Comment re: ICANN Draft FY19 Operating Plan and Budget and Five-Year Operating Plan Update:

The crux of the problem:

1.

figure 1, source: ntldstats.com

News Review | **ICANN Copes With Failing New gTLDs' Impact On Income** | DomainMondo.com: "... it is now obvious to everyone (except 'deniers') that ICANN grossly mismanaged its ill-conceived and misbegotten expansion of gTLDs (from just 22 to over 1200). Among the multitude of mistakes, probably the most egregious were rejecting the advice of the Federal Trade Commission (FTC) (pdf) and U.S. Department of Justice Antitrust Division (pdf) with regard to competition, pricing power, and consumer (registrant) benefits and protections. The above referenced letter from the US DOJ Antitrust Division was attached to a letter to ICANN from NTIA in Dec 2008 (pdf)."

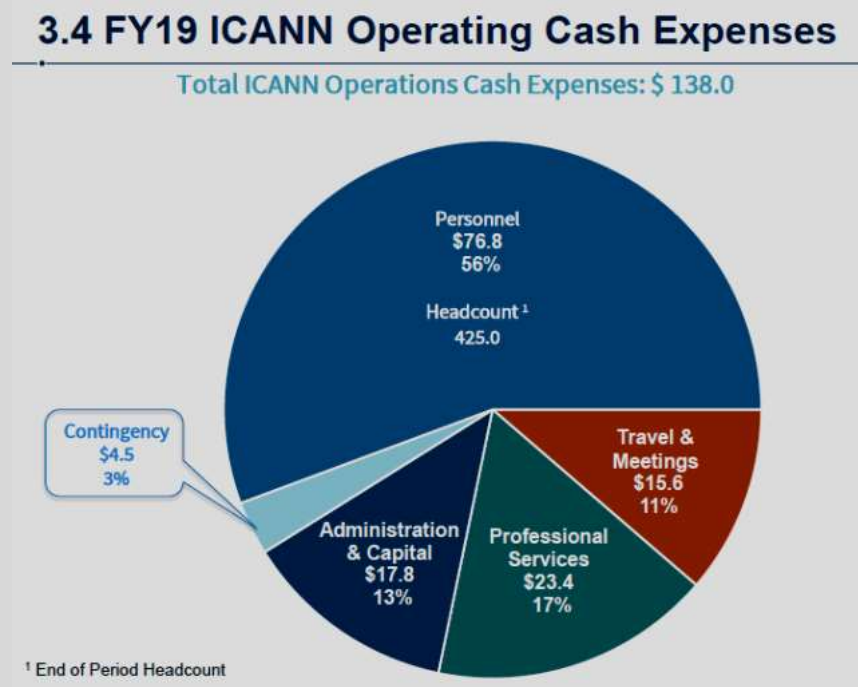2. ICANN's bloated budget, including over-paid, over-staffed personnel costs:

Figure 2, source: ICANN.org

3. ICANN's grotesque physical 'brick-and-mortar' footprint:

ICANN AROUND THE WORLD

Regional Offices:
Los Angeles, U.S.A (Headquarters)
Brussels, Belgium
Istanbul, Turkey
Montevideo, Uruguay
Singapore

Engagement Centers:
Beijing, China
Geneva, Switzerland
Nairobi, Kenya
Washington, D.C., U.S.A.

Partnership Centers:
Asunción, Paraguay
Cairo, Egypt
Seoul, Republic of Korea

For address and contact information, visit:
icann.org/contact

Figure 3, source: ICANN.org

Recommendations:

1. Acknowledge that ICANN--the ICANN Board of Directors, the ICANN organization, and the "ICANN community" dominated by special interests (lawyers, lobbyists, and contracted parties *i.e.,* registry operators and registrars)--made enormous and serious mistakes with its new gTLDs program. Not everybody, particularly consumers (registrants), "bought the hype" and "drank the Kool-Aid" nor is every corporation amenable to ICANN's **"extortion racket"** of .BRAND gTLDs *("apply to make your brand name (trademark) your very own 'gTLD'* (a corruption of the principles of RFC1591) *or we may give (sell) it to someone else")*. The narratives ICANN pushed in connection with the new gTLDs program have been proven false. Making matters worse, ICANN engaged in **consumer fraud** by essentially ignoring the known (since at least 2003) problems of **new gTLDs** "failing to work as expected on the internet"—ICANN's euphemistic term is "Universal Acceptance"—until after it collected the new gTLD application fees and began delegating the new gTLDs, without any warnings to consumers (registrants).

2. Reduce ICANN's headcount, and reduce salaries and benefits where appropriate. I have read most of the comments already submitted. Collectively they are a "cry" from the ICANN community that ICANN leadership stop cutting "around the edges" and address the "crux of the problem." The fact is ICANN doesn't need 425 overpaid personnel to carry out its core mission. Many knowledgeable ICANN staff members will privately acknowledge this, but they also know most personnel in ICANN management and staff positions, competent and incompetent, "can't afford to lose their jobs" as comparable pay and benefits elsewhere are not nearly as generous. As a result, ICANN keeps compounding the problem. Even worse, ICANN has not yet purged itself of the incompetent cronies of the former CEO who were hired or promoted into positions for which they are not qualified.

3. Related to recommendations 1 and 2 above, abolish the misnamed "Global Domains Division" (GDD), a legacy of 'grandiose thinking' by the former CEO, which he thought

necessary so he could justify spending his time and efforts elsewhere—Davos at the World Economic Forum, his top-down Netmundial Initiative (inappropriately funded by ICANN) which failed, and other ceaseless travel and dabbling in geo-politics, *etc.* Rename GDD to something like "Naming Services," and have it managed by a qualified, competent, and appropriately paid Sr.VP, with qualified, competent and appropriately paid staffing.

4. Also related to the above recommendations, examine and reduce the grotesque and excessive physical footprint of 'brick-and-mortar' ICANN offices all over the world (see figure 3 above). This again, is another unfortunate legacy of grandiose thinking (some have called it 'empire building') by the former CEO. **What does ICANN really need for its core mission?** A physical presence in Los Angeles (headquarters), Singapore, and Geneva, may be essential, but other than that, questionable. The Washington, D.C., office should be closed because ICANN is no longer a U.S. government contractor. Personnel there can be reassigned to Los Angeles, work remotely, or terminated. Likewise, the Istanbul office (an unfortunate choice for a "Hub" by the former CEO) should be closed and its operations combined with ICANN's location in Geneva. Remember, ICANN staff can work remotely all over the world via the internet. Where necessary or appropriate, physical offices or virtual office services for ICANN's remote workers, can sensibly and economically be arranged through independent firms who specialize in providing such spaces and services—one well-known firm (of many) offers 3000 locations in 900 cities in 120 countries. Lastly, make sure ICANN has an effective disaster recovery plan for essential services, when Los Angeles (headquarters) is hit by the next 'Big One' (major earthquake):

Figure 4, source: Signs of past California 'mega-quakes' show danger of the Big One on San Andreas fault | LATimes.com

Respectfully submitted,

John Poole, domain name registrant, and Editor, DomainMondo.com