsel in order to maintain any aspect that he thinks would be better for the corporation, right?

So that's my job. And I want to commit to you that I will do that. And that if I have doubt I think there are enough jurists around this table that I can reach out to and talk to and take opinions from. But for right now, frankly, my state of mind, my framework is this community is doing a superb job coming together. I want to thank you and all of those of you who are serving with Steve on the Accountability track. This is very important work. And that's the one, by the way, the world is watching very closely.

So the ICG work will produce an operational proposal, thank you very much. That's good. And it will be fine, I think, they will come up with something. But that track is where people who question the legitimacy or the model of multistakeholder governance will be watching. And they're hoping we fall on our knees.

So I need to be careful, as Avri said, to not keep the expectations where we may hurt ourselves because they'll say you told us, you know, these guys can't come up with anything, it's been, you know, whatever month. So it's important to keep the expectation right and then we do our work with honesty and integrity. And I hope we'll get through that, Steve, with your help as well, frankly, because you've been very helpful there.

David Cake: Okay just, again, like I said we do understand - we've got quite a big queue and we may not get through everybody so please try - and also apologize that we may not have the order 100% right but we're trying. I think next, Walid.

Walid Al-Saqaf: Yes, Walid Al-Saqaf. I've been really impressed with what you've done so far, Fadi. I still recall the first meeting we had when I became an ICANN fellow and I recall the story of your grandfather, right, in Yemen and how you feel connected that - to this country and also to the need to have the south involved more and more in ICANN.

But, I mean, how do you evaluate progress in terms of getting voices from the developing world into ICANN? I mean, you mentioned before, and it's reiterated, and I just got Janice on Facebook cheering up for - a shout out for the fellowship program. But then there is much ahead in terms of what can be done.

I mean, what is it that you foresee as a role for the community here in terms of extending your outreach for that region? And maybe in your own definition what could be good in that particular aspect by the end of the year in terms of having this part of the developing world being more involved in ICANN?

Fadi Chehadé: From an ICANN standpoint I think the measure of our success by end of this year should be the number of people involved in the transition as well as the number of people involved in our policy processes that are being effective and participating effectively for the first time, people who have never been with us before or who have been at the periphery; they attend but they don't participate, they don't volunteer their time.

So we're starting to track that and that's one of the things I asked Sally and David when they came together in this group, I want to track that. I want someone to tell me, you know, we have now 16 new people that in 2014 maybe showed up, maybe put a comment online, but they never gave of their time. The sign of commitment is giving your time, is volunteering, participating.

So I want to track that. We have about too many KPIs that I'm tracking. I'm now trying to get my team to bring them down to about 16 I would like to track publicly. But internally we track about 85 KPIs. These are only - we didn't have KPIs - when I arrived at ICANN there were no KPIs. There was no - I would ask what are we measuring against? What are the key performance indicators? We're throwing this project.

It was like we're just getting it done. It was very start-up mode and in start-up people don't have time to measure, they just hoping to survive the day. So now we have a lot of key performance indicators by goal, by objective, by project.

We're (unintelligible) them. I'm building a business intelligence tool within ICANN so I can track these real time. And the ones that I will expose to the community because they're more high level KPIs, I will put them online so you could all watch them and understand how they're working. None of this was there.

One of them is the number of new participants in our core processes. And this year it's both policymaking, obviously, and the transition. That's one. But there are other ways we are going to measure that. And look for these KPIs. I'll be publishing the first - I'll be - we will be moving on a new KPI platform and a new measurement platform effective FY'16 because the new operating plan starts in FY'16. So in June these will be completely done and ready to go. But I will start showing some glimpses of these as early as I can.

David Cake: I think we'll go with Adrian next.

Adrian Hall: Hi, Fadi. My name is Adrian - Adrian Hall from Extensia. I've worked quite closely with your colleagues in Africa a number of times on the subject of engagement. And that's really why I'm here. I'm aware with the IANA transition there's a lot of challenges around engagement and I feel you may have almost answered my question just now anyway but I'm going to ask it anyway.

Because for me, I'd like to see how we as Extensia can support with the engagement processes in Africa because we're well positioned to do that. But what I'm not clear about is how do you define engaged? What does an engaged mechanism look like? Do we have an agreed - and you just say no with KPIs, and I guess that means that with some people that means that

they're engaged actively in processes and they're contributing to this kind of a scenario.

But then is there a wider level of engagement at a different KPI where people understand why they should be involved with Internet governance and why they should be engaged with that at a lower level. They're not all going to come to these meetings but they need to be aware that the Internet doesn't just happen, it's actually run and they can be part of that or they can be, you know, it's like I said, you're not involved in politics but you are.

Fadi Chehadé: Thank you, Adrian. First, in case you haven't I encourage you, we have a five-year operating plan published on the Website. It's the first time we have that; we've never had that before. So we now took the strategy of the organization, which was approved by the community and the Board, we fleshed it out into a five-year plan. And within that five-year plan we defined all the areas we're going to focus on. And for the first time we've published what are the things we will measure to say we are successful.

Please look at that if you haven't yet. And this is a good place, Adrian and others, for you to tell us no, this is not a good measure; this will be a good measure or could you please add that measure as well?

Because I want to make sure, starting in June when we approve the final budget for FY'16, that already in FY'16 all the projects are baked and all the activities are baked around the key performance indicators that we would agree to.

As to your specific one, which I think is very thoughtful, it's kind of in the continuum of engagement it's a step before. So once people are in great we

know that we have achieved something. But there's quite a bit of outreach to explain how all of this comes together.

Frankly, I've done, you know, I would say 80% of my global engagement last year was that. And if I can be also frank, a lot of it was targeted at governments in particular. And the reason I focused on governments is that, frankly, I had come to the conclusion these are the people who could do the most harm to the multistakeholder model. So I wanted to make sure those governments understood how we function and how we work and how does this all come together?

And as you know Snowden had raised the alarms in governmental circles so my first meeting with Dilma Rousseff, I mean, while she frankly appreciated and understood what is involved, but she clearly had not put together all the pieces that allow this to happen.

And this is in a country, in my opinion, that has the most advanced multistakeholder governance at a national level simply because they do it. I'm not saying it's perfect or it's the best or it's the model but they do it; they actually get together for the last 20 years and figure it out.

And even that president, the head of the CGI and we have - I see CGI members here - was not let into the palace. So I was with the president and they kept him outside. And I told the president, I said I'm happy to be here and I'm happy to represent my organization, ICANN. But, Madame President, your own head of multistakeholder governance in your country is sitting outside the palace. He should be here.

And she agreed to stop the meeting until they went and got Hartmut into the room. So her chief of staff ran out, we called him on his cell. We told him

come back to the door of the palace because he was waiting in the car; they wouldn't let him in.

And so the message is we educated her. We got her to say okay, I have something I can be proud of. I have a multistakeholder community in my country. That education we spent a lot of time on last year. And China, look at China. China was nowhere before (Luei) came with us. I mean, they were shutting us down everywhere we went.

Now we have the Minister of Cyber Affairs for China, whether you like him or like his work or not, doesn't matter, he has agreed to sit on the NETmundial Multistakeholder Council. He's going to sit on it personally. He and (Jack Ma) agreed to join the council. That is, to me, a successful thing.

So we are measuring also how many governments view multistakeholder approaches as viable. And that's why I need to focus on us now enough on everything else because if we - we are the piece de resistance of multistakeholder Internet governance.

If we fail this year to show progress, as Avri said, not conclusion, I think we send a very powerful message to all these governments we've reached to that maybe that thing is not as good as Fadi says. His own organization is faltering and haven't shown mature consensus-building in place.

David Cake: Thank you. Now at this point I'd just like to mention we've got five minutes left on the time that's scheduled for this session. We can carry on. The queue has got seven people on it so we're not going to get through that in five minutes. How do people feel about carrying on with this discussion rather than versus breaking out into - that's a carry on from - anyone not want to

carry on? Anyone want to go to the - anyone really keen to wrap it up and go to separate? No? Okay we'll carry on.

That being said, I think Mr. Caribe, I think you are up next.

Joao Carlos Caribe: (Unintelligible). All right, hello. My name is Joao Carlos Caribe. I'm from Brazil. My question is about NETmundial initiative. I was one of the elected members. And there was some concern and questions about the five - the five cities, the permanent cities. Who will fill the seats? And what's the role of the seats inside the group? No, NETmundial has 20 cities with elected people and the five permanent cities. The question is about these five permanent seats.

Fadi Chehadé: Thank you for clarifying this. First of all we have already clarified that there will be no permanent seats because the community said we don't like the idea of permanent seats so there are no permanent seats. Even ICANN seat will go away after the startup phase. So there is no permanent seat anymore.

The three seats were one for CGI, one for ICANN, one for the (WES), the three organizations that contributed each \$200,000 to get the thing going. And we were there just for the start-up phase to get things moving and then frankly, we like everybody else, will have to go through a complete process of being part of this. So no permanent seats.

We offer two seats to the iSTARS and to the IGF. And this was done, frankly, complete, as I'm sure you will confirm there, it was that we did it out of courtesy. We just said, look, it's a courtesy to these organizations. They did not agree to be there, we just offered it as a courtesy. And we're still waiting to hear from them.

In the meantime - for example two iSTAR organizations joined on their own. They applied. So the Chairman of APNIC is now on the NETmundial Council. (Tim Bernersley), (Jeff Jaffe) and I talked and the W3C asked their last CEO to be on the council so he is now on the council, (Abra Matik), the French gentleman.

So that - however, these two seats we extended to the IGF and to the iSTARS remain, quote unquote, unfilled and remain available to them any time they wish to fill them.

The rest of the 20 seats were all self-nominated, all of them were self-nominated. And they're all filled, I think, every one of them has been filled right now. So the council is set to go. They will have their first meeting on March 31.

The reason we pushed it to March is because the Internet Society asked us to delay it and allow the community to build the terms of reference. So they are bottom-up terms of reference. So we pushed the meeting out out of respect for ISOC's request, which we felt was a good request. And now the community will start next week, I think, or the week after, a bottom up process to build the terms of reference for NETmundial.

Did I answer your question? Did I answer your question?

((Crosstalk))

Fadi Chehadé: Okay. Thank you.

Tony Holmes: Fadi, if you will excuse me, we very much appreciate your time with us. And I think if my math is correct then we're down to six people. But I just wanted to

clarify that I think that could take somewhere the best part of the next hour. And I just wanted to clarify with you that's acceptable because we do have some other activities hanging on the end of this which we need to make other arrangements for whilst we appreciate your time. So if you're okay with that arrangement?

Fadi Chehadé: (Unintelligible).

Tony Holmes: Okay, we'll pause for a moment. Thank you very much. Steve.

Steve Metalitz: Tony, could I just point out that...

((Crosstalk))

Steve Metalitz: ...one thing I think we know is that Fadi will be back with us tomorrow morning separately in those - in our stakeholder groups so if there are questions that can be raised at the stakeholder group level rather than now that could perhaps expedite the process.

Tony Holmes: Okay. So in that case can I just check anybody who still wants to raise an issue during this session before Fadi cancels.

((Crosstalk))

Tony Holmes: Two? Three? So we're probably down to about a 30-minute extension.

David Cake: So you still want to ask a question, Marilia? Yeah, Marilia, I think you were next in the queue.

Tony Holmes: Thank you.

Marilia Maciel: Thank you very much. This is Marilia Maciel. I would like to raise a point that is now very far in the conversation but the queue was very long. I thought about putting my flag down but I think that it connects somehow to what we are doing here so I decided to make my comments anyway.

And it is about what you said regarding NETmundial initiative being a defensive line for ICANN and for multistakeholder governance. And I understand that being a (unintelligible) what you said is very perfect and that's what we expect to hear. And of course each person has a different understanding about NETmundial initiative and that's the beauty of politics.

But however, when we think about multistakeholderism and Internet governance itself we have to realize that it has worked better for some than for others. And I think that it is conservative and pro status quo to say that NETmundial initiative is a defensive line.

And when we look at Internet governance and the status of Internet today we realize that there are serious economic imbalances and geopolitical imbalances, jurisdictional issues, extraterritorial jurisdiction, cultural imbalances. And we have a status of pervasive and discriminate surveillance that really hampers the democracy and the human rights framework that we have built so (unintelligible) for ourselves.

So I think that it is very complicated when we talk about defensive lines because first of all it crystallizes the status quo, we preserve what we want to preserve but on the other hand we cannot tell apart and separate the things that need to be changed. So we are kind of preserving what we have today and what we have is extremely problematic for many actors. And I think that's in some respect for all of us.

And second thing, we label actors that think different from us as enemies because when we talk about defensive line we bring this to a kind of a military or confrontational arena. So we say oh come with us, participate with us, we have a seat for you but we do not forget that you think differently and we are in opposite corners. So I think that (unintelligible) it's not very appropriate.

And for NETmundial initiative to really be what it can be I think that we need to depart from the understanding that we do have this imbalance, that we have many things that we achieved with Internet governance that we should be proud of ourselves but we have many things that we need to change.

And I think that the same thing may apply to our discussions here. I was just listening this morning to many histories about the past, things that did not work, things that were a failure. Yeah, but many things worked. And the fact that we are here today shows that.

So I think that we should recognize that we depart from different levels of understanding of capacity to participate even in how in this framework in this scenario. And based on this understanding we need to make a decision if we want - we are tied and there is nothing we can do about it. So we need to decide if we want to walk together and walk graciously or if we want to fight and stumble and fall. So I think that's just a comment that I wanted to make.
Thank you.

Fadi Chehadé: Yeah, just a quick - thank you, Marilia. I think your point is very important. As the ICANN president, CEO, I answered the question very specifically as to why is ICANN investing its time, treasure, effort in that area. And from a pure ICANN standpoint we do it really for two reasons. One reason to make sure

that people don't attack the fundamental multistakeholder approach we use by saying it does work and it can work for - in other environments.

And secondly, frankly, because it shows ICANN's commitment to the global ecosystem of Internet governance, not just ours, which as you say very well, there are a lot of issues out there that need to be addressed. So we are showing that it's not just about ICANN and protecting our world, it's also ICANN contributing to create an environment of solving problems.

Now when I have to wear my hat as a council member of NETmundial, which will be very brief and very short opportunities - I'm no longer even speaking for NETmundial. This is part of the change I made at the beginning of the year. So thankfully Wolfgang Kleinwachter agreed to be now the ambassador of NETmundial so he's the one speaking for it publicly, not me anymore.

When we talk about NETmundial, NETmundial itself and the reason so many people committed to it is not to defend ICANN; quite the opposite, many of them have participated in it in order to start addressing the many open issues that need to be addressed around the world.

So I'm hopeful about that. And I really feel the spirit of the Brazilian CGI, which is a very positive spirit, the spirit of NETmundial the meeting that was held in Sao Paulo, which was a very good spirit, and the commitment of ICANN community and the global community to make NETmundial solve - start addressing the problems is going to get us somewhere. I'm actually quite hopeful and confident.

David Cake: Okay, Bill, you were saying you wanted to say something just very short directly relevant here?

Man: (Unintelligible).

David Cake: No, I was talking to Bill.

Bill Drake: I simply wanted to echo what Marilia was saying. There's a problem of narrative consistency, Fadi. And when you present it that way it sounds, again, like the thing has a predefined policy kind of role that would preclude work within the United Nations and that sets some people's teeth on edge and puts people in an awkward position from civil society who have committed to participate.

David Cake: Okay, (unintelligible) wish to be in the queue at this point?

Laurie Schulman: (Unintelligible).

David Cake: Yeah, well there's about four people left in the queue so we can - if you want to talk.

Laurie Schulman: Hi, I wrote some of my comments on the screen but I want to follow up verbally about when we've talked about this privately because I'm still hearing this theme - saying the California attorney general won't let us do stuff because we're a board and we have a fiduciary duty.

And I want to reemphasize because I think this message is getting lost and it goes to some of Steve's points about really what is going on here. Because when you talk about fiduciary duty in a nonprofit context in the United States you're not solely talking about the bottom line number on a financial report, you're talking about furtherance of a mission particularly when a tax exemption is granted to do the business we're doing because if this was a for-profit corporation we'd be looking at entirely different issues.

So I am perplexed by this constant message of well the attorney general won't let us do it. Your board has three duties, care, obedience, loyalty. And they all go to mission as well as financials. So I - and I don't know if there's anything written, I haven't seen anything written about this governance issue because it's a key governance issue. And what scares me about this is that sometimes I see this as a pretext for advocating moving ICANN out of the US.

That is reactions that have come from the community. Well maybe the US is not the place to be because California law won't let us do all the things we want to do. And I'm not going to go into the debate about that but I'm only going to say that there are controls here and it's not a bad thing to be subject to US nonprofit law particularly when it takes in this consideration of balancing the mission and our mission relies on multistakeholderism versus just looking at the bottom line.

Fadi Chehadé: Laurie, let me - thank you by the way, because I know how clear you are about these things and you've - I very much appreciate your insight on this. First let me assure that we've never used - I mean, I don't use that line often. This is maybe the first or second time I've mentioned it.

((Crosstalk))

Fadi Chehadé: It's to simply say that we are - we are certainly not doing this in order to create a pretext to move the corporation. I can assure you of that. All we're saying is we're putting an extremely high bar on accepting almost everything you'll come back with, in other words, to say if you come back to us with a mechanism that limits how the Board makes decisions or checks - reverts them or, if it does not break the law we must accept it, is all I'm saying.

So I'm using it the other way. I'm not trying to say this is the boogey man of Pamela Harris and therefore be - no, no, quite the opposite. I'm saying the test for us to muddle with what you come back with us with has to be very high. And it has to - goodness knows that it's not like John Jeffery can go meet with Pamela quietly in a café and tell her, listen, Pamela, this will not be good for us.

All of this will be public if it ever happens. We've never met her. He's never met her. But if he does you will all know, has to be transparent. His arguments have to be transparent. And frankly, if these arguments to jurists of you, you know, background and caliber and others, don't add up or if they're veiled attempts by ICANN the corporation to maintain certain privilege or certain - to basically say no to the community on fundamental things that are in our DNA, then frankly I hope all of us, including me, will flag this.

Now, my filter on this is very high since I arrived. And John knows this. I can say this publicly about him. When I arrived most people told me John Jeffery runs ICANN. They said John Jeffery runs ICANN. What are you going to do about it? Right? I'm being very candid because I want to be direct with you.

So I met with JJ when I started and I explained to him that I've had GCs for 30 years and that I understand the role of a GC. Of course his role is to do everything he can - and you've said this to me as well, Laurie, to protect this corporation. That's his job.

So now JJ is also a very, very well-known and successful Eagle Boy Scout leader. He understands what mission means. So I also told JJ, look, we have a mission here. Yes you have absolutely to play the GC but this is not a regular corporation.

I'll give you an example of something you'll appreciate. You probably know who Professor Coffee is at Columbia. So I met with him recently. This is, you know, someone who's regarded in this country as a very well-known figure in areas of corporate governance.

So he asked me, Fadi, how is your board governed? And I said, well, I explained and then he asked JJ very pointed questions. Do you do this? Do you do that? Do you do this? Do you do that? I mean, this is, right, a guy who knows corporate governance.

And when he was done he told us, he said, you're better governed and more accountable than 95% of American corporations. I don't know what's the problem.

Man: Low bar.

Fadi Chehadé: Pardon me?

((Crosstalk))

Fadi Chehadé: Nice. No, but here's the answer we gave them: We're not a regular American corporation. We're not your regular - we don't show up in the textbooks that you teach, Professor Coffee. This is different here.

And that part - that explaining what is different about us, which we all need to take into consideration when we say this breaks California whatever. No, we are not just a regular California corporation. We are community that is doing an experiment that, frankly, is unique and very valuable and very meaningful. And has higher mission than most corporations.

So it is in that spirit that I will keep my GC where he should be which is giving me the advice, protecting the corporation, but all of us, not just me, should have these antennas very high to make sure that we don't use process and law to dodge our commitment to the DNA of ICANN.

Laurie Schulman: Yeah, I would just follow by saying thank you. And this is not necessarily a slam on your GC, I want to make that clear. But I think it is worth a continuing discussion because what Coffee is concerned about and your GC is concerned about and Kamel is concerned about is internal controls. What - like you say, the Board has to evaluate me; the Board has to make sure there's an audit.

I mean, there's a certain defined set of internal controls that are considered the standard of good governance. But we're - as you say, we're going beyond that definition. What does that look like? Let's have a discussion about internal controls in a transparent way.

David Cake: Thank you. Jonathan. You've been very patient.

Fadi Chehadé: I have metrics coming, Jonathan, let me start with that. And lots of them.

Jonathan Zuck: I'll say thank you for the KPIs and I'll restrict my comments on them to when you meet with the IPC because that was in the auspices under which I wrote about that.

The thing I wanted to bring up for the broader group, and this is too big a topic for you to even answer here, but I just want to plant this seed is all this talk about participation and all of it is focused on meeting attendance. And I think that that is the most expensive, most complicated, most overwhelming way to participate in ICANN. And we need to look and accept the possibility

that there's going to be a distinction between the ICANN community and the Internet community at large and that we need to look more carefully at how we allow for periodic engagement based on interest from the Internet community beyond the ICANN community.

And I think there's a number of ways that that can take place. Some if it has to do with how the staff present issues so that they can be more easily sort of consumed by people that are not insiders so that people can make a decision based on their own interests about how they want to comment on them, reforms on how comments are brought into ICANN and how they're processed and the order in which things are processed and decided upon so that comments feel like there's something real which is something that doesn't always feel the case now.

And then also how these processes can work outside of working groups and how people can participate in working groups, again, with a singular interest as opposed to an interest in becoming part of this incredibly overwhelming ICANN community.

And I think the real key and the most cost effective key to expanding participation is going to be in period participation and we will only have very incremental growth in global or general participation just because of how onerous it is.

Man: (Unintelligible).

David Cake: I think we have one - we're down to our last person in the queue - oh no, we have two.

((Crosstalk))

David Cake: Oh quick follow up to that question.

Greg Shatan: (Unintelligible).

David Cake: Okay...

Tony Holmes: Go ahead, follow up. Go ahead, Greg.

Greg Shatan: Sure. Greg Shatan, IPC. Just to follow up on the discussion about bylaws, I went to Columbia Law School. I studied corporations. John Coffee was my Corporations professor. That doesn't mean I know as much as John Coffee, it means I had one class with him. But in any case well aware of him.

And just to point out people who aren't familiar with, you know, US corporate law, while Pamela Harris is the Attorney General of California corporations don't submit a bylaw amendment or changes to the attorney general. She is in charge. She has the ability, if she were to bring a case, if there were any issues. But it's not an issue where - and it may be different in other countries where there are actually submissions. It's just a question just a general jurisdiction, not of any sort of review and approval process.

So people who hear you say that Pamela Harris won't let me do that, she doesn't have the opportunity to intercede except by reason of her position. It's not that there's a process which puts this on the desk for a checkmark or an X to be put on the bylaw amendment. Just wanted to clarify that.

And I think that, you know, Laurie's point is very well taken and I know you took it, which is that this is - we are unique that we don't just have to be better than 95% of American corporations, we have to be different and especially

from for-profit corporations, we also have to be different from other nonprofit corporations because we're really a governance ecosystem in the guise of a nonprofit corporation which is a unique challenge. And I wish us all God speed in meeting that challenge. Thank you.

David Cake: Thank you. Okay so just before our last question just a little bit more housekeeping to say the - your paper homework which we've been putting down there, I know one or two people might have put it in the chat, maybe if someone could transcribe anything that was in the chat and just put that in the pile might be the easiest way to deal with that.

And I think we're down to our very last question. Thank you to everybody, by the way, who withdrew questions and will ask them tomorrow and trying to help manage the queue.

Ron Andruff: Thank you very much for that, David. And thank you, Fadi, for being on the hot seat for a couple of hours with all of us. It's been very enlightening, actually, listening to everything and I'm very happy to just come back to two points. And they're a little bit contentious.

You talked about trust and you talked about - and you looked at it from the point of view of rather than trying to define trust where - what are the things that cause us to have a lack of trust. And you also mentioned the overreach by your GC from time to time or the concern that there might be overreach by the GC.

And I think that it's a very enlightening statement you made that in fact many people in the community feel this way and you wanted to make a correction on that. And I agree with Laurie, this is certainly not a knock against the individual, it's just about the - this individual doing their job appropriately.

Where the trust comes - and I just - I was going to take you aside but seeing as how we had a few minutes I wanted to bring this to the table for everyone's benefit. We lose trust when we see things like singulars and plurals. We say this just doesn't make sense. It doesn't pass the giggle test.

And we say how is it possible that we would allow, as a body, and it's we who are allowing this, and we who will wear it when it comes back and slaps us in the face, that we allow singulars and plurals. Makes zero sense to anyone in this room and even on the registry/registrar side, makes no sense to anyone.

Yet the Board is determined - absolutely determined we will not change that. This is done. It's cast in stone and we're moving on. We, you know, we gulp and we just move on to the other things we have to deal with. Okay, so that's what happens.

Vertical integration, before your time but same story. Here we had a very contentious issue where we kept two very - we separated church and state and we had very clear lines. And now as we move into this new world of new top level domains all of a sudden in the Board's decision they say, well, jeez, we'll just throw it all together. Why would we not have vertical integration when the community was lined up out the door in terms of the speaking line saying don't do it. Loss of trust.

Now we're facing the GAC highly sensitive strings. In the real world highly sensitive strings, dotBank, Insurance, Pharmacy, Health, those are regulated for a reason, to protect the public interest. We all, as we said earlier today, are representing the public interest, the users, you know, the business users, individual users, our job is to, you know, step up and talk for them because they can't be here.

And so we send letters, we have public comment periods, we do all manner of things. Even the GAC from Beijing, which was five or six meetings ago said, hey, we need these public interest commitments and we need them very clear. And meeting after meeting, communiqué after communiqué nothing happens.

Yet at the same time staff and the Domains Division has gone along their merry way and signed contracts and delegated these strings into the root when all of us in the community thought they were sitting on the side while we got this right. No, it didn't work that way. Loss of trust.

So here we are sitting today with these elements that are so critically important to building trust but we're seeing these things come back to us. And the net result for us is loss of trust. So, you know, you made the comment it should not be a process in law that determines what happens.

And I think many of us feel that the Board is being briefed by the GC saying you know what? If we do this we're going to face lawsuits from this one, this one and this one. However, you took \$60,000 from every applicant to build a war chest for the GC. So let him go to battle.

Do the right thing for the community and stop these things before they get carried away because when singulars and plurals come out and governments look at that and they say who in their right mind could have ever made this decision, I'm not going to be the one to say well I did. And neither are you and neither are anybody in this room. We're all going to be saying none of us wanted it but somehow the Board did it and therefore we had to face it; this is what we got.

And it's the same thing with highly sensitive strings, if we do not freeze this, because we can't trust staff - we watched the GAC say please, look at this and we all in the community thought it was happening and then we go and we find out, oh by the way, they're all getting signed and delegated, where do we go from here? So the trust factor is to stop everything, as you just said, don't rush.

We're talking about 30 or 40 strings that, believe me, if the financial institution needs the money right now I don't think they need to sell domain names. So they don't need to rush to market. We freeze it. Let the community sort it out and then let them go to market under those rules and make a blanket change in the contract if so need be. But this is where the lack of trust comes from.

The community makes really strong efforts, the GAC, ALAC, they passed a resolution within the ALAC. They didn't just say we'd like you to do it. The BC stepped up and from the beginning of this topic has been sending letters and trying to fight for this cause yet the Board says, no we've got to move along. Got to keep the trains running on time, we've got to get this thing through. No, we don't have to get anything through. We have to do it right.

Because we all agree there are more holes in the Applicant Guidebook than Swiss cheese and so we have to close those loopholes but we can't get there by letting these things go through in the first round. It doesn't make any sense to us.

So I'm making this impassioned statement just to say that's where the trust is leaking out of the thing, it's like a sieve; we pour it in, it leaks out everywhere. Why is it leaking out? Because we don't have the sense of trust. And that's the element. It's a critical element is that just doing the right thing, the thing that, you know, just makes sense, if that would happen the trust would grow.

But always when it comes down to the thing that makes sense it seems to go left instead of right and we all go, what? But we have to move on because there are other policy matters we have to deal with. So that's the crux of the matter. And I just wanted to get that on the table so that you could understand why we're frustrated and why we're upset because we as the community are the ones who are responsible for this. Thank you.

Tony Holmes: Okay. Fadi, I'd like to thank you very much on behalf of everybody. We don't very often get the opportunity to spend this amount of time with you. It's been something that's very worthwhile, very much appreciated. And I'd like to thank you on behalf of everyone for that. Thank you.

((Crosstalk))

Tony Holmes: Thank you.

Rob Hogarth: Fadi, the group will very much look forward to seeing you tomorrow. This is the last time this group is all going to be together until noon tomorrow. The schedule is for breakout sessions and you can flip the screen for me. The CSG is staying here; the NCUC and NPOC are moving down to the conference level and staff will help you get down there.

You're scheduled through 6:00 pm tonight at which point you're then free to break. You're free to break before then but we imagine you'd like to work until 6:00. Then we have a reception scheduled for 7:00 pm across the street in the Overlook Room of the Beacon Hotel. Everyone here is welcome to join us for that.

Tomorrow morning, similar to this morning we had the continental breakfast at 8:30 and at 9:00 sharp Fadi is going to be in this room with the CSG followed by him then heading downstairs to meet with the NCSG for the second part of the morning.

So that's generally schedule. We'll see you all I hope across the street at 7:00. For those of you who we will miss we'll see you at 9:00 tomorrow morning, 8:30-ish and then everybody back in this room at noon tomorrow. Anything else anyone would like to say? Otherwise, thank you very much.

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