



## News from the Chair by Elisa Cooper

Dear ICANN Community Members, Undoubtedly, the Internet environment is rapidly evolving. With more than 400 new gTLDs now delegated, a changing Internet governance landscape, ICANN's desire for further globalization, and requirements for enhancing ICANN accountability, now more than ever the Business Constituency remains actively engaged.

Due to the dedication and hard work of Business Constituency members, we have been able to review and evaluate the issues of importance to us. Some of these topics include proposed changes in the Nominating Committee, proposed bylaw changes regarding the consideration of GAC Advice, and the introduction of two-character domains for a number of new gTLD registries.

In addition, for the first time ever, we have begun actively working

with our colleagues across the ICANN community to comment on topics such as the need for ensuring adequate Rights Protection Mechanism for collision domains, and the need for ensuring that mechanisms designed to enhance ICANN's accountability are developed using the multi-stakeholder, bottom-up, consensus-driven approach on which ICANN is founded.

Earlier this year the Business Constituency had been focused on addressing open issues surrounding new gTLDs and their impacts to Business. We are now turning our attention towards the impact of the NTIA's decision to relinquish the IANA contract and the subsequent need for accountability mechanisms. Many members of the Business Constituency have been following this issue closely and are looking

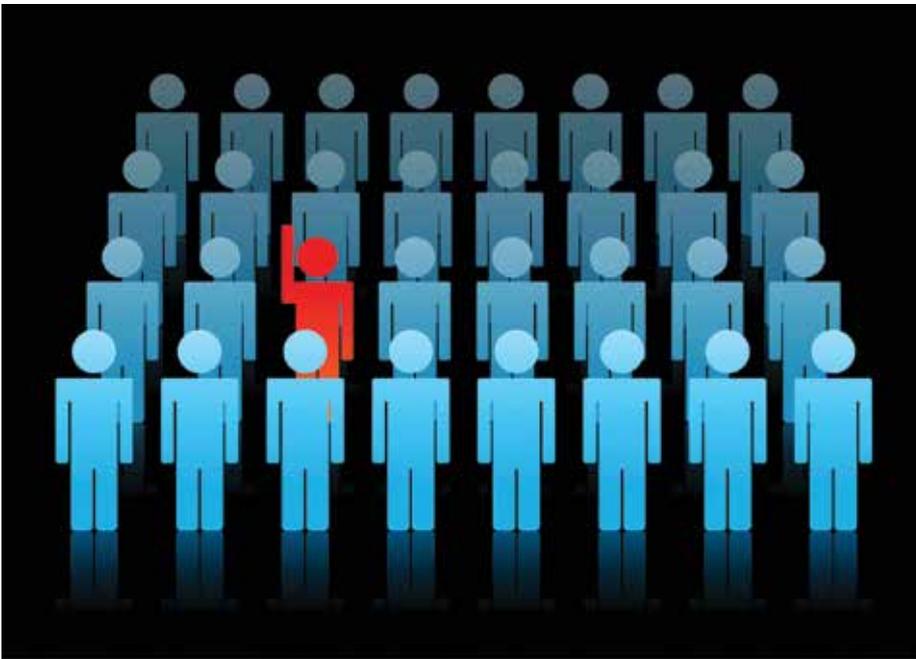
**“The BC will continue to forge ahead to ensure that our voices are heard.”**

forward to working with the larger community to develop a solution that not only meets the criteria defined by the NTIA, but one that also provides mechanisms for assuring ICANN accountability. Although the coming months will continue to bring complexity as we seek to understand this changing landscape, we will do our best to ensure that our interests are considered. Undoubtedly, the road ahead may be one filled with hard work and challenges, but the Business Constituency will continue to forge ahead to ensure that our voices are heard.

Wishing you all a successful meeting in Los Angeles.

# Policy Perspective: Is it a question of Trust?

By Steve DelBianco, Vice Chair for Policy Coordination



The Business Constituency weighs-in on many issues, but few are as important to the BC as holding ICANN accountable to business registrants and our community of Internet users.

That aspect of community accountability is now front-and-center as we design new accountability mechanisms for ICANN as part of the IANA transition planning.

At the beginning of September, the BC joined all advisory committees and stakeholder groups—including the GAC and ALAC—on an unprecedented joint letter regarding ICANN’s proposed accountability planning process. A few weeks later ICANN answered that letter by raising the broader issue of trust, “How can we strengthen the trust between all parts of the ICANN stakeholder community?”

The BC registered two reactions to the question of trust. First, this discussion is not about whether the community trusts the present ICANN board. It’s about trusting future boards — after we no longer have the leverage/

## “How can we strengthen the trust between all parts of the ICANN stakeholder community?”

influence of the US Government to rely upon. This IANA transition is the community’s chance to establish mechanisms to rein-in a future board that would put ICANN’s corporate interests ahead of the community. We are not suggesting that a future board would do so. Rather, we are acknowledging that the board is obliged to protect the corporation’s interests first, as required by ICANN bylaws:

**Section 7:** *Directors shall serve as individuals who have the duty to act in what they reasonably believe are the best interests of ICANN and not as representatives of the entity that selected them.*

Should there be any confusion about whether the bylaws refer to ‘ICANN’ as the corporation or the community,

we cite ICANN’s own *Management Operating Principles (2008)*:

“The third and perhaps most critical point of tension is between the accountability to the participating community to perform functions in keeping with the expectations of the community and the corporate and legal responsibilities of the Board to meet its fiduciary obligations. The ultimate legal accountability of the organization lies with the Board, not with the individuals and entities that make up the ICANN community.”

ICANN doesn’t have shareholders in the traditional sense, so the BC wants to give voice and voting power to the community. That’s why the BC proposed a permanent cross-community working group empowered with 6 ways it could act as a check on ICANN the corporation:

- Name members of Review Teams created per the Affirmation of Commitments (after making the Affirmation part of ICANN Bylaws)
- Appoint members of Independent Review Panel (IRP)
- Invoke an Independent Review of a decision by ICANN management or board
- Review and approve ICANN budgets
- Review and approve changes to ICANN Bylaws
- As an extraordinary measure, ‘Spill’ the ICANN board and trigger selection of new directors

Second, there might actually be a current question of trust, but not in the way suggested in ICANN’s response to our joint questions. With the appearance of top-down control being imposed by ICANN board and

management over the accountability process, it's clear that ICANN the corporation does not trust the ICANN community to know what's in our own best interests.

We're seeing evidence that ICANN does not trust the community, such as: the top-down imposition of outside expert strategy panels; the lack of action to prevent both singular and plural forms of the same TLD; and the way ICANN management often disregards public comments (the subject of our recent Reconsideration Request).

The BC is optimistic that we can build trust between ICANN the corporation and ICANN the community. But to build lasting trust, it's not enough to encourage all sides to communicate more and to come together around vague principles of public interest. A foundation of trust requires structures and mechanisms so that ICANN's management and board are accountable to the Internet community ICANN was designed to serve.



**Steve DelBianco, Vice Chair for Policy Coordination**

## About IANA Coordinating Group

by Jimson Olufuye



Shortly after the NTIA announcement of 14 March 2014, ICANN launched a multistakeholder process and discussion to gather community views and input on the principles and mechanisms for the transitioning of NTIA's stewardship of the IANA functions.

Following a month-long call for input on the community-driven draft proposal, on 6 June, ICANN posted the Process to Develop the Proposal and Next Steps. An overview of community input, the composition of the Coordination Group, a call for names, as well as other process-related topics can be found on the **ICANN website**.

The IANA Stewardship Transition Coordination Group (ICG) is comprised of individuals selected by each represented community. These 30 individuals represent 13 communities of both direct and indirect stakeholders who together will deliver a proposal to the NTIA recommending a transition plan of NTIA's stewardship of IANA functions to the Internet community, consistent with the key principles outlined in the NTIA March 14 announcement. The ICG will conduct itself transparently, consult with a broad range of stakeholders and ensure its final recommendations support the security of the IANA functions.

**The nominated ICG representatives are as follows:**

**ALAC:** Mohamed El Bashir, Jean-Jacques Subrenat

**ASO:** Hartmut Glaser

**ccNSO:** Xiaodong Lee, Mary Uduma, Keith Davidson, Martin Boyle

**GAC:** Manal Ismail, Heather Dryden, Kavouss Arasteh, Michael Niebel, Jandyr Ferreira dos Santos

**GNSO:** Wolf-Ulrich Knoeben, Milton Mueller, James Bladel

**gTLD Registries:** Keith Drazek, Jon Nevett

**ICC/BASIS:** Joseph Alhadeff

**IAB:** Russ Housley, Lynn St Amour

**IETF:** Jari Arkko, Alissa Cooper

**ISOC:** Narelle Clark, Demi Getschko

**NRO:** Adiel Akplogan, Paul Wilson

**RSSAC:** Daniel Karrenberg, Lars-Johan Liman

**SSAC:** Patrik Fältström, Russ Mundy

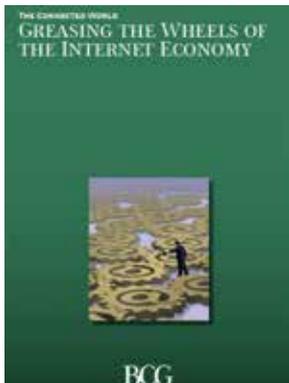
**ICANN Board Liaison:** Kuo-Wei Wu

**IANA Staff Liaison Expert:** Elise Gerich

The Commercial Stakeholder Group representative, Wolf-Ulrich Knoeben, is also joined by an external business executive, Joseph Alhadeff, Oracle Corporation, representing ICC-BASIS and broadening global business engagement in the Coordinating Group.

# The story behind ICANN's BCG Roadshow

By Chris Mondini, VP Stakeholder Engagement, Global Business and North America



The work of ICANN in coordinating the names and addresses of the Internet helps keep it global, expanding and interoperable. Furthermore, increased access to a global, expanding, and interoperable Internet is good for business and national economies. Support for this point can be found in the Boston Consulting Group's report on E friction, "Greasing the Wheels of the Internet Economy".

The BCG report came out in January, and continues to resonate with governments and business leaders around the world by providing a clear roadmap of how businesses and national economies can continue to benefit by fully embracing a global, borderless Internet.

Why did ICANN commission the research? In part because much of the current reporting in global Internet governance has focused on the "doom and gloom" scenarios of an Internet fragmented or "balkanized" by a patchwork or national regulatory regimes. And in part, not much research has been done on the effect of barriers and hurdles in the online world, and the drag they have on economic growth. The E friction report has made it easier to identify the areas of friction that hold back the digital economy and at the same time has helped ICANN to emphasize the opportunities for advancement that come from making the most of the ever expanding, globally interoperable Internet.

ICANN has made this report an integral part of ICANN's business engagement efforts across all our regions, hosting roundtable discussions in Barcelona, Brussels, Berlin, Istanbul, Nairobi and most recently Gadalajara. These events have generated a sustained level of interest, no matter which region we're visiting. To provide a government

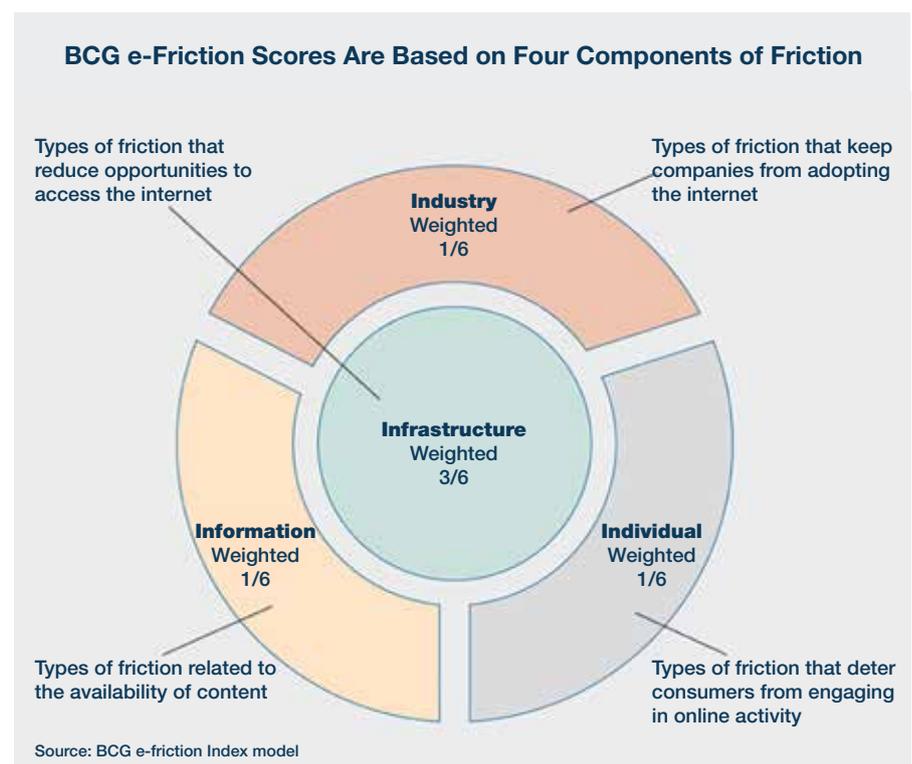
official with information on how to gain 2.5 percentage points of GDP growth, or an association of Small Enterprises how their members can earn 7% more in revenue can be really attention grabbing.

This last point is especially useful for business users of the Internet and the Domain Name System. In conducting their research, BCG found that Small and Medium Enterprises with a robust web presence, who make the most of online marketing, sales and systems management, and who embrace cloud computing can considerably

grow their revenues.

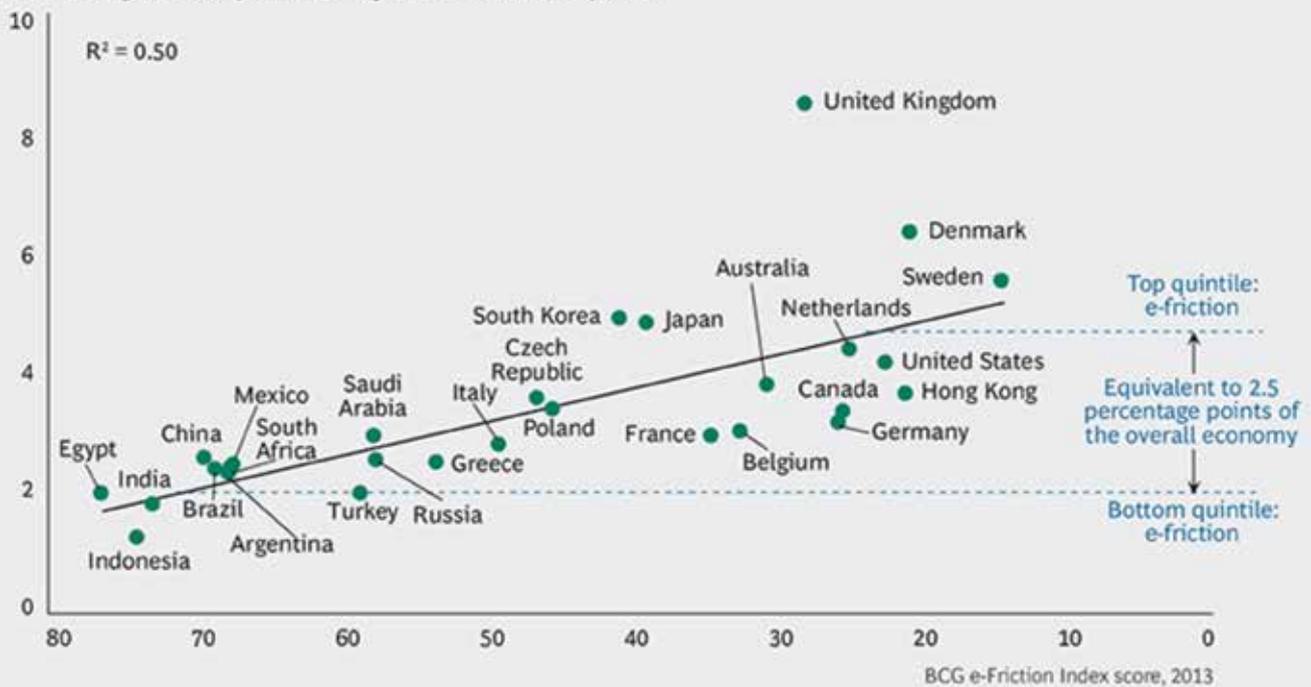
By creating an index and measuring the performance of 65 countries, BCG has provided a valuable benchmark against which future gains can be measured. But it is all predicated on an Internet that remains borderless and interoperable, hence complementing other reports that highlight the benefits of reducing or eliminating barriers to Internet access and its affect for both countries and companies.

Each ICANN-BCG roundtable gathers a mix of government officials and



### Countries With Lower e-Friction Tend to Have Larger Digital Economies

Estimated digital economy as a percentage of the overall economy, 2013\*



Sources: BCG e-GDP model; BCG e-Friction Index model.

\*See the Appendix for a full definition; 2013 estimates are interpolated from 2010 and 2011 actual scores and 2016 forecasts.

business leaders and takes on its own regional characteristics. A representative from a global telecommunications firm described the discussions a “crisp and brisk ... full of innovative thinking and interesting people”. Another participant asserted: “the world needs to know about the risks faced by the global Internet. It is up to business to help governments understand what’s at stake”.

In creating a country index, BCG has opened the door to possible future iterations of the report to see how countries perform. In the meantime, at least one ICT ministry has reported that they will use the report as a menu of ways to work with business to improve their country’s friction score. The report has also successfully underscored ICANN’s role as a partner in a shared aim to maintain an open, scalable and interoperable Internet.

## AfICTA Summit 2014: ICANN holds DNS Workshop

by Jimson Olufuye

BC member, AfICTA – Africa ICT Alliance, holds its 2014 Summit with the theme “Fostering a Smart Africa” on November 3-5, 2014 at the Cairo International Conference Centre, Egypt under the auspices of H.E. Eng. Atef Helmy, Minister of Communications & Information Technology, Egypt.

As part of the implementation of its African Strategy, ICANN, co-sponsor of the event will be hosting a 2-day DNS Entrepreneurship Workshop to boost DNS awareness and investment in the continent.

More than 5 African Ministers of ICT, 10 ICT Director-Generals and 250 Business leaders from 15 African countries and beyond have expressed interest in participating



in the high level Summit. Other features of the Summit include: High level Ministerial Panels, B2B Matchmaking, Cairo ICT Exhibitions, African ICT Champions Award, Nile Cruise Dinner, tour of Smart Village and the Pyramids.

For more details please visit [www.summit2014.aficta.org](http://www.summit2014.aficta.org) or contact: [summit2014@aficta.org](mailto:summit2014@aficta.org)

## Collaboration at ICANN

By John Berard

At a time when business is driven by analytics, it is discouraging that decision making at ICANN seems too often to be personal or political or bartered. It may be louder, longer and messier to get to “yes” or “no” using the community’s bottom-up, consensus-driven decision-making process, but when the Supporting Organizations and Advisory Committees of ICANN agree, it sticks.

It has long been a commitment of the Business Constituency to champion fact-based opinion and data-driven decision-making. As one of our GNSO Councilors, I have been committed to push through important work on WHOIS in the last five years that helped form a realistic view of the protocol’s strengths and weaknesses. By getting the discussion out of a schoolyard-type “Did not, did too” back-and-forth argument, we help lay the foundation for real progress. Fact based policy discussions and development helped us to get to new thinking, and to collaborative efforts to reach consensus.

This focus will need to be redoubled in the coming 18-to-24 months as the community considers the

recommendations of the Expert Working Group on Registration Data Services and implements a replacement for WHOIS.

A fact, though, is of no use if it is not shared, and the Business Constituency is at the center of an emerging emphasis on collaboration at ICANN. We know well the value of making an argument together rather than going it alone. In the recent cross-community work in response to the stewardship transition of the IANA contract and the elements of ICANN accountability, the Business Constituency has lent its name and energy to a group effort at ensuring the best path forward.

The time needed to find the facts, understand their implication and negotiate a shared point-of-view is under increased pressure as new groups, outside of ICANN, have taken a keen interest in the outcome. Right now, this attention is focused on the U.S. Government’s decision to reassign the IANA contract, but it is clear the agenda will get longer as a single Internet intrudes on local mores.

Being a member of the Business Constituency is a significant responsibility. The BC’s work in microcosm has broad business effect for all those companies who do not directly participate but have helped build the Internet into the commercial platform it has become. The Constituency’s activism has been and will remain a key to success for the voice of business at ICANN.



John Berard is outgoing BC Councilor to GNSO Policy Council, after serving two, two year terms.

The screenshot shows the homepage of bizconst.org. The header features the title "The ICANN GNSO Business Constituency" and a globe icon. A left-hand navigation menu lists: HOME, MEMBERS, RESPONSIBILITIES, MAILING LIST, JOIN US, TESTIMONIALS, ABOUT US, CONTACT US, MEETINGS, TELECONFERENCES, NEWSLETTERS, ISSUES, POSITIONS & STATEMENTS, MISSION, CHARTER, and COMMUNICATIONS. The main content area includes a "BUSINESS CONSTITUENCY" section with a description of the BC's role, a "NEWS @ THE BC" section with a link to the ICANN 50th Edition newsletter, and a "MEETINGS & EVENTS" section with details about the ICANN 51st meeting in Los Angeles. A "QUICK LINKS" section lists various resources like the ICANN website, BC newsletters, and meeting agendas. A call to action at the bottom encourages BC members to visit the Business Constituency Wiki.

## bizconst.org

**Don't forget to make the most of the The Business Constituency's website!**

The site has recently been updated and you will find a plethora of useful information – everything from our mission, charter and statement, to testimonials, to a current list of our members and of course, information on how to join the BC.

You can also find all the newsletters we have produced, conveniently available to download in PDF format.

Visit us at: [www.bizconst.org](http://www.bizconst.org)





# About the Business Constituency (BC)

## The mission of the BC:

- The Constituency fully represents the views of the Internet business user community,
- ICANN policy positions are consistent with the development of business via an Internet that is stable, secure and reliable while promoting consumer confidence.
- ICANN policy positions derive from broad stakeholder participation in a common forum for suppliers and users.

## Meet the Secretariat



Brenda is based in the US and previously worked as a Meeting Manager in the conferencing department at Verizon

Business. Brenda possesses more than 20 years of professional experience in customer service, and at Verizon she provided one-on-one conferencing support to executives and staff of numerous Fortune 500 businesses. She has excellent communication skills and experience in working with international customers in a fast paced environment.

**If you would like to become a member of the BC, please contact the BC Secretariat at: [info-bc@icann.org](mailto:info-bc@icann.org)**

## New Appointments within ICANN

### Susan Kawaguchi



As an active member of the BC since 2006 I view the role of GNSO councilor as crucial

to the work that we all do. Initially the issues with WHOIS lead me to understand the importance of being involved in the ICANN community.

I have continued to focus on WHOIS and Privacy/Proxy issues but have also weighed in on a myriad of issues including new gTlds, the IANA transition and name collisions.

From 2010 – 2012 I was a member of the Affirmation of Commitments

WHOIS review team and helped draft the language that is now guiding the PPSAI working group in the accreditation of Proxy and Privacy service providers. I am currently a member of the Expert Working Group on Next Generation Directory Services.

We delivered our report to the ICANN board and are waiting for the Board's recommendations and how the GNSO will move forward with the recommendations.

My depth of experience in managing domain names, dealing with online enforcement and being involved in internet governance for online companies brings a practical view point to all the issues of the GNSO. I am looking forward to the next two years as BC councilor.

## [www.bizconst.org](http://www.bizconst.org)

### Executive Committee

**Chair:** Elisa Cooper

**Vice Chair, Policy Coordination:**

Steve DelBianco

**Vice Chair, Finance**

**& Operations:** Jimson Olufuye

**CSG Representative:**

Marilyn Cade

**GNSO Councilor:** Gabriela Szlak

**GNSO Councilor:** (John Berard)

Susan Kawaguchi

### BC Appointees to the Nominating Committee 2014

Zahid Jamil (Small Business Seat)

Sarah Deutsch (Large Business Seat)

### BC Credentials Committee:

Philip Corwin

Laura Covington

Martin Sutton

### BC Finance Sub Committee:

Anders Halvorsen

Angie Graves

Chris Chaplow

### Useful Links

#### BC Charter:

[www.bizconst.org/charter.htm](http://www.bizconst.org/charter.htm)

#### BC Members:

[www.bizconst.org/members.htm](http://www.bizconst.org/members.htm)

#### Join the BC:

[www.bizconst.org/joinus.htm](http://www.bizconst.org/joinus.htm)

#### Acronym Helper:

[www.bizconst.org/glossary.htm](http://www.bizconst.org/glossary.htm)