

Internet Governance Forum Town Hall meeting on Save.ORG

27 November 2019

12h15 to 13h

Berlin Germany



These notes capture today's conversation to the best of our ability. If there are amendments needed, please contact jennifer@accessnow.org or brett@accessnow.org

Introduction and welcome - Brett Solomon, ED of Access Now

Town hall meeting to give opportunity to people to speak freely. The decision to sell .ORG issue raises a lot of complicated topics and issues.

Rules of the road are respect, 2mins max.

We especially want to hear from people who are not at the epicenter of this decision making process as well as those who are.

There are 10 million orgs currently registered on .org and they are mostly not even aware that this process is happening.

We are officially putting this meeting on the public record.

ICANN and ISOC are stewarding internet domain name system. I want to thank Internet Society -- they have properly looked after .org through the public interest registry and we have taken that for granted. There are a number of ICANN board members here -- thanks to them as well for looking after the names and numbering

I will make a few introductory remarks and then open it up for discussion and comments.
I acknowledge people who are not here who are on listservs.

First issue to raise is lack of transparency It is unclear for people outside of the ISOC board and to a lesser and later degree the ICANN board how this decision was made.

The lack of information means that people have been forced to draw their own conclusions because there is not enough information to understand:

- Why has this happened? What is the purpose of this sell?
- What are the consequences of that decision?
- Why did the board make this decision?
- Who is Ethos Capital? What is exactly Fadi Chehade's role? And Abry Capital?

Different partners are raising these questions too.

.ORG is where we reside as an NGO -- this is our digital space. Not a commodity to be sold off in the dark.

This is not about pricing \$9 or \$10 a year -- this is about control. Do we want this to be controlled by a private venture capital firm?

Opening floor to contribution

Milton Mueller (Internet Governance Project at Georgia Tech)

He has represented non-commercial owners.

Two questions you pose on the agenda are good, but we need to focus on how to respond and responsibility of ICANN to secure rights of non-commercial entities.

Brett: Many people here interested in stopping the sale - Dutch ISOC chapter made a statement to this effect, and the Swiss are in the process of signing a statement.

Public interest technologist (name unknown)

ISOC has put forward one justification for the sale: more diverse stream of revenue. This may be legitimate and there is a need.

But negotiations are concluding and we quickly need more information on it: what is the purchase price? We need to assess if this was a good decision by ISOC.

Brett Solomon

We need to ask whether this was a good price, and that is why the transparency is most important: were there other bidders?

We need to have all the details of the sale on the public record.

Owen (organization from Nigeria w/ .org domain)

Not so familiar with governance issue, but did see email and worried about the sale. Instinct is this is not good.

I saw you gathering here and joined.

Is there no way to get the Internet Society and possibly a representative from Ethos Capital to have an open discussion about what is really going on?

Brett Solomon

Are there reps of Internet Society board here?

- Mike Godwin and Wald Al Saqaf

Are there any reps from Ethos Capital here?

- No answer

This is a core part of the problem. We need to hear directly from Ethos.

To the gentleman's point, this question is also about the gut test -- does this feel right? Not just a legal term. Conscious of the fact that there is an issue as the terms of business terms that cannot be disclosed during negotiations but what is being traded here is not a commodity. This is digital civic space where millions reside -- that is what is at stake -- I would like to put this on the public record.

Anyone from the Internet Society want to jump in?

I know everyone is still figuring out their official position so people can speak in a personal capacity.

This meeting is also an opportunity for those who support the sale to voice their opinion -- all opinions are respected.

Lawyer (name unknown)

How does the sale and the ownership structure impact the final user?

Brett Solomon

There is a registry agreement between ICANN and the public registry. At the moment ISOC is the sole owner of PIR -- if sale is confirmed, this will change.

The Internet Society has said on many occasions that they do not interfere with the public interest registry. But they could.

How can we be sure that this for profit entity is making decisions in the public interest? What happens when Ethos Capital sells to different Capital firm?

Milton Mueller (Internet Governance Project at Georgia Tech)

The shift from nonprofit PIR to for profit PIR could create pressure to raise prices. Protections are inadequate given shift.

Content neutrality of registry not adequately addressed by PIR contract

Naman Aggarwal (Access Now)

ISOC is here -- we should talk to them

Civil society needs a representative -- do we know any person from Ethos Capital to get on a phone call with them today?

Who is Ethos Capital and why are they not present - On the public record.

Walid Al Saqaf (ISOC Board)

Speaking as individual trustee on board

As trustees, we are concerned with the future of ISOC. We are trying to sustain ourselves. We are a not for profit, and this has been incompatible for us for a long time.

Any top level domain is actually a business and .org is not obliged to be a not for profit.

How many legitimate NGOs and nonprofits are registered on .org? Yes, there are several thousand, but we need to understand that Internet Society seeks to support the end user (the individual, not an organization, particularly in developing countries).

We are working very hard to become more sustainable.

We cannot survive on a business that we are forced to run.

I do not have business expertise -- therefore needed to sell to someone who does.

Need sustainability mechanism to protect our beneficiaries.

From a fiduciary point of view, we had to seize the opportunity to sell.

Brett Solomon

Their argument is that this is about financial sustainability and its capacity to be able to deliver its best products, which they say is not .org.

Mike Godwin (ISOC Board)

I am also an board member

ISOC has long advocated for transparency and accountability. How does this decision reflect these values?

Member of ISOC board of trustees -- just joined this year

Entire career has been working for .org organizations

I support those calling for transparency. If we are not being transparent, this is due to business negotiations. All the info you want about the transaction will eventually emerge.

Brett Solomon: Before or after sale?

Mike Godwin (ISOC): There is a conflict between operating business of .org and Internet Society operating in a sustainable way.

Internet as it goes forward will not be built around domain name system

Conflict between Internet Society role and having a profit/revenue model that is based on 1980 set of standards. This conflict seems unwise if you value larger principles of internet.

Brett Solomon

There is now an additional reason for concerns about potential conflict of interest.

Will .com change or disappear? I highly question that. Think it is here to stay for generations.

All NGOs here reside in .org space -- so exact number not important even if there are other non ngos in the space -- .org is where we all reside - every organization I know..

Member of ICANN Board

Notes ICANN only here to listen.

There is a process they need to adhere to (why cannot comment right now).

[community gathered exclaims “this is not fair” and asks “what is the process?”]

They can only listen to concerns, as they have a duty to ensure processes are followed.

Brett Solomon: Will the due diligence process happen before 30 days?

Member of ICANN Board: we will be asking the PIR questions soon

ICANN representative: 30 day time period spins -- not a single 30 days

Brett Solomon: Ok, this process is happening as we speak.

ICANN representative: Before we approve this change in control, the process starts. We will be reviewing this in the context of 7.5.

Brett Solomon: When will your documentation become available (question is directed to Mike)?

Mike Godwin: Let's assume ICANN approves the sale -- the value of the sale will be made public. If we turn out to be corrupt or evil, it will eventually emerge and we should take comfort in that. I support you demanding transparency and accountability.

Brett Solomon: So let's request that reps of the board go back to the full ISOC board to request the documentation.

Mike Godwin: I am confident there is consensus among board of trustees to reveal as much as they can as fast as they can.

On the public order - an immediate reveal of all documentation before the sale including board minutes.

Lynn St. Armour (former Internet Society president)

[Lynn responsible for Internet Society taking on management of .org.] [applause]

.org moved to PIR as for profit. After that, there was a case to made for nonprofit. But does that matter? The mission never changed. Within the internet circles, was a wild west. Internet Society thought they could make a positive contribution.

We need to stop and figure out what exact issues are people concerned about? If we just keep throwing more heat on this discussion, we will have more energy but no conclusions.

Brett Solomon: We're not throwing heat -- we're trying to understand the negotiations and to be fair many people are hearing about this for the first time.

Desiree Miloshevic (outgoing ISOC trustee who worked on original .org bid)

As one of outgoing trustees of Internet Society, she is wondering if Board has looked at any other financial mechanisms? Such as selling and leasing back to maintain the nonprofit status of .org.

Brett Solomon: Noted that we have a different model/framework proposal. Was there consideration of other models and is this process also transparent.

Speaker from South Africa (name unknown)

Are ISOC trustees getting a bonus from the deal?

Mike Godwin: board members are not paid -- we receive no money

Brett Solomom

Was there a bonus?

Is there a comission paid to anyone on the completion of the sale?

Speaker (name unknown)

When were the trustees informed of the deal?

Mike Godwin: The different proposals to purchase PIR came around July/August after Desiree departed. The deal was not in place yet but the process to sell it had begun.

Speaker (name unknown)

Can you elaborate on due diligence?

Mike Godwin: Sure. Certainly we considered different models; there were other options we could have considered.

Remember we have a fiduciary obligation.

Speaker (name unknown)

Circling back to Milton's point -- it is good to have concerns and we need a resolution about these concerns.

Brett Solomon: In terms of potential resolution -- any ideas?

Need to have more transparency, including from ICANN.

Member of ICANN Board: We have received no further info; we only know what is publicly available on the sale. We also don't know how much it sold for and we are waiting for more info, too.

Brett Solomon: Yes, the calculation would be around billions of dollars. It is important to explore questions further.

Peter Micek (Access Now): Once ICANN is notified, who can ask questions? Who gets to provide input? Just ICANN? Public at large?

Member of ICANN Board: The process is confidential and it is up to PIR to make it public.

Brett Solomon: Would ICANN be prepared to received input?

Member of ICANN Board: We receive inputs all the time

Brett Solomon: Thanks very much to everyone for participating.

So far we do not have sufficient assurance and are still looking for answers.

We will document this meeting and send out minutes.

Many more statements are coming out on the topic.

Thank you.